

KIL/SH/ST.EX/SS/2015

February 20, 2015

Asst. Vice President,
National Stock Exchange of India Ltd.
Exchange Plaza,
Plot No. C/1, G Block,
Bandra-Kurla Complex
Bandra (E)
Mumbai - 400 051

Dear Sir,

In compliance with the provisions of Clause 31 of the Listing Agreement with the Stock Exchanges 6 copies of the Notice to the Members dated 12th February, 2015 along with enclosures forwarded to the Shareholders / Beneficial owners of the Company in connection with passing of the Resolution by Postal Ballots pursuant to Section 110 of the Companies Act, 2013 read with rule 22 of the Companies (Management & Administration) Rules, 2014 are enclosed herewith for your information and record.

Please acknowledge receipt.

Yours faithfully,
For KESORAM INDUSTRIES LIMITED

Gautam Ganguli
Company Secretary

Encl: as above.

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E : corporate@kesoram.net

Kesoram Industries Limited
Registered & Corporate Office
9/1 R. N. Mukherjee Road, Kolkata - 700 001
CIN - L17119WB1919PLC003429





KESORAM INDUSTRIES LIMITED

Registered Office: 8th floor, Birla Building, 9/1 R N Mukherjee Road, Kolkata -700 001

CIN L17119WB1919PLC003429

Phone: 2243 5453, 2242 9454, 2248 0764, 2213 0441; Fax : 2210 9455

Website: www.kesocorp.com; Email: corporate@kesoram.net

Dear Shareholder(s),

NOTICE OF POSTAL BALLOT

NOTICE is hereby given in accordance with Section 110 of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014 that the Company proposes to pass the following Resolutions through Postal Ballot:

To consider and, if thought fit, to pass with or without modification(s), the Resolution Nos. 1 & 2 as Special Resolutions and Resolution No. 3 as Ordinary Resolution :

1. **"RESOLVED THAT** pursuant to the provisions of Sections 180(1)(a), 188 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), the Rules made thereunder, applicable provisions of the Listing Agreement and subject to such consents, sanctions, permissions and approvals if any, as may be required, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board", which expression shall include a Committee thereof) to dispose of and transfer by way of sale, lease or otherwise, whether through slump sale or in any other manner, the whole or substantially the whole of the Company's automotive tyre manufacturing facility at Laksar, District Haridwar, Uttarakhand on a going concern basis ("the Laksar business") to Cavendish Industries Limited, (CIN U74900WB2015PLC204899), a subsidiary of the Company, for such consideration as may be decided by the Board in the best interest of the Company."

"RESOLVED FURTHER that for the purpose of giving effect to the above Resolution, the Board is hereby authorised to finalise and execute agreements, and/or documents/papers as may be necessary and do all acts, deeds and things as are or may be expedient under the circumstances."

2. **"RESOLVED THAT** pursuant to the provisions of Section 186 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), the Rules made thereunder, applicable provisions of the Listing Agreement and subject to such consents, sanctions, permissions and necessary approvals, if any, as may be required, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board") for investing in Equity Shares of Rs.10 each of such amount and at such price as may be decided by the Board but not exceeding Rs. 3,573 Crores in Cavendish Industries Limited (CIN U74900WB2015PLC204899), a subsidiary of the Company, as consideration for the transfer of the Laksar business to the subsidiary."

"RESOLVED FURTHER that for the purpose of giving effect to the above Resolution, the Board or any Committee of the Board, be and is hereby authorised to do all such acts, deeds and things as are or may be necessary to give effect to the transaction."

