

K.P.R. MILL LIMITED

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

07th October, 2016

The Listing Department,
BSE Ltd.
1st Floor, Rotunda Buildings,
PhiirozeJeejeebhoy 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: Postal Ballot Notice

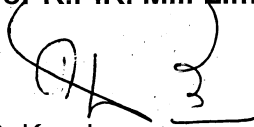
Ref: 1. Scrip code: 532889/ KPRMILL

2. Our letter of this date enclosing Newspaper Advt.

Postal Ballot notice along with the Explanatory Statement, Postal Ballot Form etc.,
despatched to the Members of the Company is sent herewith for your records and
dissemination.

Thanking you.

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


P. Kandaswamy
Company Secretary

Encl: As above



K.P.R. MILL LIMITED

Regd Off : No.9, Gokul Buildings, 1st Floor, A.K.S. Nagar, Thadagam Road, Coimbatore – 641 001.

Ph : 0422 – 2478090 Fax : 0422-2478050

Corp Off : 1st Floor, Srivari Shrimath, 1045, Avinashi Road, Coimbatore – 641 018.

Ph : 0422 – 2207777 Fax : 0422 - 2207778

CIN : L17111TZ2003PLC010518

Email : corporate@kprmill.com, Web: www.kprmilllimited.com

POSTAL BALLOT NOTICE

(Pursuant to Section 110 of the Companies Act, 2013

read with Rule 22 of the Companies (Management and Administration) Rules, 2014)

Notice is hereby given pursuant to Section 110 of the Companies Act, 2013 (the “Act”) read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (the “Management Rules”) including any statutory modification or re-enactment thereof for the time being in force and other applicable provisions if any, Clause 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”), that the Resolutions appended below for sub-division of Equity Shares and consequential amendment to the Memorandum of Association are proposed to be passed by the members through Postal Ballot/Electronic voting (e-voting). The Explanatory Statement pertaining to the Resolutions setting out the material facts and the reasons thereof is annexed hereto along with the Postal Ballot Form for your consideration. Member(s) desiring to opt for e-voting as per the facilities arranged by the Company are requested to read the instructions in the Notes under the section “Voting through electronic means”. In the event the draft Resolutions as set out in the notice are assented to by the requisite majority by means of Postal Ballot or E-voting (whichever method the Member(s) opts for), they shall be deemed to have been passed as Special Business at an Extraordinary General Meeting.

SPECIAL BUSINESS:

Item No. 1: Re-classification of Authorised Share Capital

To consider and, if thought fit, to pass with or without modification(s), the following Resolution, as an Ordinary Resolution:

“RESOLVED THAT pursuant to Section 61(1) and all other applicable provisions, if any, of the Companies Act, 2013, the Authorised Share Capital of the Company be and is hereby **reclassified** from Rs.55,00,00,000 (Rupees Fifty Five Crores only), divided into 4,00,00,000 (Four Crores only) Equity Shares of Rs.10/- each (Rupees Ten only) and 15,00,000 (Fifteen Lakhs only) 7% Redeemable Cumulative Non-Convertible Preference Shares of Rs.100/- each (Rupees Hundred only) **to** Rs.55,00,00,000 (Rupees Fifty Five Crores only) divided into 9,00,00,000 (Nine Crores only) Equity Shares of Rs. 5/- each (Rupees Five only) and 10,00,000 (Ten Lakhs only) 7% Redeemable Cumulative Non-

Convertible preference Shares of Rs.100/- each (Rupees Hundred only), **by conversion** of unissued 5,00,000 (Five Lakhs) 7% Redeemable Cumulative Non-Convertible Preference Shares of Rs.100/- each (Rupees Hundred only) into 1,00,00,000 (One Crore only) Equity Shares of Rs.5/- each (Rupees Five only).

Item No. 2: Alteration of Capital Clause of Memorandum of Association

To consider and, if thought fit, to pass with or without modification(s), the following Resolution, as an Ordinary Resolution:

“RESOLVED THAT subject to the provisions of Sections 13, 61 and other applicable provisions of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and subject to such other approval(s) from the concerned Authority(ies), Clause V of the Memorandum of Association of the Company relating to Capital be substituted by the revised clause as given below:

V. The Authorised Share Capital of the Company is Rs.55,00,00,000/- (Rupees Fifty Five Crores Only) consisting of 9,00,00,000 (Nine Crores Only) Equity Shares of Rs.5 /- each (Rupees Five Only) and 10,00,000 (Ten Lakhs Only) 7% Redeemable Cumulative Non-Convertible Preference Shares of Rs.100/- each (Rupees Hundred only) with power to increase or reduce or alter the capital in accordance with the provisions of the Companies Act, 2013.

