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K.P.R. MILL LIMITED

Corporate Office : 1st Floor Srivari Shrimat, 1045, Avinashi Road, Coimbatore - 641018. India ☎ : 0422-2207777 Fax : 0422-2207778

09th December, 2016

The Listing Department,
BSE Ltd.
1st Floor, Rotunda Buildings,
Phiroze Jeejeebhoy Towers,
Mumbai - 400 001.

The Listing Department,
National Stock Exchange of India Ltd.,
Exchange Plaza, Plot: C/1, G Block,
Bandra-Kurla Complex, Bandra (E),
Mumbai - 400 051.

Dear Sir,

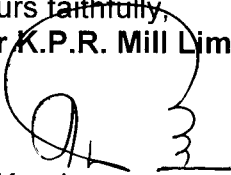
Sub: Buyback Public Announcement - Newspaper Advertisement

Ref: Scrip code: 532889/ KPR MILL

The Public Announcement issued by the Company this day in respect of its upcoming 'Buy back' is sent herewith for your reference and dissemination.

Thanking you.

Yours faithfully,
For K.P.R. Mill Limited



P. Kandaswamy
Company Secretary

Encl: As above

Note:

- 1) Based on Audited Standalone Financial Statements of the Company as at 31 March, 2016.
- 2) Free Reserves are as per Clause 43 of section 2 and explanation II to Section 68 of the Companies Act, 2013.
- c. The Board of Directors of the Company at their meeting held on 07 December, 2016 have formed their opinion as specified in Section 68(6) of the Act and in terms of Clause (xi) of Part A of Schedule II of the Buyback Regulations, on reasonable grounds, that the Company, having regard to its state of affairs, will not be rendered insolvent within a period on one year from the date of declaration adopted by the Board.
- d. Based on the representation made by the Company and other information and explanation given to us, which to the best of our knowledge and belief were necessary for this purpose, we are not aware of anything to indicate that the aforementioned opinion expressed by the directors is unreasonable in all the circumstances.
- e. The compliance with the provisions of the Act and Buyback Regulations is the responsibility of the Company's management. Our responsibility is to report on the amount of permissible capital for the Buyback and report that the audited accounts on the basis of which calculation with reference to Buyback is done and read the resolution of the Board of Directors for the meeting held on 07 December, 2016 referred to in paragraph (a) and (c) above.

This report is addressed to and provided to the Board of Directors of the Company pursuant to the requirements of the Buyback Regulations solely to enable the Board of Directors of the Company to include it in public announcement and letter of offer to be circularized to the shareholders and filed with various regulatory agencies and providing to parties including the Manager to the offer, in connection with Buyback of not exceeding 14,70,000 (Fourteen Lakh Seventy Thousand) equity shares, in pursuance of provisions of section 68, 69 and 70 of the Act, Buyback Regulations and should not be used for any other purpose or by any other person.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 008072S)

C. R. Rajagopal
Partner
(Membership No. 23418)

Place: Coimbatore

Date: December 7, 2016

7. PROCESS AND METHODOLOGY TO BE ADOPTED FOR BUYBACK

- 7.1 The Buyback is open to all Equity Shareholders/beneficial owners of the Company holding Shares either in physical and/or electronic form on the Record Date.
- 7.2 The Buyback shall be implemented using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and following the procedure prescribed in the Companies Act and the Buyback Regulations and as may be determined by the Board (including the committee authorized to complete the formalities of the Buyback) and on such terms and conditions as may be permitted by law from time to time.
- 7.3 [For implementation of the Buyback, the Company has appointed IDBI Capital Markets & Securities Limited as the registered broker to the Company (the "Company's Broker") through whom the purchases and settlements on account of the Buyback would be made by the Company. The contact details of the Company's Broker are as follows:

IDBI CAPITAL MARKETS & SECURITIES LIMITED
(Formerly known as IDBI Capital Market Services Limited)
3rd Floor, Mafatlal Centre, Nariman Point, Mumbai - 400021
Contact Person: Ms. Charushila Parkar
Tel No.: +91 (22) 4322 1212; **Fax No.:** +91 (22) 2285 0785;
Email: charushila.parkar@idbicapital.com
Website: www.idbicapital.com
SEBI Registration: INZ000007237

- 7.4 BSE Limited has been appointed the Designated Stock Exchange to provide the separate acquisition window to facilitate placing of sell orders by Shareholders who wish to tender Equity Shares in the Buyback.
- 7.5 During the tendering period, the order for selling the shares will be placed in the acquisition window by eligible sellers through their respective stock brokers during normal trading hours of the secondary market. The stockbrokers (each a "Shareholder Broker") can enter orders for demat shares as well as physical shares.
- 7.6 **Procedure to be followed by equity Shareholders holding Equity Shares in the dematerialized form:**
 - 7.6.1 Shareholders who desire to tender their Equity Shares in the electronic form under the Buyback would have to do so through their respective Shareholder Broker by indicating to the concerned Shareholder Broker, the details of Equity Shares they intend to tender under the Buyback.
 - 7.6.2 The Shareholder Broker would be required to place a bid on behalf of the Shareholders who wish to tender Equity Shares in the Buyback using the acquisition window of the Stock Exchange. Before placing the bid, the concerned Shareholder Broker would need to transfer the tendered Equity Shares to the special account of Clearing Corporation of India Limited ("Clearing Corporation"), by using the settlement number and the procedure prescribed by the Clearing Corporation. This shall be validated at the time of order/bid entry.
 - 7.6.3 The details of the settlement number for the Buyback shall be informed in the issue opening circular that will be issued by Designated Stock Exchange.
 - 7.6.4 For custodian participant orders for demat Equity Shares, early pay-in is mandatory prior to confirmation of order/bid by custodians. The custodian shall either confirm or reject the orders not later than the closing of trading hours on the last day of the tendering period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed custodian