3. **"RESOLVED THAT** pursuant to Sections 196 and 197 read with Schedule V of the Companies Act, 2013 ("the Act") and the Rules made thereunder and subject to such approvals, if any, as may be necessary, including that of the Central Government, consent of the Company be and is hereby accorded to the appointment of Amolak Preet Singh (DIN 07019247) as a Whole-time Director in the Company and payment of remuneration to him for the period commencing from 1st December 2014 until 14th January 2015, both days inclusive, upon the terms and remuneration set out herein below:-

- a) *Basic Salary & Allowances* : not exceeding Rs. 1.70 Crores per annum as may be decided by the Board of Directors including any Committee thereof;
- b) *Perquisites* :
- i) Company's contribution towards Provident Fund and Gratuity: As per Rules of the Company. This shall be over and above the limit specified in (a) above;
 - ii) Car: Chauffeur driven car to be provided and maintained by the Company in relation to the Company's business only;
 - iii) Communication facility: Telephone, telefax and other communication facilities in relation to the business of the Company.
- c) He shall not be paid any fees for attending meetings of the Board or any Committee thereof, where so appointed.
- d) In the event of loss/inadequacy of profits during his tenure, the above remuneration including perquisites shall be payable as minimum remuneration, subject to such approvals as may be necessary of the Central Government, if so required under Schedule V to the Act."

By Order of the Board

Place : Kolkata
Date : 12th February, 2015

Gautam Ganguli
Company Secretary

NOTES AND INSTRUCTIONS:

1. A Statement, as required under Section 102 of the Companies Act, 2013, as amended ("the Act") in respect of the business specified above is annexed.
2. As per Section 110(1) of the Act read with Rule 22 of the Companies (Management and Administration) Rules, 2014, the items of business set out in the attached Notice are proposed to be adopted by Postal Ballot. The items of business may also be transacted through the electronic voting system and the Company is providing the facility for voting by electronic means as specified more fully in Clauses 17 and 18 hereunder.
3. The Board of Directors of the Company ("the Board") has appointed Salil Banerjee, Practising Company Secretary as the Scrutiniser and Anil Goenka, Practising Chartered Accountant as an alternate Scrutiniser for conducting the Postal Ballot voting process in accordance with law in a fair and transparent manner.
4. Shareholders can exercise their voting rights either by using the attached Postal Ballot Form or through electronic means. No other form or photocopy of the attached Form will be permitted. The physical Postal Ballot Form, duly completed, signed and sealed, should be returned in the enclosed self-addressed, postage pre-paid envelope directly to the Scrutiniser so as to reach him before 6 p.m. on 23rd March, 2015. Responses received from any Shareholders thereafter shall be treated as if no response has been received from them. Shareholders are requested to send the duly completed Postal Ballot Form well before this date allowing sufficient time for postal transit.
5. Envelopes containing the Postal Ballot Form will also be accepted if a physical copy thereof, duly sealed inside the attached postage pre-paid envelope is sent by any other mode at the expense of the Shareholder.
6. The attached self-addressed envelope bears the name and address of the Scrutiniser appointed by the Board and the Postal Ballot Form after casting of vote should be put inside the same and the envelope duly sealed.

