

KESORAM INDUSTRIES LIMITED

Regd. & Corporate Office : 9/1, R. N. MUKHERJEE ROAD, KOLKATA - 700 001



B K BIRLA GROUP OF COMPANIES

June 12, 2013

To:

BSE Limited
Listing Department
P. J. Towers, Dalal Street
Mumbai – 400 001
India

Dear Sir,

SUB: Proposed issue of 64,037,512 equity shares of face value of Rs. 10.0 each (“Equity Shares”) for cash at a price of Rs. 65.0 per Equity Share including a premium of Rs. 55.0 per Equity Share aggregating to Rs. 416.2 crore by Kesoram Industries Limited (the “Company”) to the Equity Shareholders of the Company on rights basis, in the ratio of seven Equity Shares for every five Equity Shares held on 16 May 2013 (the “Issue”).

In relation to the captioned Issue, we had made an application with the Reserve Bank of India (“RBI”) dated May 17, 2013 (acknowledged by the RBI on May 21, 2013) requesting for approval of the RBI for allowing, with the exception of OCBs:

- (i) Resident Eligible Equity Shareholders to renounce their Rights Entitlement to Non Resident Renounees;
- (ii) Non Resident Eligible Equity Shareholders to renounce their Rights Entitlement to Resident Renounees; and
- (iii) Non Resident Eligible Equity Shareholders to renounce their Rights Entitlement to Non Resident Renounees.

The RBI has issued its approval in this regard pursuant to their letter (FE.COFID.No.24684/10.21.309/2012-13) dated June 11, 2013, which is annexed herewith for the purpose of dissemination.

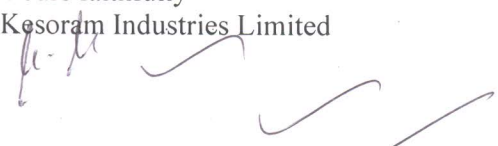
The outcome of this application will also be duly intimated by us through a public announcement in all the newspapers where the pre-Issue advertisements have been published.

Please let us know if you require any further information or documents in relation to the captioned Issue.

Capitalised terms not specifically defined herein shall have the same meanings ascribed to such terms in the Letter of Offer.

Thanking you,

Yours faithfully
Kesoram Industries Limited


Gautam Ganguli
Company Secretary and Compliance Officer
Encl!



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA
www.rbi.org.in

FE.COFID.No. 24684/10.21.309/2012-13

June 11, 2013

The Company Secretary
Kesoram Industries Ltd
9/1 R N Mukherjee Road
Kolkata 700001

Dear Sir,

Proposed rights issue of M/s.Kesoram Industries Ltd and renunciation of rights entitlements by, and to, persons resident outside India

Please refer to your letter dated May 17, 2013 on the captioned subject.

2. In this connection, we advise that:
- The renunciation of rights entitlement by resident to non-resident is akin to transfer of shares by way of sale. The offer price to NR should not be less than that at which the offer is made to a resident shareholder in terms of Regulation 6 of Notification No. FEMA.20 /2000-RB dated 3rd May 2000, as amended from time to time. Further it should be on the floor of the Stock Exchange.
 - We have no objection for renunciation of rights entitlements by non-resident to resident on the floor of the stock exchange and also to inter-se transfer of entitlements to additional GDRs by the GDR holders and any transfer of Rights Entitlements that may be undertaken by ICICI Bank Ltd as the Custodian for the GDRs in accordance with instructions received from the GDR Depository, including, through renunciations of Right entitlements
 - We have no objection for renunciation by non-resident to non-resident on the floor of the stock exchange. However the offer price to NR should not be less than that at which the offer is made to resident shareholder. If the non-residents include FII, the individual limit as well as overall limit for FII holdings should be complied with.
 - The Company has to comply with documentation and reporting requirements
 - If any transaction involves erstwhile OCB, the Company should approach RBI with full details for prior approval.
 - Only the existing Non resident shareholders/GDR holders can apply for additional shares subject to sectoral cap.

Yours faithfully,

(P S Ganesan)
Manager

संसाधन विभाग देवा प्रसाद सिंघानिया, मुख्य, परमाण्विक कक्षा भवन, केंद्रीय कार्यालय, शाहीद भगतसिंह मार्ग, फोर्ट, मुंबई - 400001, भारत
अनुपम क. देवा प्रसाद सिंघानिया, मुख्य, परमाण्विक कक्षा भवन, केंद्रीय कार्यालय, शाहीद भगतसिंह मार्ग, फोर्ट, मुंबई - 400001, भारत

Caution: RBI never sends mails, SMSs or makes calls asking for personal information like bank account details, passwords, etc. It never keeps or offers funds to anyone. Please do not respond in any manner to such offers.

विदेशी मुद्रा विभाग, केंद्रीय कार्यालय, केंद्रीय कार्यालय भवन, शाहीद भगतसिंह मार्ग, फोर्ट, मुंबई - 400001, भारत
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दृढता आसान है, इसका प्रयोग बड़ा है।