Item No.3 : Sub-division of Equity Shares of the Face Value of Rs.10/- each into Face Value of Rs.5/- each

To consider and, if thought fit, to pass with or without modification(s), the following Resolution, as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 61(1)(d), 64 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder (including any statutory modification or re-enactment thereof for the time being in force) and in accordance with the provisions of the Memorandum and Articles of Association of the Company and subject to such other approval(s), consent(s), permission(s) and sanction(s) as may be

necessary from the concerned authority(ies) or bodies, 1 (One) Equity Share of the Company having face value of Rs. 10/- each be sub-divided into 2 (Two) Equity Shares of the face value Rs. 5/- each."

"RESOLVED FURTHER THAT on sub-division, 2 (Two) Equity Shares of face value of Rs. 5/- each be allotted in lieu of existing 1 (One) Equity Share of Rs. 10/- each subject to the terms of the Memorandum and Articles of Association of the Company."

"RESOLVED FURTHER THAT on sub-division of Equity Shares as aforesaid, the existing share certificate(s) in relation to the existing Equity Shares of the face value of Rs.10/- each held in physical form shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date and the Company may, without requiring the surrender of the existing share certificate(s), issue and dispatch the new share certificate(s) of the Company in lieu of such existing share certificate(s) subject to the provisions of the Companies (Share Capital and Debentures) Rules, 2014 and in the case of Equity Shares held in dematerialized form, the number of sub-divided Equity Shares be credited to the respective beneficiary accounts of the Members with the depository participants, in lieu of the existing credits representing the Equity Shares of the Company before sub-division."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take such steps as may be necessary including the delegation of all or any of its power herein conferred to any committee of directors or the Managing Director or any Director(s) or any other Key Managerial Personnel or any other officer(s) of the Company for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle any question, difficulty or doubt that may arise in this regard, and to execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution."

"RESOLVED FURTHER THAT steps already taken by the Board, if any, as may be necessary including the delegation of all or any of its power here in conferred, be and are hereby ratified."

By Order of the Board

Coimbatore
05.10.2016

K.P.Ramasamy
Chairman

NOTES :

1. The Notice is being sent under Courier / through registered e-mail id to all the members, whose names have appeared in the Register of Members / Record of Depositories as on September 30, 2016.
2. The Board of Directors of the Company has appointed Mr. A.Vetrivel, Chartered Accountant, (M.No:25028), as Scrutinizer for conducting the Postal Ballot process (including e-voting process) in a fair and transparent manner and to receive and scrutinize the completed ballots from the members. After completion of his scrutiny, the scrutinizer will submit his report to the Chairman and in his absence to any Director of the Company.
3. The Resolutions will be taken as passed effectively on the date of announcement of the result by the Chairman and in his absence to any Director of the Company, if the result of the Postal Ballot indicates that the requisite majority of the shareholders had assented to the resolutions. The result of the Postal Ballot will be declared on November 16, 2016 at the Corporate Office of the Company. After declaration, the result of the Postal Ballot will be posted on the Company's website www.kprmilllimited.com, besides communicating the same to Bombay Stock Exchange Limited and National Stock Exchange of India Limited where the shares of the Company are listed.
4. A copy of each of the documents referred to in the accompanying Explanatory Statement is open for inspection at the Registered Office of the Company between 10.00 a.m. to 12.00 noon on any working day excluding Saturday and Sunday till the closure of working hours of November 14, 2016 (last date for receiving Postal Ballot Forms by Scrutinizer).
5. The Postal Ballot form and the self-addressed business reply envelope are enclosed for use of members. Members are requested to carefully read the instructions as mentioned hereinafter before exercising their vote.
6. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company has also extended **e-voting** facility through **National Securities Depository Limited (NSDL)** as an alternate, for its members to enable them to cast their votes electronically instead of dispatching Postal Ballot Form/s.
7. Kindly note that the members can opt for only one mode of voting i.e., either by post or e - voting. If the members opt for e-voting, then they should not vote by post and vice versa. However, in case members cast their vote by post and e-voting, then voting done through e-voting shall prevail and voting done by post will be treated as invalid.

Voting through electronic means

The instructions for Shareholders for e-voting are as under:

(a) In case of Shareholders' receiving e-mail from NSDL

- (i) Open e-mail and open PDF file viz; "remote e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
- (iii) Click on Shareholder - Login
- (iv) Put user ID and password as initial password noted in step (i) above. Click Login.
- (v) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of e-Voting opens. Click on e-Voting: Active Voting Cycles.
- (vii) Select "EVEN" of K.P.R. Mill Limited.
- (viii) Now you are ready for e-Voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail vetrivelfca@gmail.com with a copy marked to evoting@nsdl.co.in.

