



K.P.R. MILL LIMITED

CIN : L17111T2003PLC010518

Registered Office: No. 9, Gokul Buildings, A.K.S. Nagar, Thadagam Road, Coimbatore - 641 001, India
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PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF EQUITY SHAREHOLDERS/ BENEFICIAL OWNERS OF EQUITY SHARES OF K.P.R. MILL LIMITED FOR BUYBACK OF EQUITY SHARES THROUGH TENDER OFFER UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (BUY-BACK OF SECURITIES) REGULATIONS, 2018, AS AMENDED

This Public Announcement (the "Public Announcement") is being made pursuant to the provisions of Regulation 7(i) and other applicable provisions of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended (the "Buyback Regulations") for the time being in force including any statutory modifications and amendments from time to time and contains the disclosures as specified in Schedule II to the Buyback Regulations read with Schedule I of Buyback Regulations.

CASH OFFER FOR BUYBACK OF NOT EXCEEDING 22,36,000 (TWENTY TWO LAKH THIRTY SIX THOUSAND) FULLY PAID UP EQUITY SHARES OF FACE VALUE OF ₹ 1/- EACH AT A PRICE OF ₹ 805/- (RUPEES EIGHT HUNDRED FIVE ONLY) PER FULLY PAID UP EQUITY SHARE ON A PROPORTIONATE BASIS THROUGH THE TENDER OFFER ROUTE.

1. DETAILS OF THE BUY-BACK OFFER AND OFFER PRICE

1.1 The Board of Directors (the "Board") of K.P.R. Mill Limited (the "K.P.R. Mill / Company") at its meeting held on February 07, 2022 (the "Board Meeting"), has passed a resolution to approve buyback of Equity Shares of the Company not exceeding 22,36,000 (Twenty Two Lakh Thirty Six Thousand) fully paid-up Equity Shares of face value ₹ 1/- each ("Shares" or "Equity Shares") from all the existing shareholders / beneficial owners of Equity Shares (the "Equity Shareholders"/"Shareholders") of the Company as on February 19, 2022 (the "Record Date"), on a proportionate basis, through the "Tender Offer" route through the stock exchange mechanism in accordance with the provisions of the Companies Act, 2013 (the "Act"), the Companies (Share Capital and Debentures) Rules, 2014 (the "Share Capital Rules"), the Companies (Management and Administration) Rules, 2014 ("Management and Administration Rules"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI Listing Regulations") to the extent applicable, Buyback Regulations and SEBI Circulars the Securities and Exchange Board of India Circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015, Circular CFD/DCR/2/CIR/P/2016/131 dated December 9, 2016, circular bearing number SEBI/HO/CFD/DIL/1/CIR/P/2018/011 dated January 19, 2018 and SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021, including any amendments or statutory modifications for the time being in force, ("SEBI Circulars"), at a price of ₹ 805 (Rupees Eight Hundred Five only) per Equity Share (the "Buyback Offer Price") payable in cash, for an aggregate consideration not exceeding ₹ 1,79,99,80,000/- (Rupees One Hundred and Seventy Nine Crore Ninety Nine Lakh and Eighty Thousand only) (the "Buyback Offer Size") excluding transaction costs viz. brokerage, advisor's fees, intermediaries fees, public announcement publication fees, filing fees, turnover charges, applicable taxes, inter alia, including Buyback taxes, securities transaction tax, goods and services tax, stamp duty and other incidental and related expenses ("Buyback").

1.2 The Buyback is pursuant to Article 16 of the Articles of Association of the Company, and the provisions of Sections 68, 69, 70 and other applicable provisions, if any, of the Act, the relevant rules framed thereunder, including the Share Capital Rules, the Management and Administration Rules, SEBI Listing Regulations to the extent applicable, and the Buyback Regulations

1.3 The Buyback is further subject to approvals, permissions, sanctions and exemptions, as may be necessary, and subject to such conditions and modifications, if any, from time to time from statutory, regulatory or governmental authorities as required under applicable laws, including but not limited to SEBI and the stock exchanges where the Equity Shares of the Company are listed i.e. BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") (collectively, "Stock Exchanges").

1.4 The Buyback Offer Size represents 9.53% and 7.73% of the aggregate of the fully paid-up equity share capital and free reserves as per the audited standalone and consolidated financial statements of the Company, respectively for the financial year ended March 31, 2021 (the last audited standalone and consolidated financial statements available as on the date of the Board Meeting approving the Buyback) and is within the statutory limits of 10% of the aggregate of the fully paid-up equity share capital and free reserves under the Board of Directors approval route as per the provisions of the Companies Act. Further, since the Company proposes to buyback up to 22,36,000 (Twenty Two Lakh Thirty Six Thousand) Equity Shares representing 0.65% of the total number of Equity Shares in the total paid-up share capital of the Company, the same is within the 25% limit as per the provisions of the Companies Act.

1.5 The Equity Shares of the Company are proposed to be bought back at a price of ₹ 805/- (Rupees Eight Hundred Five only) per equity share (the "Buy-back Offer Price"). The Buy-back Offer Price has been arrived at after considering various factors such as the average closing prices of the Equity Shares of the Company on Stock Exchanges where the Equity Shares of the Company are listed, the net worth of the Company and the impact of the Buy-back on the key financial ratios of the Company. The Buy-back Offer price of ₹ 805/- (Rupees Eight Hundred Five only) per Equity Share represents (i) a premium of 54.44% on BSE and 50.65% on NSE over the volume weighted average price of the Equity Shares on BSE and NSE, respectively for 26 weeks preceding the Board Meeting date; (ii) a premium of 20.63% on BSE and 19.66% on NSE over the volume weighted average price of the Equity Shares on BSE and NSE, respectively for 2 weeks preceding the Board Meeting date; (iii) a premium of 25.67% on BSE and 26.09% on NSE over the closing price of the Equity Shares on BSE and NSE, respectively as on the date of intimation to BSE and NSE for the Board Meeting to consider the proposal of the Buyback i.e. January 27, 2022.

1.6 The Equity Shares are listed on the Stock Exchanges. The Equity Shares shall be bought back on a proportionate basis from all the equity shareholders of the Company as on the Record Date ("Eligible Shareholders") through the "Tender Offer" route, as prescribed under Regulation 4(iv)(a) of the Buyback Regulations, and subject to applicable laws and SEBI Circulars. Please refer to Paragraph 8 below for details regarding the Record Date and share entitlement for tender in the Buyback.

