

Ambuja Cement

Ref: AC:SEC:

1st August, 2013

To,

National Stock Exchange of India Limited

Listing Department
Exchange Plaza, 5th Floor
Plot No. C/1, G Block
Bandra – Kurla Complex
Bandra (East)
Mumbai – 400 051

NSE Scrip Code: AMBUJACEM

Dear Sir,

Re: Scheme of Amalgamation between Holcim (India) Private Limited, Ambuja Cements Limited and their respective Shareholders and Creditors under Sections 391 to 394, read with Section 100 and other applicable provisions of the Companies Act, 1956

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Re: Application under Clause 24(f) of the Equity Listing Agreement

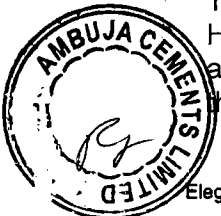
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Re: Securities and Exchange Board of India circular number CIR/CFD/DIL/5/2013 dated February 4, 2013 read with circular number CIR/CFD/DIL/8/2013 dated May 21, 2013

1. This has reference to our letter dated July 24, 2013, informing you of the meeting of the Board of Directors of Ambuja Cements Limited ("**Company**"), wherein the Board of Directors of the Company had approved:

(a) a proposal to amalgamate Holcim (India) Private Limited ("**HIPL**") with the Company pursuant to a Scheme of Amalgamation between HIPL, the Company and their respective Shareholders and Creditors ("**Scheme**") under Sections 391 to 394, read with Section 100 and other applicable provisions of the Companies Act, 1956 ("**Companies Act**"). The Scheme provides for the amalgamation of HIPL into the Company under Sections 391 – 394, read with Section 100 and other relevant provisions of the Companies Act, followed by the dissolution without winding up of HIPL. In terms of the Scheme, the shares of the Company held by HIPL will stand cancelled.

(b) the purchase of 1,365,692,423 (One Hundred Thirty Six Crores Fifty Six Lacs Ninty Two Thousand Four Hundred Twenty Three) shares constituting 24% (Twenty Four Percent) of HIPL's share capital with face value of Rs.10/- (Rupees Ten Only) per share from Holderind Investments Ltd. Mauritius ("**HIL**") for a consideration of Rs.25.63/- (Rupees Twenty Five and Sixty Three Paise Only) per share aggregating to Rs.35,002,696,801.49/- (Rupees Three Thousand Five Hundred Crore Twenty Six Lacs Ninety Six Thousand Eight Hundred and One and Paise Forty Nine Only), subject to terms mutually agreed (including conditions precedent) under the acquisition agreement through the acquisition agreement dated July 31, 2013 between the Company,



AMBUJA CEMENTS LIMITED

Elegant Business Park, MIDC Cross Road 'B', Off Andheri - Kurla Road, Andheri (E), Mumbai - 400 059

Tel. : (91-22) 6616 7000 / 4066 7000, Fax : (91-22) 6616 7711 / 4066 7711

Regd. Off. : P. O. Ambuja Nagar, Taluka - Kodinar, Dist. - Junagadh, Gujarat

Page 1 of 7

Ambuja Cement

HIPL and HIL. The purchase shall be undertaken post satisfaction of all other conditions precedent to the Scheme but prior to the effectiveness of the Scheme as contemplated under the acquisition agreement.

A certified true copy of the aforesaid letter is enclosed herewith as **Annexure B**.

2. Clause 24(f) of the Equity Listing Agreement executed between the Company and the National Stock Exchange of India Limited ("NSE") and the BSE Limited ("BSE") (collectively referred to as the "Stock Exchanges") ("Listing Agreement") requires a company to file a scheme/ petition, proposed to be filed before any court/ tribunal, with the stock exchange(s) for approval at least 1 (one) month before it is presented to the court/ tribunal. Further, circular number CIR/CFD/DIL/5/2013 dated February 4, 2013 and circular number CIR/CFD/DIL/8/2013 dated May 21, 2013 (which provides clarifications with respect to the aforementioned circular), both issued by the Securities and Exchange Board of India ("SEBI Circulars"), *inter alia* require certain documents to be filed along with the application under Clause 24(f) of the Listing Agreement. We are pleased to submit list containing the details of these documents (attached herewith as **Annexure A**) along with the necessary annexures for your kind consideration.