7. The Notice for the Postal Ballot will also be available on the Company's website www.kesocorp.com and the website of The National Securities Depository Limited ("NSDL") at www.evoting.nsdl.com.
8. The physical Postal Ballot Form should be signed by the Shareholder as per the specimen signature registered with the Company. In case shares are jointly held, such Postal Ballot Form should be completed and signed by the first named Shareholder and, in his/her absence, by the next named Shareholder. Holders of Powers of Attorney ("PoA") on behalf of a Shareholder may vote on the Postal Ballot mentioning the Registration No. of the PoA registered with the Company or attach a copy of the PoA attested by a notary. Unsigned Postal Ballot Forms will be rejected.
9. Shareholders holding shares in dematerialised form are advised, in their own interest, to get their signatures verified by their Bankers/Depository Participants ("DPs"). The signature should be verified by their Bankers/DPs by affixing a rubber stamp/seal mentioning name and address of the Banker/DP and name, stamp and signature of the authorised signatory of the said Banker/DP.
10. Voting will be reckoned in relation to a Shareholder's holding of the Paid-up Equity Share Capital of the Company as at close of business on 30th January, 2015.
11. 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/authority and, preferably, with the attested specimen signature(s) of the duly authorised signatory(ies) giving the requisite authority to the person voting on the Postal Ballot Form.
12. Shareholders are requested not to send any document (other than the resolution/authority as mentioned in item no. 8 and 11 above) along with the completed Postal Ballot Form inside the enclosed self-addressed pre-paid envelope, as all such envelopes without opening will be sent to the Scrutiniser. Should any extraneous matter be found in any such envelope, such matter will not be considered and would be destroyed by the Scrutiniser.
13. There will be only one Postal Ballot Form for each Folio/Client Id. Exercise of vote through Postal Ballot is not permitted through proxy.
14. Incomplete, improperly or incorrectly tick marked Postal Ballot Form will be rejected.
15. The Scrutiniser will submit his Report to the Company after completion of scrutiny of Postal Ballot Forms. The result of the Postal Ballot will be announced at 5 p.m. on 26th March, 2015 at the Registered Office of the Company. The results will be hosted on the website of the Company www.kesocorp.com along with Scrutiniser's Report.
16. The Resolutions, where assented to by the requisite majority of the shareholders by means of Postal Ballot (which shall also include the results of e-Voting), will be deemed to have been duly adopted at a general meeting convened in that behalf on the date of the announcement of the result as aforesaid on 26th March, 2015. The Scrutiniser's decision on the validity of a completed Postal Ballot Form shall be final.
17. The Company is also providing the facility of voting through the electronic voting system ("e-Voting") under an arrangement with NSDL and will also consider votes cast through the e-Voting system while declaring the results of the Postal Ballot.
18. For those Shareholders opting for e-Voting, the process and manner of e-Voting will be as follows:
 - A. **Instructions for e-Voting for Shareholders receiving email from NSDL-**
 - i. Read the e-mail and open the attached PDF file giving your Client Id (in case shares held in demat form) and Folio No. (in case shares held in physical mode) as default password. The attachment

contains your "User Id" and "Password" for e-Voting. Please note that password is an initial password.

- ii. Launch the Internet Browser by typing in <http://www.evoting.nsdl.com> on the address bar. The home screen will be displayed, select the Shareholder login name. Enter the login details viz. User Id and Password as are provided at the bottom of the Postal Ballot Form sent to you by email.
- iii. On the first login, you will need to change the password. In case you have earlier logged in at www.evoting.nsdl.com for exercising your votes in respect of postal ballot of any other company and you have already changed your password, please use the changed password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- iv. On successful login, you have to select the "EVEN" (E Voting Event Number) given on the Postal Ballot Form for casting your vote.
- v. Cast your vote by selecting the appropriate option and click on "submit" and also "confirm" when prompted. Upon confirmation, the message "vote cast successfully" will be displayed. Once you have voted on the Resolution, you will not be allowed to modify your vote.
- vi. The e-Voting period commences on 22nd February, 2015 at 10.00 a.m. and closes at 6 p.m. on 23rd March, 2015. The e-Voting module will be disabled thereafter by NSDL.
- vii. In case of any queries, you may refer to the frequently asked questions (FAQ) for Shareholders and e-Voting user manual for Shareholders available at the "downloads" section of www.evoting.nsdl.com or contact NSDL on their Telephone no. 1800 222 990/+91-22-24994600.
- viii. Institutional Shareholders (i.e., those other than individuals, HUFs, etc) are requested to send scanned copies (PDF/JPEG Format) of relevant board resolution /authority letter together with attested specimen signatures of the duly authorized signatory(ies) authorised to vote to the Scrutiniser through e-mail at salil.banerjee@gmail.com.
- ix. You can also update your mobile number and e-mail Id in the user profile details of the folio which may be used for sending communication(s) regarding NSDL e-Voting system in future.

B. Instructions for e-Voting for Shareholders other than in (A) above-

- i. Initial "User Id" and "Password" are provided at the bottom of the Postal Ballot Form sent to you by post. Please follow the steps (ii) to (vii) above to cast your vote through e-Voting.

Any query relating to the voting through Postal Ballot including voting by electronic means should be addressed to Gautam Ganguli, Company Secretary, Kesoram Industries Limited, Birla Building, 9/1 R N Mukherjee Road, Kolkata-700 001, E-mail: gg@kesoram.net.

Statement pursuant to Section 102 of the Companies Act, 2013

Item No.1 & 2

The Company has been exploring various options for reorganisation and realigning its existing businesses.