(b) In case of Shareholders' receiving Postal Ballot Form by Post:

- (i) Initial password is provided as below/at the bottom of the Postal Ballot Form.

EVEN (E Voting Event Number)	USER ID	PASSWORD/PIN

- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- (c) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com.
- (d) If you are already registered with NSDL for e-voting then you can use your existing user ID and password for casting your vote.

Instructions for voting through postal ballot form:

- (i) A member desirous of exercising his / her vote by Postal Ballot may complete this Postal Ballot Form and send it to the Scrutinizer in the attached self-addressed envelope. Postage will be borne and paid by the Company. However, any envelope containing Postal Ballot, if sent by courier at the expense of the Registered Member will also be accepted.
- (ii) Please convey your assent / dissent in this Postal Ballot Form. The assent or dissent received in any other form or on a photo copy of the Postal Ballot Form shall be considered invalid.
- (iii) The self-addressed postage pre-paid envelope bears the name and address of the Scrutinizer appointed by the Board of Directors of the Company.
- (iv) This Form must be completed and signed (as per specimen signature registered with the Company) by the member. In case of Joint-holding, this Form must be completed and signed by the first named member and in his/her absence, by the next named member.
- (v) Unsigned, incomplete or incorrectly ticked Postal Ballot Forms shall be rejected.
- (vi) The Scrutinizer's decision on the validity of the Postal Ballot shall be final.
- (vii) The Postal Ballot shall not be exercised by a proxy.
- (viii) Duly completed Postal Ballot Form should reach the Scrutinizer not later than the close of working hours on November 14, 2016. All Postal Ballot Forms received after this date will be strictly treated as if the reply from such share holder has not been received.
- (ix) In case of shares held by Companies, Trusts, Societies, etc., the duly completed Postal Ballot Form should be accompanied by a certified copy of board resolution/ authorization together with the specimen signature(s) of the duly authorized signatories. (It is required only in case the signatories are other than the signatories whose specimen signatures are registered with the Company / Registrars – Karvy Computer share Private Limited, Karvy Selenium, Tower B, Plot 31-32, Gachibowli, Financial District. Nanakramguda, Hyderabad-500 032).
- (x) Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member as on September 30, 2016.
- (xi) Members are requested not to send any other paper along with the Postal Ballot Forms in the enclosed self-addressed Postage Pre-paid Envelope as all such envelopes will be sent to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer.
- (xii) There will be one Postal Ballot Form for every Folio/ Client ID, irrespective of the number of joint holders.

(xiii) A member may request a duplicate Form, if so required. However, the duly filled in duplicate Form should reach the Scrutinizer not later than the date specified at item no. (viii) above.

(xiv) Members are requested to fill in the Postal Ballot Form with indelible ink and not by any erasable writing mode.

By Order of the Board

Coimbatore
05.10.2016

K.P.Ramasamy
Chairman

**EXPLANATORY STATEMENT UNDER SECTION 102(1) OF
THE COMPANIES ACT, 2013**

Item nos. 1, 2 & 3

Proven business model, consistent quality excellence, dedicated work force, captive green power, strategic investment plans, impeccable performance etc., have steered the growth prospects of KPR enhancing the long term value of all stakeholders. These key factors and unstinted support from the Investors accelerated the trading activity in the Stock Exchanges, elevating the market cap commendably over previous year. The requests from the Investors and market players to make the share more affordable to small individual Investors and to improve the liquidity in the Market have been considered by the Board of Directors of the Company in its Meeting held on 5th October 2016. It was decided therein to sub-divide One Equity Share of the Company having face value of Rs. 10/- each into Two Equity Shares of face value of Rs. 5/- each, subject to the

approval of the Members of the Company and any other statutory and regulatory approvals, as applicable. The Record Date for the sub-division of Equity Shares will be fixed after the approval of the Members.

Presently, the Authorised Share Capital of your Company as stated in clause V of the Memorandum of Association is Rs. 55,00,00,000/- (Rupees Fifty Five Crores) divided into 4,00,00,000 (Four Crore only) Equity shares of Rs. 10/- each and 15,00,000 (Fifteen Lakhs Only) 7% Redeemable Cumulative Non-Convertible Preference Shares of Rs.100/- each.

