

Ref. No. Inv Bk/CMG/PS/2018-19/128

October 16, 2018

The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra East, Mumbai
Maharashtra- 400 051

Dear Sirs,

Subject: CASH OFFER TO BUY-BACK BY KIOCL LIMITED ("COMPANY") OF FULLY PAID UP EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AT A PRICE OF ₹ 170 (RUPEES ONE HUNDRED SEVENTY ONLY) PER EQUITY SHARE NOT EXCEEDING 1,25,88,235 (ONE CRORE TWENTY FIVE LAKH EIGHTY EIGHT THOUSAND TWO HUNDRED THIRTY FIVE) EQUITY SHARES, ON PROPORTIONATE BASIS THROUGH THE TENDER OFFER PROCESS ("BUYBACK OFFER")

This is in relation to the Buyback by the Company of fully paid-up equity shares of face value ₹ 10 each ("Shares" or "Equity Shares") not exceeding 1,25,88,235 (One Crore Twenty Five Lakh Eighty Eight Thousand Two Hundred Thirty Five) Equity Shares, from all the existing shareholders/ beneficial owners of Equity Shares of the Company, including the Promoter, on a proportionate basis, through the "Tender Offer" process, in accordance with the provisions of Section 68, 69, 70 and all other applicable provisions if any, of the Companies Act, 2013, as amended (the "Companies Act, 2013") and the provisions contained in the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 (the "Buyback Regulations").

The Buyback Offer has been authorized pursuant to the resolution passed by the Board of Directors of the Company on September 18, 2018. The Buyback will be offered at the rate of ₹ 170 per Equity Share ("Buyback Offer Price") payable in cash, for an aggregate consideration of not exceeding ₹ 214 crore (Rupees Two Hundred Fourteen Crore Only) (the "Buyback Offer Size"). The Buyback Offer Size represents 9.99% of the aggregate of the fully paid-up equity share capital and free reserves as per the audited standalone financial statements of the Company for the financial year ended March 31, 2018 and is within the statutory limits of 10% of the aggregate of the fully paid-up equity share capital and free reserves as per the audited financial statements of the Company under the Board of Directors approval route as per the provisions of the Companies Act, 2013. The maximum number of Equity Shares proposed to be bought back represents 1.98% of the total number of Equity Shares in the paid-up share capital of the Company.

We have been appointed by the Company to act as the Manager to the Buyback Offer in terms of the Buyback Regulations. Please refer to the letter dated September 27, 2018 in relation to the filing of the Draft Letter of Offer dated September 27, 2018, of the Buyback Offer.

Please find enclosed a printed copy and a compact disc containing the soft copy (in pdf version) of the Letter of Offer dated October 10, 2018 of the Company in relation to the Buyback Offer ("Letter of Offer"), as **Annexure 1**, for your information and records. Please note that the date of opening of the Buyback Offer is

LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is being sent to you, being an Eligible Shareholder of KIOCL Limited (the "Company") as on the Record Date in accordance with Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018. If you require any clarifications about the action to be taken, you may consult your stockbroker or investment consultant or the Manager to the Buyback Offer i.e. IDBI Capital Markets & Securities Limited or the Registrar to the Buyback Offer i.e. Integrated Registry Management Services Private Limited. Please refer to the section on 'Definitions' for the definition of the capitalised terms used herein.



KIOCL LIMITED

(A Government of India Enterprise)

Registered & Corporate Office: II Block, Koramangala, Bangalore - 560 034, Karnataka, India
CIN: L13100KA1976GOI002974

Contact Person: Shri Suvendu Kumar Padhi, Company Secretary & Compliance Officer
Tel: 080-25531461-70 | Fax: 080-25532153-5941 | Email: cs@kioclltd.com | Website: www.kioclltd.in