As part of these endeavours, the Board of Directors of the Company ("the Board"), upon review, has decided that the Company ought to continue in all the businesses that it was currently engaged in viz. tyres, cement and rayon. Indeed, these businesses required further strengthening to enhance their efficiencies.

However, with a view to further increase business efficacy, the Board considers it desirable to reorganise the Company's Tyre Business through transfer of the Business's tyre manufacturing facility at Laksar, District Haridwar, Uttarakhand ("*the Laksar facility*") to Cavendish Industries Limited (CIN U74900WB2015PLC204899) ("*Cavendish*"), a subsidiary. This transfer, in the Board's opinion, would enable better utilisation of the manufacturing capacity at the Laksar facility. The transfer would be effected in the manner as may be decided by the Board to be the most beneficial for the Company through acquisition by the Company of such number of Equity Shares of Rs. 10 each in Cavendish such that the total investment by the Company does not exceed Rs. 3,573 Crores.

Notwithstanding the transfer, the Company will continue to operate its existing automotive tyre business in the ordinary course of business in the same manner as is being presently conducted, and shall, if necessary, enter into a working arrangement with Cavendish for utilising the Laksar facility on an arm's length basis.

Section 180 (1)(a) of the Companies Act, 2013 ("the Act") requires prior approval from the general body through special resolution to sell, lease or otherwise dispose of the whole or substantially the whole of a company's undertaking and such approval has to be accorded through Postal Ballot. Further, Cavendish being a subsidiary, would constitute a Related Party within the meaning of Section 2(76) of the Act and a transaction with a Related Party, under certain circumstances, would require approval from the general body through special resolution.

Under the provisions of Section 186(2) of the Companies Act, 2013 ("the Act"), no company can directly or indirectly acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty per cent of its paid-up capital, free reserves and securities premium account or one hundred per cent of its free reserves and Securities Premium Account, whichever is higher. Where any such acquisition exceeds the limits specified above, prior approval of the general body by means of a special resolution would be necessary. The Company's proposed acquisition of the Equity Shares of Cavendish as consideration for transfer of the Laksar facility will be in excess of the above limits and a Special Resolution of the general body will be called for. The shares shall be subscribed up to a maximum value of Rs 3,573 Crores on preferential allotment basis through private placement based upon a valuation by SBI Capital Markets Limited, Merchant Bankers who have been specifically appointed for the purpose.

In view of the above, the Board recommends for general body approval Resolution Numbers 1 and 2 of the attached Notice.

No Promoter, Key Managerial Personnel, Director, relative of the Key Managerial Personnel or Director of the Company are financially or otherwise concerned or interested in the Resolution Numbers 1 & 2.

As per the proviso to Section 102(2) of the Act, the proposed Special Resolutions also relate to and affect Cavendish, the subsidiary in which the Company holds 72% of its Equity Share Capital.

No Key Managerial Personnel, Directors, their relatives or Promoters hold any Equity Share in Cavendish.

Item No.3

Effective 1st December 2014, Amolak Preet Singh ("Singh") was appointed Whole-time Director of the Company for a period of three years upon remuneration and terms indicated in the Resolution No. 3 of the attached Notice and mentioned more fully in the Appointment Letter issued to him which is open for inspection at registered office from Monday to Friday between 3:00 pm to 5:00 pm. This appointment has the approval of the Board including its Nomination & Remuneration Committee.

Singh, an Engineer holding a Masters in Business Administration, began his career with Bajaj Auto Limited in 1989. He moved thereafter to Kennametal India. After spending several years with them, he was relocated to Singapore. He joined Leitz Tooling Asia in Singapore in 2011 and was its Managing Director in respect of its operations in Australia, New Zealand, Korea, Taiwan and the ASEAN countries before joining the Board of the Company. Singh, however, resigned from the Company effective close of business hours of 14th January 2015 and, accordingly, the Resolution is being proposed in respect of the period he had been in office.

The Board is of the opinion that considering his background, qualifications and the wealth of expertise that Singh brought to the table, the remuneration offered to him was reasonable, in keeping with the Remuneration Policy of the Company, and in line with present corporate trends. Moreover, the remuneration offered to Singh was within the limits specified in Schedule V of the Act.



