

RAJAPALAYAM MILLS LTD

Regd. Office : Rajapalayam Mills Premises, P.A.C. Ramasamy Raja Salai,
Post Box No. 1, Rajapalaiyam, Tamil Nadu, Pin : 626 117.



Chairman

Shri P.R. Ramasubrahmaneya Rajha

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rajacot@sancharnet.in

No. 6452
Date: 10-10-2011

The Secretary – Investor Services / Listing
M/s. Madras Stock Exchange Ltd.,
Exchange Building,
Post Box No.183,
#11, Second Line Beach,
CHENNAI-600 001.

Dear Sirs,

Sub: Outcome of the Board Meeting held on 10-10-2011

We wish to inform you that the Board of Directors of the Company at their Meeting held on 10-10-2011 has approved the following:

- To acquire entire 60,00,000 Equity Shares of Rs.10/- each of Rajapalayam Spinners Private Limited (RSPL) from the Shareholders of RSPL @ Rs.8.76 per Share.
- To issue, offer & allot 3,51,000 Equity Shares of Rs.10/- each of the Company to Shri. P.R. Ramasubrahmaneya Rajha, Chairman on preferential basis at a premium of Rs.223/- calculated on the basis of SEBI Guidelines.

It is proposed to convene an Extra-ordinary General Meeting on Wednesday, the 9th November, 2011 to get the approval of the Members of the Company for the above subjects by way of Special Resolutions.

Thanking you,

Yours faithfully,

For RAJAPALAYAM MILLS LTD.,

K.T.K.

**DR. K.T. KRISHNAN,
DIRECTOR**

Cc: Bombay Stock Exchange Ltd,
Phiroze Jeejeebhoy Towers,
21st Floor, Dalal Street,
MUMBAI – 400 001