CASH OFFER FOR BUYBACK OF NOT EXCEEDING 1,25,88,235 (ONE CRORE TWENTY FIVE LAKH EIGHTY EIGHT THOUSAND TWO HUNDRED THIRTY FIVE) FULLY PAID-UP EQUITY SHARES OF FACE VALUE ₹10 EACH, REPRESENTING 1.98% OF THE TOTAL NUMBER OF EQUITY SHARES IN THE ISSUED, SUBSCRIBED AND PAID-UP EQUITY SHARE CAPITAL OF THE COMPANY, FROM ALL THE EXISTING SHAREHOLDERS/ BENEFICIAL OWNERS OF EQUITY SHARES OF THE COMPANY AS ON THE RECORD DATE i.e. MONDAY, OCTOBER 1, 2018 ON A PROPORTIONATE BASIS, THROUGH THE "TENDER OFFER" PROCESS AT A PRICE OF ₹ 170 (RUPEES ONE HUNDRED SEVENTY ONLY) PER EQUITY SHARE FOR AN AGGREGATE CONSIDERATION NOT EXCEEDING ₹ 214 CRORE (RUPEES TWO HUNDRED FOURTEEN CRORE ONLY)

- 1) The Buyback is in accordance with the provisions of Sections 68, 69, 70 and all other applicable provisions of the Companies Act, 2013, as amended, the Companies (Share Capital and Debentures) Rules, 2014, as amended to the extent applicable and in accordance with Article 7A of the Articles of Association of the Company and in accordance with Regulation 4(iv)(a) and other applicable provisions contained in the Buyback Regulations and subject to such other approvals, permissions and sanctions as may be necessary, from time to time from statutory, regulatory or governmental authorities under applicable laws including but not limited to SEBI, the Stock Exchanges and Reserve Bank of India etc.
- 2) The Buyback Offer Size which is not exceeding ₹ 214 crore (Rupees Two Hundred Fourteen Crore only) represents 9.99% of the aggregate of the fully paid-up equity share capital and free reserves as per the audited financial statements of the Company for the financial year ended March 31, 2018 (i.e. the last audited financial statements available as on the date of the Board Meeting approving the Buyback) and is within the statutory limits of 10% of the aggregate of the fully paid-up equity share capital and free reserves as per audited financial statements of the Company under the Board of Directors approval route as per the provisions of the Companies Act, 2013.
- 3) The Letter of Offer is sent to the Eligible Shareholders as on the Record Date i.e. Monday, October 1, 2018.
- 4) The procedure for acceptance is set out in paragraph 20 (*Procedure for Tender Offer and Settlement*) on page 29, of this Letter of Offer. The Tender Form is enclosed together with this Letter of Offer.
- 5) For mode of payment of cash consideration to the Eligible Shareholders, please refer to paragraph 20.29 (*Method of Settlement*) on page 36 of this Letter of Offer.
- 6) A copy of the Public Announcement, the Draft Letter of Offer and this Letter of Offer (including Tender Form) is expected to be available on the website of SEBI - <http://www.sebi.gov.in>.
- 7) Eligible Shareholders are advised to refer to paragraph 17 (*Details of Statutory Approvals*) on page 25 of this Letter of Offer and paragraph 21 (*Note on Taxation*) on page 37 of this Letter of Offer before tendering their Equity Shares in the Buyback.

BUYBACK OPENS ON: MONDAY, OCTOBER 22, 2018

BUYBACK CLOSES ON: FRIDAY, NOVEMBER 2, 2018

(LAST DATE/TIME OF RECEIPT OF COMPLETED APPLICATION FORMS AND OTHER SPECIFIED DOCUMENTS INCLUDING PHYSICAL SHARE CERTIFICATES BY THE REGISTRAR: MONDAY, NOVEMBER 5, 2018, BY 5:00 P.M.)

MANAGER TO THE BUYBACK OFFER



IDBI CAPITAL MARKETS & SECURITIES LIMITED

3rd Floor, Mafatlal Centre, Nariman Point,
Mumbai- 400 021

Contact person: Mr. Priyanka Shetty / Mr. Sumit Singh

Tel: +91 (22) 4322 1212

Fax: 91 (22) 2285 0785

Email: kiocl.buyback@idbicapital.com

Website: www.idbicapital.com

SEBI Registration Number: INM000010866

Validity Period: Permanent

CIN: U65990MH1993GOI075578

REGISTRAR TO THE BUYBACK OFFER



**INTEGRATED REGISTRY MANAGEMENT SERVICES
PRIVATE LIMITED**

No. 30, Ramana Residency, 4th Cross, Sampige Road,
Malleswaram, Bangalore - 560003

Contact Person: Mr. S. Vijayagopal

Tel.: +91 8023460815 to 818

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SEBI Registration Number: INR000000544

Validity Period: Permanent

CIN: U74900TN2015PTC101466