The sub-division as aforesaid would require consequential amendments to the said Clause V of the Memorandum of Association of the Company as set out in Item No. 2 of the Notice so as to reflect the change in face value of each Equity Share from Rs. 10/- each to Rs. 5/- each. We are also reclassifying the Authorised Share Capital by conversion of unissued 5,00,000 (Five Lakhs Only) 7% Redeemable Cumulative Non-Convertible Preference Shares of Rs.100/- each into 1,00,00,000 (One Crore Only) Equity Shares of Rs. 5/- each.

The Directors recommend the Resolutions at Item Nos. 1, 2 & 3

No Director, Key Managerial Personnel and their relatives are in any way concerned or interested in the Resolution except to the extent of their shareholding in the Company.

By Order of the Board

Coimbatore
05.10.2016

K.P.Ramasamy
Chairman



K.P.R. MILL LIMITED

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CIN : L17111TZ2003PLC010518

Email : corporate@kprmill.com, Web: www.kprmilllimited.com

POSTAL BALLOT FORM

Sr. No.

(1) Name and Registered Address :
of the Sole/First named
Member

(2) Names(s) of the Joint Holder(s) :
(if any)

(3) Registered Folio No./DP ID :
No. and Client ID No.

(4) Number of Share(s) held :

I/We hereby exercise my / our vote in respect of the Ordinary Resolutions to be passed through Postal Ballot for the businesses stated in the Notice of the Company by sending my/our assent or dissent to the said resolutions by placing the tick [✓] mark at the appropriate box below:

Item No.	Description	No. of Shares	I/We assent to the resolution (FOR)	I/We dissent to the resolution (AGAINST)
1.	Ordinary Resolution, as given at item no. 1 of the Postal Ballot Notice, approving re-classification of Authorised Share Capital			
2.	Ordinary Resolution, as given at item no. 2 of the Postal Ballot Notice, approving the Alteration of Capital Clause of Memorandum of Association			
3.	Ordinary Resolution, as given at item no. 3 of the Postal Ballot Notice, under Sections 61 (1) (d), 64 and other applicable provisions of the Companies Act, 2013 approving sub-division of 1 (One) Equity Share of face value of Rs. 10/- each into 2 (Two) Equity Shares of Rs. 5/- each			

Place:

Date:

(Signature of Shareholder)

EVEN (E - voting event number)	User ID	Password / PIN

Note : Please read the instructions for voting before exercising the vote.

Instructions for voting through postal ballot form

01. A member desirous of exercising his / her vote by Postal Ballot may complete this Postal Ballot Form and send it to the Scrutinizer in the attached self-addressed envelope. Postage will be borne and paid by the Company. However, any envelope containing Postal Ballot, if sent by courier at the expense of the Registered Member will also be accepted.
02. Please convey your assent/ dissent in this Postal Ballot Form. The assent or dissent received in any other form or on a photo copy of the Postal Ballot Form shall be considered invalid.
03. The self-addressed postage pre-paid envelope bears the name and address of the Scrutinizer appointed by the Board of Directors of the Company.
04. This Form must be completed and signed (as per specimen signature registered with the Company) by the member. In case of Joint-holding, this Form must be completed and signed by the first named member and in his/her absence, by the next named member.
05. Unsigned, incomplete or incorrectly ticked Postal Ballot Forms shall be rejected.
06. The Scrutinizer's decision on the validity of the Postal Ballot shall be final.
07. The Postal Ballot shall not be exercised by a proxy.
08. Duly completed Postal Ballot Form should reach the Scrutinizer not later than the close of working hours on November 14, 2016. All Postal Ballot Forms received after this date will be strictly treated as if the reply from such shareholder has not been received.
09. In case of shares held by Companies, Trusts, Societies, etc., the duly completed Postal Ballot Form should be accompanied by a certified copy of board resolution/ authorization together with the specimen signature(s) of the duly authorized signatories. (It is required only in case the signatories are other than the signatories whose specimen signatures are registered with the Registrars – Karvy Computershare Private Limited, Karvy Selenium, Tower B, Plot 31 -32, Gachibowli, Financial District. Nanakramguda, Hyderabad-500 032).
10. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member as on September 30, 2016.
11. Members are requested not to send any other paper along with the Postal Ballot Forms in the enclosed self-addressed Postage Pre-paid Envelope as all such envelopes will be sent to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer.
12. There will be one Postal Ballot Form for every Folio / Client ID, irrespective of the number of joint holders.
13. A member may request a duplicate Form, if so required. However, the duly filled in duplicate Form should reach the Scrutinizer not later than the date specified at item no. (viii) above.
14. Members are requested to fill in the Postal Ballot Form with indelible ink and not by any erasable writing mode.