1.7 In terms of the Buyback Regulations, under Tender Offer route, promoters and promoter group have the option to participate in a buyback. Accordingly, promoters and promoter group of the Company have informed the Company regarding their intention to participate in the Buyback. The extent of their participation in the Buyback has been detailed in Paragraph 4.3 of this Public Announcement.

1.8 Participation in the Buyback by Eligible Shareholders may trigger capital gain taxation in India and in their country of residence. The transaction of Buyback would also be chargeable to securities transaction tax in India. In due course, Eligible Shareholders will receive a letter of offer, which will contain a more detailed note on taxation. However, in view of the particularized nature of tax consequences, the Eligible Shareholders are advised to consult their own legal, financial and tax advisors prior to participating in the Buyback.

1.9 A copy of this Public Announcement is available on the Company's website (www.kprmillimited.com) and is expected to be available on the website of SEBI (www.sebi.gov.in) during the period of the Buyback and on the website of Stock Exchanges (www.bseindia.com) and (www.nseindia.com).

2. NECESSITY FOR BUYBACK

Buy-back is the acquisition by a company of its own shares. Buy-back is an efficient form of returning surplus cash to the members holding equity shares of the Company, inter-alia, for the following reasons:

- The Buy-back will help the Company to return surplus cash to its members holding equity shares broadly in proportion to their shareholding, thereby, enhancing the overall return to members;
- The Buy-back, which is being implemented through the Tender Offer route as prescribed under the Buyback Regulations, would involve allocation of higher number of shares as per their entitlement or 15% of the number of shares to be bought back, reserved for the small shareholders. The Company believes that this reservation of 15% for small shareholders would benefit a large number of public shareholders, who would get classified as "small shareholder";
- The Buy-back would help in improving return on equity, by reduction in the equity base, thereby leading to long term increase in shareholders' value;
- The Buy-back gives an option to the members holding equity shares of the Company, who can choose to participate and get cash in lieu of Equity Shares to be accepted under the Buy-back offer or they may choose to not participate and enjoy a resultant increase in their percentage shareholding, post the Buy-back offer, without additional investment; and
- Optimizes the Capital Structure.

After considering several factors and benefits to the shareholders holding Equity Shares of the Company, the Board decided to recommend Buy-back not exceeding 22,36,000 (Twenty Two Lakh Thirty Six Thousand) fully paid up Equity Shares representing 0.65% of the total paid-up equity capital of the Company at a price of ₹ 805/- (Rupees Eight Hundred Five only) per Equity Share, payable in cash, for an aggregate maximum amount not exceeding ₹ 1,79,99,80,000 (Rupees One Hundred and Seventy Nine Crore Ninety Nine Lakh and Eighty Thousand only) excluding filing fees payable to the Securities and Exchange Board of India, advisors fees, public announcement publication expenses, printing and dispatch expenses, taxes inter alia including buy-back taxes, securities transaction tax, goods and services tax, stamp duty and other incidental and related expenses, which represents 9.53% and 7.73% of the aggregate of the Company's fully paid-up equity share capital and free reserves as per the audited standalone and consolidated financial statements of the Company respectively for the financial year ended March 31, 2021.

3. Maximum amount required under the Buyback, its percentage of the total paid up capital and free reserves and the sources of funds from which the Buyback would be financed

The maximum amount required under the Buyback will not be exceeding ₹ 1,79,99,80,000 (Rupees One Hundred and Seventy Nine Crore Ninety Nine Lakh and Eighty Thousand only), (excluding transaction cost) which is not exceeding 10.00% of the aggregate of the fully paid-up equity share capital and free reserves of the Company as per the audited standalone and consolidated financial statements of the Company for the financial year ended March 31, 2021. The Buyback would be financed out of free reserves of the Company as per the audited standalone and consolidated financial statements of the company as on March 31, 2021. The funds for the implementation of the proposed Buyback will be sourced out of the free reserves of the Company and/or such other sources as may be permitted by law. The Company shall transfer from its free reserves and/or such other sources as may be permitted by law, a sum equal to the nominal value of the Equity Shares bought back through the Buyback to the Capital Redemption Reserve Account and the details of such transfer shall be disclosed in its subsequent audited balance sheet. The funds borrowed from banks and financial institutions, if any, will not be used for the Buyback.

The Company confirms that as required under Section 68(2)(d) of the Companies Act, the ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid-up capital and free reserves after the Buyback.

4. DETAILS OF SHAREHOLDING OF PROMOTERS AND PROMOTER GROUP, DIRECTORS OF THE PROMOTERS AND PROMOTER GROUP COMPANIES OF THE COMPANY AND DIRECTORS AND KEY MANAGERIAL PERSONNEL OF THE COMPANY

4.1 The aggregate shareholding of the promoters and promoter group of the Company ("Promoters and Promoter Group"), the directors of the Promoters and Promoter Group companies holding Equity Shares and of persons who are in control of the Company and aggregate shareholding of the Directors and Key Managerial Personnels, as on the date of the Board Meeting i.e. Monday, February 07, 2022 is given below: a. Shareholding forming part of the Promoter and Promoter Group and person in control

Sr. No.	Name of Shareholder	No. of Equity Shares held	No. of Equity Shares held in dematerialized form	Percentage of issued Equity Share capital
Individuals				
1.	Sri. K. P. Ramasamy	7,16,21,810	7,16,21,810	20.82
2.	Sri. KPD Sigamani	7,43,56,810	7,43,56,810	21.61
3.	Sri. P. Nataraj	7,43,56,810	7,43,56,810	21.61
4.	Smt N. Jayanthi	84,89,050	84,89,050	2.47
5.	Smt K. R. Parvathi	84,82,465	84,82,465	2.46
6.	Smt D. Radhamani	84,89,050	84,89,050	2.47
7.	Sri C. R. Anandakrishnan	6,950	6,950	Negligible
8.	Smt. Uma Sekar	13,67,950	13,67,950	0.40
9.	Smt. Kalpana Anand	13,67,500	13,67,500	0.40
Corporate				
10.	K.P.R. Developers Limited	85,27,310	85,27,310	2.48
Total		25,70,65,705	25,70,65,705	74.72

b. Shareholding of directors of the Promoters and Promoter Group entity (i.e. K.P.R. Developers Limited) in the Company:

Sr. No.	Name	Designation	No. of Equity Shares held	Percentage of issued Equity Share capital
1.	Sri KPD Sigamani	Director	7,43,56,810	21.61
2.	Sri P. Nataraj	Director	7,43,56,810	21.61
3.	Sri. K. P. Ramasamy	Director	7,16,21,810	20.82
Total			22,03,35,430	64.04

c. Shareholding of the Directors and Key Managerial Personnel's:

Sr. No.	Name	Designation	No. of Equity Shares held	Percentage of issued Equity Share capital
1.	Sri. K. P. Ramasamy	Chairman & Whole Time Director	7,16,21,810	20.82
2.	Sri. KPD Sigamani	Managing Director	7,43,56,810	21.61
3.	Sri. P. Nataraj	Managing Director	7,43,56,810	21.61
4.	Sri C. R. Anandakrishnan	Whole Time Director	6,950	Negligible
Total			22,03,42,380	64.04

4.2 Except as mentioned below, no Equity Shares or other specified securities in the Company were either purchased or sold by person referred to in paragraph 4.1 above during a period of six months preceding the date of the Board Meeting i.e. February 07, 2022 at which the Buyback was approved:

Name of the Promoter or Promoter Group	Date of Transaction	Aggregate number of Equity Shares purchased or sold	Nature of Transaction	Maximum Price	Date of Maximum Price	Minimum Price	Date of Minimum Price
K.P. Ramasamy	January 21, 2022	-27,35,000*	Inter-se transfer	N.A.	N.A.	N.A.	N.A.

*Inter-se gift transfer of 13,67,500 equity shares each to daughters Mrs. Uma Sekar and Mrs. Kalpana Anand, respectively.

Kalpana Anand	January 21, 2022	13,67,500*	Inter-se transfer	N.A.	N.A.	N.A.	N.A.
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*Inter-se gift transfer of 13,67,500 equity shares from her father K. P. Ramasamy

Uma Sekar	December 21, 2021	75	Purchase of shares	616.45**	December 21, 2021	584.90**	December 21, 2021
	January 21, 2022	13,67,500*	Inter-se transfer	N.A.	N.A.	N.A.	N.A.

*Inter-se gift transfer of 13,67,500 equity shares from her father K.P. Ramasamy
**As the transaction was executed on the Stock Exchanges, the Shares were purchased at different prices. The maximum price and minimum price for the transaction are disclosed.

4.3 In terms of the Buyback Regulations, under the Tender Offer route, the Promoters and Promoter group of the Company have an option to participate in the Buyback. In this regard, certain members of the Promoters and Promoter Group of the Company have expressed their intention, vide their letters, each dated February 07, 2022 to participate in the Buyback and tender up to an aggregate maximum of 6,42,64,692 (Six Crore Fourty Two Lakh Sixty Four Thousand Six Hundred Ninety Two only) Equity Shares as detailed below or such lower number of Equity Shares in accordance with the Buyback Regulations in the following manner:

S. No.	Name of shareholder	Maximum No. of Equity Shares intended to tender
1.	Sri. K. P. Ramasamy	1,79,05,453
2.	Sri. KPD Sigamani	1,85,89,203
3.	Sri. P. Nataraj	1,85,89,203
4.	M/s K.P.R. Developers Limited	21,31,828
5.	Smt N. Jayanthi	21,22,263
6.	Smt K. R. Parvathi	21,20,616
7.	Smt D. Radhamani	21,22,263
8.	Smt. Uma Sekar	3,41,988
9.	Smt. Kalpana Anand	3,41,875
TOTAL		6,42,64,692

4.4 Since the entire shareholding of the Promoters & Promoter Group participating in the Buyback is in demat mode, the details of the date and price of acquisition/sale of entire Equity Shares that the said Promoters & Promoter Group have acquired/sold till date as per the information provided by Promoters & Promoter Group, each vide their letters, dated February 07, 2022.

(i) KPD Sigamani

Date of Transaction	No. of Equity Shares	Acquisition/ Sale Consideration (₹)	Nature of Transaction/Consideration
March 19, 2003	360 ⁽ⁱ⁾	36,000	Allotment pursuant to subscription to Memorandum and Articles of Association
March 31, 2005	37,933 ⁽ⁱⁱ⁾	94,83,250	Further allotment to the promoters
February 15, 2006	72,651	Nil	Consideration for purchase of Business of K.P.R. Knits
February 15, 2006	-48,434	57,92,706	Transfer to Mr. K.P. Ramasamy & Mr. P. Nataraj
October 06, 2006	37,87,337	Nil	Allotment pursuant to Merger ⁽ⁱⁱ⁾
November 14, 2006	-2,21,486	13,28,18,510	Transfer to private equity investors
March 1, 2007	39,72,998	Nil	Bonus Issue
November 16, 2008	10,000	4,72,238	Purchase in open market
November 20, 2008	20,000	9,84,665	Purchase in open market
September 17, 2009	50,000	39,39,990	Purchase in open market
October 16, 2009	10,117	8,02,115	Purchase in open market
October 17, 2009	32,088	25,46,478	Purchase in open market
June 04, 2010	858	1,26,574	Purchase in open market
July 06, 2012	29,000	28,83,944	Purchase in open market
July 09, 2012	29,300	29,13,778	Purchase in open market
February 20, 2013	1,275	1,57,356	Purchase in open market

Pursuant to resolution passed by members through Postal ballot including E-voting process declared on November 15, 2016, sub division One Equity Share of ₹ 10/- each in the Company to Two Equity Shares of ₹ 5/- each.