participant orders, any order modification shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.

- 7.6.5 Upon placing the bid, the Shareholder Broker shall provide a Transaction Registration Slip ("TRS") generated by the exchange bidding system to the Shareholder on whose behalf the bid has been placed. TRS will contain details of order submitted like Bid ID No., Application No., DP ID, Client ID, No. of Equity Shares tendered etc.
- 7.7. **Procedure to be followed by equity Shareholders holding Equity Shares in the physical form:**
 - 7.7.1 Shareholders who are holding physical Equity Shares and intend to participate in the Buyback will be required to approach their respective Shareholder Broker along with the complete set of documents for verification procedures to be carried out before placement of the bid. Such documents will include the (i) original share certificate(s), (ii) valid share transfer form(s) duly filled and signed by the transferors (i.e. by all registered Shareholders in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favour of the Company, (iii) self-attested copy of PAN Card(s) of all holders, (iv) any other relevant documents such as power of attorney, corporate authorization (including board resolution/specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original Shareholder is deceased, etc., as applicable. In addition, if the address of the Shareholder has undergone a change from the address registered in the Register of Members of the Company, the Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar card, voter identity card or passport.
 - 7.7.2 Based on these documents, the concerned Shareholder Broker shall place a bid on behalf of the physical Equity Shareholders who wish to tender Equity Shares in the Buyback, using the acquisition window of BSE. Upon placing the bid, the Shareholder Broker shall provide a TRS generated by the exchange bidding system to the Shareholder. TRS will contain the details of order submitted like folio no., certificate no., distinctive no., no. of Equity Shares tendered etc.
 - 7.7.3 Any Shareholder Broker who places a bid for physical Equity Shares, is required to deliver the original share certificate(s) & documents (as mentioned in Paragraph 7.7.1 above) along with TRS either by registered post, speed post or courier or hand delivery to the Registrar to the Buyback offer (at the address mentioned at paragraph 11 below) not later than 2 (two) days from the offer closing date. The envelope should be superscribed as "K. P. R. Mill- Buyback Offer 2016". One copy of the TRS will be retained by Registrar to the Buyback offer and it will provide acknowledgement of the same to the Shareholder Broker.
 - 7.7.4 Shareholders holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the physical Equity Shares for Buyback by the Company shall be subject to verification as per the Buyback Regulations and any further directions issued in this regard. Registrar to the Buyback offer will verify such bids based on the documents submitted on a daily basis and till such verification, BSE shall display such bids as 'unconfirmed physical bids'. Once Registrar to the Buyback offer confirms the bids, they will be treated as 'confirmed bids'.
- 7.8 Modification/cancellation of orders will be allowed during the tendering period of the Buyback.
- 7.9 The cumulative quantity tendered shall be made available on www.bseindia.com throughout the trading session and will be updated at specific intervals during the tendering period.
- 8. **METHOD OF SETTLEMENT**
Upon finalization of the basis of acceptance as per Buyback Regulations:
 - 8.1. The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.
 - 8.2. The Company will pay the consideration to the Company's Broker on or before the pay-in date for settlement. For Equity Shares accepted under the Buyback, the Shareholder Broker will receive funds payout in their settlement bank account.
 - 8.3. The Equity Shares bought back in the demat form would be transferred directly to the escrow account of the Company (the "Demat Escrow Account") provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Demat Escrow Account on receipt of the Equity Shares from the clearing and settlement mechanism of the Stock Exchange.
 - 8.4 Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Shareholders would be returned to the respective Shareholder Broker by Clearing Corporation in payout. Any excess physical Equity Shares pursuant to proportionate acceptance/rejection will be returned to the concerned Shareholders directly by Registrar to the Buyback offer.
 - 8.5 Shareholder Broker will issue contract notes and pay the consideration for the Equity Shares accepted under the Buyback and return the balance unaccepted Equity Shares to their respective clients. Company Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buyback.
 - 8.6 Shareholders who intend to participate in the Buyback should consult their respective Shareholder Broker for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Shareholder Broker upon the selling Shareholders for tendering Equity Shares in the Buyback (secondary market transaction). The Buyback consideration received by the selling Shareholders from their respective Shareholder Broker, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling Shareholders.

The Equity Shares lying to the credit of the Demat Escrow Account and the Equity Shares bought back and accepted in physical form will be extinguished in the manner and following the procedure prescribed in the Buyback Regulations.