Further, the Effective Capital of the Company is positive and the proposed remuneration constitutes the maximum payable to Singh for the aforesaid period.

Singh was not related to the Company's Promoters and did not hold any Equity Share in the Company during his tenure.

The Board commends for general body approval of the Resolution No. 3 of the attached Notice.

No Director or Key Managerial Personnel or any relative of the Directors or Key Managerial Personnel have any concern or interest, financial or otherwise, in the Resolution.

As per proviso to Section 102(2) to the Companies Act, 2013, it is clarified that the proposed Resolution does not relate to or affect any other company.

By Order of the Board

Place : Kolkata
Date : 12th February, 2015

Gautam Ganguli
Company Secretary



Kesoram Industries Limited

Registered Office: 8th floor, Birla Building, 9/1 R N Mukherjee Road, Kolkata -700 001

CIN: L17119WB1919PLC003429

Phone: 2243 5453, 2242 9454, 2248 0764, 2213 0441; Fax : 2210 9455

Website: www.kesocorp.com; Email: corporate@kesoram.net



B K BIRLA GROUP OF COMPANIES

POSTAL BALLOT FORM

Serial No.:

1. Name and Registered address :
of sole / first named Shareholder
2. Name or name(s) of the joint :
holder(s) (if any)
3. Registered Folio No./DP ID No. :
along with Client ID No.*
(* Applicable to investors holding
shares in Dematerialized form)
4. No. of shares held :
5. I/We hereby exercise my/our votes in respect of the following Resolutions to be passed through Postal Ballot for the business stated in the Notice dated 12th February, 2015 of the Company by sending my/our assent or dissent to the said Resolutions by placing the tick (✓) mark in the appropriate box below.

Item No.	Description	Type of Resolution	No. of shares	I/We assent to the Resolution (For)	I/We dissent to the Resolution (Against)
1	Resolution under Sections 180(1)(a), 188 and other applicable provisions of the Companies Act, 2013 to transfer the Company's automotive tyre manufacturing facility situated at Laksar, Dist. Haridwar, Uttarakhand to a subsidiary.	Special			
2	Resolution under Section 186 and other applicable provisions of the Companies Act, 2013 for investing in Equity Shares of Rs.10 each in a subsidiary.	Special			
3	Resolution under Sections 196, 197 and other applicable provisions of the Companies Act, 2013 for appointment of Mr. Amolak Preet Singh (DIN: 07019247) as a Whole-time Director and payment of remuneration to him for the period 1 st December, 2014 to 14 th January, 2015.	Ordinary			

Place :

Date :

[Signature of the Shareholder(s)]

E-voting:

EVEN (E-Voting Event Number)	Log in Id	Password
101620		



INSTRUCTIONS

1. A shareholder, desiring to exercise his/her/its 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, envelopes containing Postal Ballot Form will also be accepted if physical copy thereof duly sealed inside the attached postage pre-paid envelope are sent by any mode at the expense of the shareholder.
2. Shareholder opting for e-Voting should not cast his/her/its vote through physical Postal Ballot Form and vice-versa. If a shareholder casted his/her/its vote through physical Postal Ballot Form as well as by e-Voting, vote casted through e-Voting will be considered valid.
3. The self-addressed envelope bears the address of the Scrutinizer appointed by the Board and the Postal Ballot after casting of vote should be sent as per instructions mentioned in the Notice enclosed.
4. A shareholder need not use all his/her/its votes nor he/she/it needs to cast all his/her/its votes in the same way.
5. A shareholder may request for a duplicate Postal Ballot Form, if so required. However, the duly filled in duplicate Postal Ballot Form should reach the Scrutinizer not later than the date specified for the purpose in the Notes and Instructions to the attached Notice.
6. Shareholders are requested not to send any other document (other than Resolution/Authority) along with the complete Postal Ballot Form inside the enclosed self-addressed postage prepaid envelope, as all such envelopes without opening will be sent to the Scrutinizer. Should any extraneous matter be found in any such envelopes, the same will not be considered and would be destroyed by the Scrutinizer.