Date of Transaction	No. of Equity Shares	Acquisition/ Sale Consideration (₹)	Nature of Transaction/Consideration
February 13, 2017	-3,04,149	20,07,38,340	Sold in buyback of shares of the Company
April 03, 2017	-3,119 ^(iv)	19,59,920 ^(v)	Sold in open market
April 06, 2018	-2,69,859	21,85,85,790	Sold in buyback of shares of the Company
June 05, 2018	-10,000 ^(vi)	56,62,967 ^(vii)	Sold in open market
November 15, 2019	-7,98,779	56,07,42,858	Sold in buyback of shares of the Company
Total Current Holding	7,43,56,810		

⁽ⁱ⁾ On December 23, 2005, one Equity Share of the Company of ₹ 100 sub-divided into ₹10 Equity Shares of ₹ 10 each

⁽ⁱⁱ⁾ Allotment pursuant to a scheme of arrangement approved by the High Court of Judicature at Madras in relation to the merger of K.P.R. Mill Private Limited and K.P.R. Spinning Mill Private Limited with and into the Company

⁽ⁱⁱⁱ⁾ Net of brokerage charges

^(iv) To comply with buyback regulations

(ii) P. Nataraj

Date of Transaction	No. of Equity Shares	Acquisition/ Sale Consideration (₹)	Nature of Transaction/Consideration
March 19, 2003	360 ⁽ⁱ⁾	36,000	Allotment pursuant to subscription to Memorandum and Articles of Association
March 31, 2005	37,933 ⁽ⁱⁱ⁾	94,83,250	Further allotment to the promoters
February 15, 2006	24,217	28,96,353	Transfer from Mr. KPD Sigamani
October 06, 2006	38,26,987	Nil	Allotment pursuant to Merger ⁽ⁱⁱ⁾
November 14, 2006	-2,61,589	15,68,67,076	Transfer to private equity investors
March 1, 2007	39,72,545	Nil	Bonus Issue
November 16, 2008	8,973	4,23,740	Purchase in open market
November 20, 2008	32,870	16,18,297	Purchase in open market
September 22, 2009	50,000	39,39,088	Purchase in open market
September 25, 2009	3,157	2,46,339	Purchase in open market
October 14, 2009	27,205	30,98,326	Purchase in open market
June 04, 2010	863	1,27,314	Purchase in open market
July 06, 2012	29,000	28,55,818	Purchase in open market
July 09, 2012	29,300	28,76,309	Purchase in open market
February 20, 2013	1,275	1,57,356	Purchase in open market

Pursuant to resolution passed by members through Postal ballot including E-voting process declared on November 15, 2016, sub division One Equity Share of ₹ 10/- each in the Company to Two Equity Shares of ₹ 5/- each.

Date of Transaction	No. of Equity Shares	Acquisition/ Sale Consideration (₹)	Nature of Transaction/Consideration
February 13, 2017	-3,04,115	20,07,15,900	Sold in buyback of shares of the Company
April 03, 2017	-1,351 ^(iv)	8,48,980 ^(v)	Sold in open market
April 06, 2018	-2,69,859	21,85,85,790	Sold in buyback of shares of the Company
June 05, 2018	-10,000 ^(vi)	56,62,262 ^(vii)	Sold in open market
November 15, 2019	-7,98,779	56,07,42,858	Sold in buyback of shares of the Company
Total Current Holding	7,43,56,810		

Pursuant to resolution approved by members through Annual General Meeting held on September 09, 2021, Sub division of One Equity Share of ₹ 5/- each in the Company to Five Equity Shares of ₹ 1/- each.

⁽ⁱ⁾ On December 23, 2005, one Equity Share of the Company of ₹ 100 sub-divided into 10 Equity Shares of ₹ 10 each

⁽ⁱⁱ⁾ Allotment pursuant to a scheme of arrangement approved by the High Court of Judicature at Madras in relation to the merger of K.P.R. Mill Private Limited and K.P.R. Spinning Mill Private Limited with and into the Company

⁽ⁱⁱⁱ⁾ Net of brokerage charges

^(iv) To comply with buyback regulations

(iii) K. P. Ramasamy

Date of Transaction	No. of Equity Shares	Acquisition/ Sale Consideration (₹)	Nature of Transaction/Consideration
March 19, 2003	360 ⁽ⁱ⁾	36,000	Allotment pursuant to subscription to Memorandum and Articles of Association
March 31, 2005	37,934 ⁽ⁱⁱ⁾	94,83,500	Further allotment to the promoters
February 15, 2006	24,217	28,96,353	Transfer from Mr. KPD Sigamani
October 06, 2006	38,29,000	Nil	Allotment pursuant to Merger ⁽ⁱⁱ⁾
November 14, 2006	-2,63,635	15,80,94,000	Transfer to private equity investors
March 01, 2007	39,72,522	Nil	Bonus Issue
November 16, 2008	10,000	4,72,238	Purchase in open market
November 20, 2008	20,000	9,84,665	Purchase in open market
September 17, 2009	52,350	39,35,055	Purchase in open market
October 14, 2009	39,855	33,54,090	Purchase in open market
June 06, 2010	860	1,26,871	Purchase in open market
July 06, 2012	30,000	29,23,120	Purchase in open market
July 09, 2012	28,300	28,14,332	Purchase in open market
February 20, 2013	1,275	1,57,676	Purchase in open market

Pursuant to resolution passed by members through Postal ballot including E-voting process declared on November 15, 2016, sub division One Equity Share of ₹ 10/- each in the Company to Two Equity Shares of ₹ 5/- each.

Date of Transaction	No. of Equity Shares	Acquisition/ Sale Consideration (₹)	Nature of Transaction/Consideration
February 13, 2017	-3,04,114	20,07,15,240	Sold in buyback of shares of the Company
April 03, 2017	-1,254 ^(iv)	7,87,976 ^(v)	Sold in open market
April 06, 2018	-2,69,859	21,85,85,790	Sold in buyback of shares of the Company
June 05, 2018	-10,000 ^(vi)	56,62,967 ^(vii)	Sold in open market
November 15, 2019	-7,98,779	56,07,42,858	Sold in buyback of shares of the Company

Pursuant to resolution approved by members through Annual General Meeting held on September 09, 2021, Sub division of One Equity Share of ₹ 5/- each in the Company to Five Equity Shares of ₹ 1/- each.

January 21, 2022	-27,35,000	NA	Inter-se gift transfer of shares from Mr. K.P. Ramasamy to daughters Mrs. Uma Sekar & Mrs Kalpana
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Immediately following the date of the Board meeting, there will be no grounds on which the Company could be found unable to pay its debts;

b) As regards the Company's prospects for the year immediately following the date of the Board meeting, and having regard to the Board's intention with respect to the management of Company's business during that year and to the amount and character of the financial resources which will be in the Board's view be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from that date of Board Meeting; and

c) In forming an opinion as aforesaid, the Board has taken into account the liabilities, as if the Company was being wound up under the provisions of the Companies Act, 1956 or Companies Act, 2013 or Insolvency and Bankruptcy Code 2016 as the case may be, including prospective and contingent liabilities.

