



3rd July, 2012

The Secretary
The National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor
Plot No. C/1, G Block
Bandra - Kurla Complex, Bandra (E)
MUMBAI - 400 051

Ref: Decision taken at the Board meeting held on 3rd July, 2012

Pursuant to the appointment of the Committee of Directors ("Committee") by the Board of Directors of the Company ("Board") in its Meeting held on the 1st May, 2012, the Board had received the final recommended proposal of the Committee.

The Board has accepted the Committee's recommendation for exchange of Company's Units Sewa and Ashti (engaged in the business of manufacture of Copier Paper) with Unit Kamalapuram (engaged in the business of manufacture of Rayon Grade Pulp), forming part of BILT Graphic Paper Products Limited (BGPPL), a step down subsidiary of the Company.

The Board also took on record the valuation report of Price Waterhouse & Co. (for the Company) and KPMG India Private Limited (for BGPPL) for the aforesaid exchange of assets for a net outflow of Rs. 115.00 Crores from the Company to BGPPL. These transfers shall be effective 1st July, 2012, subject to necessary approvals.

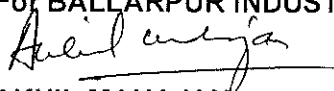
The Board considered the proposal for such reorganization to be in the interest of the Company and its shareholders as it is expected to improve operational efficiencies for both the Companies and consolidate the Paper Business under BGPPL. The relevant approval of Shareholders of the Company shall be sought by Postal Ballot.

The shareholding of the Company in BGPPL shall remain unchanged and hence there will be no impact on the consolidated financials of the Company, post the exchange of aforesaid assets.

The Board has also in principle approved acquisition of captive power assets from Avantha Power & Infrastructure Limited (APIL) and authorized the Committee to finalise the terms and conditions of acquisition with APIL and aforesaid exchange of assets.

Thanking You,

Yours Truly,
For BALLARPUR INDUSTRIES LIMITED


AKHIL MAHAJAN
GENERAL MANAGER & COMPANY SECRETARY



AVANTHA
GROUP COMPANY

Ballarpur Industries Limited