9. RECORD DATE AND SHAREHOLDER ENTITLEMENT

- 9.1 As required under the Buyback Regulations, the Company has fixed December 31, 2016 as the record date (the "Record Date") for the purpose of determining the entitlement and the names of the shareholders, who are eligible to participate in the Buyback. The Equity Shares proposed to be bought back by the Company, as part of this offer shall be divided in to two categories: (a) reserved category for Small Shareholders (A "Small Shareholder" is defined in the Buyback Regulations as a Shareholder, who holds equity shares having market value, on the basis of closing price of the Equity Shares on the recognized stock exchange registering the highest trading volume in respect of such shares, as on record date,

of not more than rupees two lakh) and (b) the general category for all other shareholders, and the entitlement of a shareholder in each category shall be calculated accordingly.

- 9.2 In accordance with Regulation 6 of the Buyback Regulations, 15% (fifteen per cent) of the number of Equity Shares which the Company proposes to Buyback, or number of shares entitled as per shareholding of Small Shareholders, whichever is higher, shall be reserved for the Small Shareholders as part of this Buyback.
- 9.3 Based on the holding on the Record Date, the Company will determine the entitlement of each shareholder to tender their Equity Shares in the Buyback. This entitlement for each shareholder will be calculated based on the number of Equity Shares held by the respective shareholder as on the Record Date and the ratio of Buyback applicable in the category to which such shareholder belongs.
- 9.4 After accepting the Equity Shares tendered on the basis of entitlement, the Equity Shares left to be bought back, if any, in one category shall first be accepted, in proportion to the Equity Shares tendered over and above their entitlement in the offer by shareholders in that category, and thereafter from shareholders who have tendered over and above their entitlement in other category.
- 9.5 The shareholders' participation in the Buyback will be voluntary. The shareholders can choose to participate and get cash in lieu of Equity Shares to be accepted under the Buyback or they may choose to not participate and enjoy a resultant increase in their percentage shareholding, post Buyback, without additional investment. The shareholders may also accept a part of their entitlement. The shareholders also have the option of tendering additional shares (over and above their entitlement) and participate in the shortfall created due to non-participation of some other shareholders, if any.
- 9.6 The maximum tender under the Buyback by any shareholder cannot exceed the number of Equity Shares held by the shareholder as on the Record Date.
- 9.7 The Equity Shares tendered as per the entitlement by shareholders as well as additional shares tendered, if any, will be accepted as per the procedure laid down in Buyback Regulations.
- 9.8 Detailed instructions for participation in the Buyback (tender of Equity Shares in the Buyback) as well as the relevant time table will be included in the Letter of Offer which will be sent in due course to the shareholders as on Record Date.
- 10. **COMPLIANCE OFFICER**
Mr. P. Kandaswamy, Company Secretary
K. P. R. Mill Limited
1st Floor, Srivari Shrimath, 1045, Avinashi Road, Coimbatore - 641 018, India;
Tel: 0422 2207777; Fax: 0422 2207778
Email: kandaswamy@kprmill.com
Investor may contact the Compliance Officer for any clarification or to address their grievances, if any, during office hours i.e. 10.00 a.m to 5.00 p.m on all working days except Saturday, Sunday and public holidays.
- 11. **INVESTOR SERVICE CENTRE**
In case of any query, the shareholders may contact the Registrar & Transfer Agent on any day except Saturday and Sunday and Public Holiday between 10.00 a.m to 5.00 p.m at the following address:

KARVY COMPUTERSHARE PRIVATE LIMITED
Karvy Selenium Tower B, Plot No 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032
Contact Person: Mr. M Muralikrishna
Tel.: +91 040 6716 2222; **Fax:** +91 040 2343 1551;
E-mail: kprmill.buybackoffer@karvy.com
Website: https://karisma.karvy.com
SEBI Registration No.: INR000000221
Validity Period: Permanent Registration



12. MANAGER TO THE BUYBACK

IDBI CAPITAL MARKETS & SECURITIES LIMITED
(Formerly known as IDBI Capital Market Services Limited)
3rd Floor, Mafatlal Centre, Nariman Point, Mumbai - 400021
Contact Person: Mr. Priyankar Shetty/Mr. Sumit Singh
Tel No.: +91 (22) 4322 1212; **Fax No.:** +91 (22) 2285 0785,
Email: kpr.buyback@idbicapital.com,
Website: www.idbicapital.com
SEBI Registration: INM000010866;
Validity Period: Permanent Registration
CIN: U65990MH1993GOI075578



13. DIRECTORS' RESPONSIBILITY

As per Regulation 19(1)(a) of the Buyback Regulations, the Board of Directors of the Company accept full and final responsibility for the information contained in this Public Announcement or any other advertisement, circular, brochure, publicity material which may be issued and confirm that the information on such documents contain true, factual and material information and shall not contain any misleading information.

For and on behalf of the Board of Directors of

K. P. R. Mill Limited

Sd/-
KPD Sigamani
Managing Director

Sd/-
P. Nataraj
Managing Director

Sd/-
P. Kandaswamy
Company Secretary

Place : Coimbatore
Date : December 8, 2016