7. REPORT BY THE COMPANY'S STATUTORY AUDITOR

The text of the report dated February 07, 2022 received from B S R & Co. LLP, Chartered Accountants, the Statutory Auditors of the Company addressed to the Board of Directors of the Company is reproduced below:

Quote

To,
**The Board of Directors,
K.P.R. Mill Limited**
No.9, Gokul Buildings, 1st Floor,
A.K.S Nagar, Thadagam Road, Coimbatore – 641 001

February 07, 2022

Dear Sirs / Madam,

Subject: Independent Auditor's report in respect of proposed buyback of equity shares by K.P.R. Mill Limited as per the Companies Act, 2013 (the "Act"), as amended and Clause (x) of Schedule I to the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018, as amended

1. This Report is issued in accordance with the terms of our engagement letter dated January 27, 2022. The Board of Directors of K.P.R. Mill Limited ("the Company") has approved a proposed buy-back of Equity Shares by the Company at its meeting held on February 07, 2022, in pursuance of the provisions of Section 68, 69 and 70 of the Companies Act, 2013 ("the Act") read with the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018, as amended ("SEBI Buy-back Regulations").

2. The accompanying Statement of permissible capital payment (including premium) (Annexure A) as at March 31, 2021 (hereinafter referred to as the "Statement") is prepared by the Management of the Company, which we have initiated for identification purposes only.

Management's Responsibility for the Statement

3. The preparation of the Statement in accordance with Section 68(2) of the Act and ensuring compliance with Section 68, 69 and 70 of the Act and SEBI Buy-back Regulations, is the responsibility of the Management of the Company, including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

Auditor's Responsibility

4. Pursuant to the requirements of the SEBI Buy-back Regulations, it is our responsibility to provide a reasonable assurance whether:

(i) we have inquired into the state of affairs of the Company in relation to the audited standalone financial statements of the Company for the year ended March 31, 2021;

(ii) the amount of the permissible capital payment (including premium) as stated in Annexure A for the proposed buy-back of equity shares is properly determined considering the audited standalone financial statements in accordance with Section 68(2) of the Act and SEBI Buy-back Regulations, as applicable; and

(iii) the Board of Directors of the Company in their meeting dated February 07, 2022, have formed the opinion as specified in clause (x) of Schedule I to the SEBI Buy-back Regulations, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the date of passing the board resolution dated February 07, 2022.

5. Our engagement involves performing procedures to obtain sufficient appropriate evidence on the above reporting. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated with the above reporting. Within the scope of our work, we performed the following procedures:

i) Examined that the amount of permissible capital payment (including premium) for the buy back as detailed in Annexure A is in accordance with the provisions of Section 68(2) of the Act;

ii) Examined authorization for buyback from the Articles of Association of the Company;

iii) Inquired into the state of affairs of the Company with reference to the audited standalone financial statements for the year ended March 31, 2021;

iv) Verified the arithmetical accuracy of the amounts mentioned in Annexure A;

v) Examined the Board of Directors' declarations for the purpose of buyback and solvency of the Company; and

vi) Obtained appropriate representations from the Management of the Company.

6. The audited standalone financial statements referred to in paragraph 4 above and the audited consolidated financial statements referred to in Annexure A, which we have considered for the purpose of this report, have been audited by us, on which we have issued an unmodified audit opinion vide our report dated April 28, 2021. Our audits of these financial statements were conducted in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

7. We conducted our examination of the Statement in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services engagements.

9. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

Opinion

10. Based on our performance of the aforesaid procedures, we report that:

(i) we have inquired into the state of affairs of the Company with reference to its audited standalone financial statements as at and for the year ended March 31, 2021;

(ii) the Board has proposed to buyback the Company's equity shares up to an aggregate amount not exceeding INR 18,882 lakhs ("Buyback Offer Size") at a price not exceeding INR 805/- per equity share ("Buyback Offer Price"). The amount of permissible capital payments (including premium) towards the proposed buyback of equity shares as computed in Annexure A, has been properly determined in accordance with Section 68 (2) of the Act; and

(iii) the Board of Directors of the Company in their meeting held on February 07, 2022 have formed their opinion, as specified in clause (x) of Schedule I to the SEBI Buyback Regulations, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the date of passing of the board meeting resolution dated February 07, 2022.

11. Based on the representations made by the Management, and other information and explanations 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 opinion expressed by the Directors in the declaration as to any of the matters mentioned in the declaration is unreasonable in circumstances as at the date of declaration.

Restriction on Use

12. This report has been issued at the request of the Company solely for use of the Company in relation to the proposed buyback in accordance with the provisions of the Act and SEBI Buy-back Regulations (i) to enable the Board of Directors of the Company to include in the public announcement, draft letter of offer, letter of offer and other documents pertaining to buy-back to be sent to the shareholders of the Company or filed with (a) the Registrar of Companies, Securities and Exchange Board of India, stock exchanges, public shareholders and any other regulatory authority as per applicable laws and (b) the Central Depository Services (India) Limited, National Securities Depository Limited and (ii) for providing to the manager, each for the purpose of extinguishment of equity shares and may not be suitable for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.: 101248W/100022

K.Sudhakar

Partner

Membership No.: 214150

UDIN:2214150AASWOK9711

Place: Chennai

Date: February 07, 2022

Annexure A – Statement of permissible capital payment (including premium)

Computation of amount of permissible capital payment (including premium) towards buyback of equity shares of K.P.R. Mill Limited in accordance with proviso to Section 68(2) of the Companies Act, 2013 (the "Act") and Regulation 4(i) and proviso to Regulation 5(i)(b) of the SEBI Buyback Regulations ("the Statement"):

Particulars	Amount in INR lakhs as at March 31, 2021	
	Standalone*	Consolidated*
Paid up equity share capital (344,050,000 Equity Shares of INR 1 each, fully paid up) ^ [A]	3,441	3,441
Free reserves #:		
-Securities premium account	15,233	19,096
-General reserve	24,716	24,845
-Retained earnings	145,437	185,515
Total free reserves [B]	185,386	229,456
Total [A + B]	188,827	232,897
Maximum amount permissible for buyback as per the Act and SEBI Buy-back Regulations (i.e.10% of aggregate of fully paid up equity share capital and free reserves as per audited standalone financial statements as of and for the year ended March 31, 2021).		18,882
Amount proposed by Board resolution dated February 07, 2022, approving the buyback		18,000

*The amounts have been extracted from the audited standalone financial statements of the Company as at and for the year ended March 31, 2021 which has been approved by the Board of Directors in their meeting held on April 28, 2021.

