RAJESH EXPORTS LIMITED
Mfrs & Exporters of Gold and Diamond Jewellery
4, BATAVIA CHAMBERS, KUMARAKRUPA ROAD
KUMARA PARK EAST, BANGALORE - 1 INDIA
PH: 2226 6735, 2226 0443, 2228 2215, 4162 3638, 4152 9154
FAX: +91-80-2225 9503 Email : corpcomm@rajeshindia.com
Website : www.rajeshindia.com

26/06/13.

To,

The Listing Manager,

The National Stock Exchange Ltd.

Sir,

Sub: Impact of new import regulations of gold.

During the past couple of weeks there have been several changes brought in by the Government and the Reserve Bank of India on gold jewellery business especially on import of gold. The basic changes that have been effected with regard to import of gold are as follows:

a) Increase in duty on import of gold for domestic consumption.
b) Banning import of gold on Consignment basis.
c) Stopping gold loans to domestic consumers
d) Allowing import of gold only on 100% Cash margin basis.
e) Allowing import of gold only on Documents against payment(D.P) basis.
f) Banning import of gold on Documents against acceptance(D.A) basis

As per Clause 36 of the listing agreement, we would like to clarify the following to our investors.

a)REL was not importing gold on consignment basis.

b)REL has not availed any gold on loan basis.

c)REL imports all it's requirement of gold on Documents against payment basis only.

d)REL does not import gold on Documents against acceptance basis.

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e)The major part of the revenues of REL are from export, wherein REL is a net foreign exchange earner.

f)For it's domestic business REL procures all it's gold requirements on cash basis and does not avail any loan, consignment or credit for any of it's purchases.

g)The duty hike on the domestic gold is passed on to the retail consumers of SHUBH Jewellers and REL does not bear the increased duty.

The policy changes brought in by the government and the Reserve Bank Of India are with the primary intention of reducing the import of gold, for which changes in policy have been made to stop the import of gold on Consignment basis, Credit basis and on Loan basis. REL would like to clarify through this release that it was the policy of REL not to import/procure gold on Consignment Basis, Credit Basis or on Loan Basis. Based on this policy REL has never procured/Imported gold on Consignment Basis, Credit Basis or Loan Basis.

Thanking You,

Your's Faithfully,

For Rajesh Exports Limited,

Narsimha Raju

Manager, Corporate Communications

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Rajesh Exports Limited was established in the year 1990 as a gold jewellery manufacturing company, with its undivided focus and expertise, the company has grown to be the largest gold jewellery manufacturing company in the world. The company has setup the world's largest gold jewellery manufacturing facility at White Field, Bangalore, with a capacity to process 250 tons of gold into world's finest jewellery. REL is also the lowest cost gold Jewellery manufacturing company in the world.

With its retail initiative, under the brand name of SHUBH Jewellers, REL has established 81 retail jewellery showrooms across the state of Karnataka as a result of which REL has emerged as the largest retail jeweller in the south Indian State of Karnataka, and the only fully integrated gold jewellery company in the world. REL imports impure gold from the mines, refines this gold at it's own refinery, processes this refined gold and manufactures jewellery at it's own world's largest gold jewellery manufacturing facility, exports the jewellery, wholesales the jewellery and also retails the jewellery directly to the end consumer at it's own retail stores under the brand name of SHUBH Jewellers.

For additional information please contact:

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