^ Pursuant to the approval of the shareholders at the Annual General Meeting of the Company held on September 09, 2021, one equity share of INR 5 each fully paid up was sub-divided into five equity shares of INR 1 each fully paid up, with effect from the record date, i.e., September 27, 2021. Consequently to the above, 68,810,000 equity shares of INR 5 each fully paid up were sub-divided into 344,050,000 equity shares of INR 1 each fully paid up.

#Free reserves as per sub clause 43 of Section 2 and explanation II to Section 68 of the Act.

§These balances have been extracted from the audited consolidated financial statements of the Company as at and for the year ended March 31, 2021 which has been approved by the Board of Directors in their meeting held on April 28, 2021. These balances have been disclosed in the table above for information purpose only and not used as the basis for computation of maximum amount permissible for buyback as per the Act and SEBI Buy-back Regulations.

For K.P.R. Mill Limited

SD/-

P Nataraj

Chief Executive Officer & Managing Director

Place: Coimbatore

Date: February 07, 2022

Unquote

8. RECORD DATE AND SHAREHOLDER ENTITLEMENT

8.1 As required under the Buyback Regulations, the Company has fixed Saturday, February 19, 2022 as the record date (the "Record Date") for the purpose of determining the entitlement and the names of the shareholders, who will be eligible to participate in the Buyback.

8.2 The Equity Shares proposed to be bought back by the Company, as part of this Buyback 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 ₹ 2,00,000 (Rupees Two Lakh Only)) and

(b) the general category for all other shareholders, and the entitlement of a shareholder in each category shall be calculated accordingly.

8.3 In accordance with Regulation 6 of the Buyback Regulations, 15% (fifteen per cent) of the number of Equity Shares which the Company proposes to buy back, 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.

8.4 On the basis of shareholding as 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. The final number of Equity Shares that the Company will purchase from each Eligible Shareholder will be based on the number of Equity Shares tendered. Accordingly, the Company may not purchase all of the Equity Shares tendered by an Eligible Shareholder.

8.5 In accordance with Regulation 9(x) of the Buyback Regulations, in order to ensure that the same Eligible Shareholder with multiple demat accounts/folios do not receive a higher entitlement under the Small Shareholder category, the Equity Shares held by such Eligible Shareholder with a common PAN shall be clubbed together for determining the category (Small Shareholder or General Category) and the buyback entitlement. In case of joint shareholding, the Equity Shares held in cases where the sequence of the PANs of the joint shareholders is identical shall be clubbed together. In case of Eligible Shareholders holding Physical Shares, where the sequence of PANs is identical and where the PANs of all joint shareholders are not available, the Registrar to the Buyback will check the sequence of the names of the joint holders and club together the Equity Shares held in such cases where the sequence of the PANs and name of joint shareholders are identical. The shareholding of institutional investors like mutual funds, insurance companies, foreign institutional investors/foreign portfolio investors etc. with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these Equity Shares are held for different schemes/sub-accounts and have a different demat account nomenclature based on information prepared by the Registrar to the Buyback as per the shareholder records received from the Depositories. Further, the Equity Shares held under the category of "clearing members" or "corporate body margin account" or "corporate body - broker" as per the beneficial position data as on Record Date with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these Equity Shares are assumed to be held on behalf of clients.

8.6 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.

8.7 The Eligible Shareholders' participation in the Buyback will be voluntary. The Eligible 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 Eligible Shareholders may also accept a part of their entitlement. The Eligible 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 Eligible Shareholders, if at all. If the buyback entitlement for any shareholder is not a round number, then the fractional entitlement shall be ignored for computation of entitlement to tender Equity Shares in the buyback.

8.8 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. In case the Eligible Shareholder holds Equity Shares through multiple demat accounts, the tender through a demat account cannot exceed the number of Equity Shares held in that demat account.

8.9 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. The settlement of the tenders under the Buyback will be done using the "Mechanism for acquisition of shares through Stock Exchange" notified under the SEBI Circulars. Eligible Shareholders will receive a letter of offer along with a tender/offer form indicating their respective entitlement for participating in the Buyback. Even if Eligible Shareholder does not receive the Letter of Offer along with a Tender/Offer Form, the Eligible Shareholder may participate and tender shares in the Buy-back.

8.10 The Buy-back from non-resident members, Overseas Corporate Bodies (OCBs) and Foreign Institutional Investors (FIIs), Foreign Portfolio Investors (FPIs) and members of foreign nationality, if any, etc. shall be subject to such approvals as may be required including approvals from the Reserve Bank of India under the Foreign Exchange Management Act, 1999 and the rules, regulations framed there under, if any.


8.11 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 Eligible Shareholders as on the Record Date.

9. PROCESS AND METHODOLOGY TO BE ADOPTED FOR THE BUYBACK

9.1 The Buyback is open to all Eligible Shareholders of the Company holding Shares either in physical form ("Physical Shares") or in the dematerialized form ("Demat Shares") as on the Record Date as per the records made available to the Company by the Depositories/Registrar.

9.2 The Buyback shall be implemented by the Company using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI and in accordance with 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, the "Buyback Committee") and on such terms and conditions as may be permitted by law from time to time.

9.3 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
IDBI Capital Markets & Securities Limited
6th Floor, IDBI Tower, WTC Complex, Cuffe Parade, Mumbai - 400005
Contact Person: Charushila Parkar
Tel No.: +91 22 2217 1700 | Fax No.:+91 22 2215 1787;
Email: charushila.parkar@idbicapital.com | Website: www.idbicapital.com
SEBI Registration Number: INZ000007237
Corporate Identity Number: U65990MH1993GOI075578

9.4 The Company will request BSE to provide a separate acquisition window to facilitate placing of sell orders by eligible Equity Shareholders who wish to tender Equity Shares in the Buyback. For the purpose of this Buyback, BSE would be the designated stock exchange ("Designated Stock Exchange"). The details of the platform will be as specified by BSE from time to time. In the event Shareholder Broker(s) of Eligible Shareholder is not registered with BSE, then the Eligible Shareholders can approach any BSE registered stock broker and can register themselves by using quick unique client code ("UCC") facility through the BSE registered stock broker (after submitting all details as may be required by such BSE registered stock broker in compliance with applicable law). In case the Eligible Shareholders are unable to register using UCC facility through any other BSE registered broker, Eligible Shareholders may approach Company's Broker i.e., IDBI Capital Markets & Securities Limited to place their bids.

9.5 At the beginning of the tendering period, the order for buying Equity Shares will be placed by the Company through Company's Broker. During the tendering period, the order for selling the Equity Shares will be placed in the acquisition window by eligible Equity Shareholders through their respective stock brokers ("Shareholder Broker") during normal trading hours of the secondary market. The Shareholder Broker can enter orders for Demat shares as well as Physical Shares. In the tendering process, the Company's Broker may also process the orders received from the Eligible Shareholders.

9.6 The reporting requirements for Non-Resident Shareholders under the Foreign Exchange Management Act, 1999 and any other rules, regulations, guidelines, for remittance of funds, shall be made by the Eligible Shareholder and/or the Shareholder Broker through which the Eligible Shareholder places the bid.

9.7 Modification/cancellation of orders and multiple bids from a single Eligible Shareholder will be allowed during the tendering period of the Buyback. Multiple bids made by a single Eligible Shareholder for selling Equity Shares shall be clubbed and considered as "one bid" for the purposes of acceptance.

9.8 The cumulative quantity tendered shall be made available on the website of BSE (www.bseindia.com) throughout the trading session and will be updated at specific intervals during the tendering period.

9.9 The Company will not accept Equity Shares tendered for the Buyback which under restraint order of the court for transfer/sale and/or title in respect of which is otherwise under dispute or where loss of share certificates has been notified to the Company and the duplicate share certificates have not been issued either due to such request being under process as per the provisions of law or otherwise.

9.10 Procedure to be followed by Equity Shareholders holding Equity Shares in the dematerialized form:

a. Eligible Shareholders holding Demat Shares 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.

b. The Shareholder Broker would be required to place an order/bid on behalf of the Shareholders who wish to tender Equity Shares in the Buyback using the acquisition window of the BSE.

c. The lien shall be marked in demat account of the Eligible Shareholders for the Equity Shares tendered in the Buy-back. The details of Equity Shares marked as lien in the demat account of the Eligible Shareholders shall be provided by Depositories to the Clearing Corporation.

d. In case, the demat account of the Eligible Shareholders is held in one depository and clearing member pool and clearing corporation account is held with other depository, the Equity Shares tendered under the Buyback shall be blocked in the shareholders demat account at the source depository during the tendering period. Inter Depository Tender Offer ("IDT") instruction shall be initiated by the Eligible Shareholder at source depository to clearing member pool/ clearing corporation account at target depository. Source depository shall block the Eligible Shareholder's securities (i.e., transfers from free balance to blocked balance) and sends IDT message to target depository for confirming creation of lien. Details of Equity Shares blocked in the Eligible Shareholders demat account shall be provided by the target depository to the NSE Clearing

e. For custodian participant orders for Demat 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 (i.e. date of closing of the Buyback offer). 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.

f. Upon placing the bid, the Shareholder Broker shall provide a Transaction Registration Slip ("TRS") generated by the stock exchange bidding system to the Eligible Shareholder on whose behalf the bid has been placed. TRS will contain details of order submitted like bid ID number, DP ID, client ID, Number of Demat Shares tendered etc.

g. In case of non-receipt of the completed tender form and other documents, but receipt of Equity Shares in the accounts of the Clearing Corporation and a valid bid in the exchange bidding system, the bid by such Equity Shareholder shall be deemed to have been accepted.

9.11 Procedure to be followed by equity Shareholders holding Equity Shares in the physical form:

a. In accordance with the SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020 the physical shareholders are allowed to tender their shares in the Buyback. However, such tendering shall be as per the provisions of the Buyback Regulations.

b. Eligible Shareholders who are holding Physical 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) Tender Form duly signed by all Eligible Shareholders (in case shares are in joint names, in the same order in which they hold the shares), (ii) original share certificate(s), (iii) valid share transfer form(s)/Form SH-4 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, (iv) self-attested copy of PAN Card(s) of all Eligible Shareholders, (v) 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 Eligible Shareholder has undergone a change from the address registered in the register of members of the Company, the Eligible 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 identified card or passport.

c. Based on these documents, the concerned Shareholder Broker shall place an order/ bid on behalf of the Eligible Shareholders holding Equity Shares in physical form 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 Eligible Shareholder. TRS will contain the details of order submitted like folio number, certificate number, distinctive number, number of Equity Shares tendered etc.

d. Any Shareholder Broker/Eligible Shareholder who places a bid for Physical Shares, is required to deliver the original share certificate(s) and documents (as mentioned above) along with TRS generated by exchange bidding system upon placing of bid, either by registered post, speed post or courier or hand delivery to the Registrar to the Buyback i.e. Kfin Technologies Private Limited (at the address mentioned at paragraph 12 below) not later than 2 (two) days after the offer closing date. The envelope should be superscribed as "K.P.R. Mill Limited Buyback 2022". One copy of the TRS will be retained by Registrar to the Buyback and it will provide acknowledgement of the same to the Shareholder Broker in case of hand delivery.

e. The Eligible Shareholders holding Physical Shares should note that Physical Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the Physical Shares for Buyback by the Company shall be subject to verification as per the Buyback Regulations and any further directions issued in this regard. The Registrar to the Buyback 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 confirms the bids, they will be treated as 'confirmed bids'.

f. In case any Eligible Shareholder has submitted Equity Shares in physical form for dematerialisation, such Eligible Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Buyback before the closure of the tendering period of the Buyback.

g. An unregistered shareholder holding physical shares may also tender Equity Shares for Buyback by submitting the duly executed transfer deed for transfer of shares, purchased prior to Record Date, in his name, along with the offer form, copy of his PAN card and of the person from whom he has purchased shares and other relevant documents as required for transfer, if any.

10. METHOD OF SETTLEMENT

Upon finalization of the basis of acceptance as per Buyback Regulations:

10.1 The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market and as intimated by the Clearing Corporation from time to time.

10.2 Details in respect of shareholder's entitlement for the Buy-back shall be provided to Clearing Corporation by Company / Registrar to Buy-back. On receipt of the same, the Clearing Corporation will cancel excess or unaccepted blocked Equity Shares. On settlement date, all blocked Equity Shares mentioned in the accepted bid will be transferred to the Clearing Corporation.

10.3 In the case of IDT, Clearing Corporation will cancel the excess or unaccepted Equity Shares in target depository. The source depository will not be able to release the lien without a release of IDT message from target depository. Further, release of IDT message shall be sent by target depository either based on cancellation request received from Clearing Corporation or automatically generated after matching with Bid accepted detail as received from the Company or the Registrar to the Buy-back. Post receiving the IDT message from target depository, source depository will cancel/release excess or unaccepted block Equity Shares in the demat account of the Eligible Shareholder. Post completion of tendering period and receiving the requisite details viz., demat account details and accepted bid quantity, source depository shall debit the Equity Shares as per the communication/message received from target depository to the extent of accepted bid Equity Shares from Eligible Shareholder's demat account and credit it to Clearing Corporation settlement account in target depository on settlement date.

10.4 The Company will transfer the funds pertaining to the Buyback to the Company's Broker bank account, who will transfer the funds pertaining to the Buyback to the Clearing Corporation's bank account as per the prescribed schedule. For Equity Shares accepted under the Buyback, the Equity Shareholders will receive funds pay-out in their bank account from the Clearing Corporation.

10.5 The Equity Shares bought back in the demat form would be transferred directly to the escrow account of the Company opened for the Buyback (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 BSE.

10.6 The Eligible Shareholders of the Demat Shares will have to ensure that they keep the depository participant ("DP") account active and unblocked to receive credit in case of return of Equity Shares, due to rejection or due to non-acceptance.

10.7 If the securities transfer instruction is rejected in the depository system, due to any issue then such securities will be transferred to the Shareholder Broker's depository pool account for onward transfer to the Shareholder. In case of custodian participant orders, excess Demat Shares or unaccepted Demat Shares, if any, will be returned to the respective custodian participant. Excess Demat Shares or unaccepted Demat Shares, if any, tendered by the Eligible Shareholders would be returned to them by Clearing Corporation. Any excess Physical Shares pursuant to proportionate acceptance/rejection will be returned back to the concerned Eligible Shareholders directly by the Registrar to the Buyback. The Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Physical Shares, in case the Physical Shares accepted by the Company are less than the Physical Shares tendered by the shareholder in the Buyback.

10.8 In case of certain shareholders viz., NRIs, non-residents etc. (where there are specific regulatory requirements pertaining to funds payout including those prescribed by the RBI) who do not opt to settle through custodians, the funds payout would be given to their respective Shareholder Broker's settlement accounts for releasing the same to such shareholder's account. For this purpose, the client type details would be collected from the Registrar to the Buyback.

10.9 The Shareholder Broker would issue contract note to the Eligible Shareholders tendering Equity Shares in the Buyback and will unblock the excess unaccepted equity shares. The Company's Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buyback.

10.10 The settlements of fund obligation for Demat and Physical Shares shall be effected as per the SEBI circulars and as prescribed by BSE and Indian Clearing Corporation Limited from time to time. For Demat Shares accepted under the Buyback, such beneficial owners will receive funds payout in their bank account as provided by the depository system directly to the Clearing Corporation and in case of Physical Shares, the Clearing Corporation will release the funds to the Shareholder Broker(s) as per secondary market payout mechanism. If such shareholder's bank account details are not available or if the funds transfer instruction is rejected by the Reserve Bank of India ("RBI")/ bank(s), due to any reasons, then the amount payable to the concerned shareholders will be transferred to the Shareholder Broker for onward transfer to such shareholders.

10.11 Eligible Shareholders who intend to participate in the Buyback should consult their respective Shareholder Broker for details of any cost, applicable taxes, charges and expenses (including brokerage) that may be levied by the Shareholder Broker for tendering Equity Shares in the Buyback (secondary market transaction). The Buyback consideration received by the selling Shareholders, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, 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 Eligible Shareholders.

10.12 The Equity Shares bought back will be extinguished in the manner and following the procedure prescribed in the Buyback Regulations

11. COMPLIANCE OFFICER

Mr. P. Kandaswamy, Company Secretary and Compliance Officer

K.P.R. Mill Limited

1st Floor, Srivari Shrimat, 1045, Avinashi Road, Coimbatore - 641 018, India;

Tel: 0422 2207777 | Fax: 0422 2207778

Email: kandaswamy@kprmill.com | Website: www.kprmillimited.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.

12. INVESTOR SERVICE CENTRE

In case of any query, the shareholders may contact the Registrar & Transfer Agent, during office hours i.e. 10.00 a.m. to 5.00 p.m. on all working day except Saturday, Sunday and public holidays, at the following address:



Kfin Technologies Private Limited

Selenium, Tower B,

Plot No- 31 and 32, Financial District, Nanakramguda, Serilingampally,

Hyderabad, Rangareddi 500 032 Telangana, India.

Phone: +91 040 6716 2222

Contact Person: M. Murali Krishna

E-mail: kpr.buyback@kfintech.com | Website: www.kfintech.com

Investor grievance e-mail: einward.rise@kfintech.com

SEBI Registration No: INR00000221 | Validity Period: Permanent Registration

CIN: U72400TG2017PTC117649

13. MANAGER TO THE BUYBACK OFFER



IDBI Capital Markets & Securities Limited

6th floor, IDBI Tower, WTC Complex, Cuffe Parade, Mumbai 400 005

Tel No.:+91 22 2217 1700 | Fax No.:+91 22 2215 1787;

Contact Person: Ashik Joisar/Rahul Sharma

Email: kpr.buyback2022@idbicapital.com | Website: www.idbicapital.com

SEBI Registration Number: INM000010866 | Validity Period: Permanent

Corporate Identity Number: U65990MH1993GOI075578

14. DIRECTORS' RESPONSIBILITY

As per Regulation 24(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 and confirms that the information in this public announcement contains true, factual and material information and does 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

(DIN: 00003744)

Place: Coimbatore

Sd/-

P Nataraj

Managing Director

(DIN: 00229137)

Place: Coimbatore