3. **Report of the Audit Committee of the Company**

The Scheme has been recommended by the Audit Committee of the Company, at its meeting held on July 24, 2013, taking into consideration, *inter alia*, the joint Valuation Report prepared by BSR and Associates and Price Waterhouse & Co. both independent Chartered Accountants. The report by the Audit Committee of the Company recommending the Scheme is enclosed herewith as **Annexure C**.

4. **Certified true copy of the Resolution passed by the Board of Directors of the companies**

The Scheme has also been approved by the Board of Directors of the Company and HIPL at their respective meetings held on July 24, 2013. Certified true copies of the resolutions passed by the Boards of Directors of the Company and HIPL approving the Scheme are enclosed herewith as **Annexure D1** and **Annexure D2** respectively.

5. **Certified copy of the Scheme**

In terms of Clause 24(f) of the Listing Agreement, and the aforesaid SEBI Circulars, we hereby submit the draft Scheme enclosed herewith as **Annexure E** for your approval and necessary action.

6. **Designated Stock Exchange**

The Designated Stock Exchange for the purposes of the Scheme is NSE. A certified true copy of the board resolution selecting the Designated Stock Exchange is enclosed herewith as **Annexure F**.

7. **Brief history of the companies seeking approval**

- 7.1. *Ambuja Cements Limited*

- 7.1.1. The Company is a public limited company incorporated in the year 1981 under the Companies Act having its registered office at P.O. Ambujanagar, Taluka Kodinar,



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Page 2 of 7

Ambuja Cement

District Junagadh, Gujarat – 362715. The Company was originally incorporated in the year 1981 under the name 'Ambuja Cements Private Limited' as a private limited company. The Company changed its name to 'Ambuja Cements Limited' in 1983, thereafter to 'Gujarat Ambuja Cements Limited' in 1983 and finally to 'Ambuja Cements Limited' in 2007.

7.1.2. The Company is engaged in the business of manufacturing and marketing of cement and clinker for domestic and export markets. Further details, in brief, of the business of the Company are detailed in **Annexure G** enclosed herewith.

7.1.3. The equity shares of the Company are listed on the NSE and the BSE. The Global Depository Receipts issued by the Company are listed on the Euro MTF Platform of the Luxemburg Stock Exchange.

7.1.4. The share capital of the Company as of June 30, 2013 is as under:

A. Authorised Share Capital	Amount in Rupees
2,50,00,00,000 Equity Shares of Rs. 2 each	5,00,00,00,000
15,00,00,000 Preference Shares of Rs. 10 each	1,50,00,00,000
Total	6,50,00,00,000
B. Issued, Subscribed & Paid up Share Capital*	Amount in Rupees
1,54,37,63,286 equity shares of Rs. 2 each fully paid up	3,08,75,26,572
Total	3,08,75,26,572

* The paid up capital of the Company includes equity shares underlying 3,48,27,481 Global Depository Receipts of the Company.

7.1.5. As on June 30, 2013, the Company has outstanding (i) stock options exercisable into 85,70,425 (Eighty Five Lakhs Seventy Thousand Four Hundred and Twenty Five) equity shares of Rs. 2 (Rupees Two Only) each fully paid up; and (ii) tradable warrants kept in abeyance exercisable into 1,86,690 (One Lakh Eighty Six Thousand Six Hundred and Ninety) equity shares of Rs. 2 (Rupees Two Only) each fully paid up; and (iii) rights shares kept in abeyance exercisable into 1,39,830 (One Lakh Thirty Nine Thousand Eight Hundred and Thirty) equity shares of Rs. 2 (Rupees Two Only) each fully paid up.

7.2. *Holcim (India) Private Limited*

7.2.1. HIPL is a private company limited by shares incorporated in the year 2002 under the Companies Act having its registered office at Suite 304, Third Floor, DLF South Court, Plot A-1, Saket District Centre, Saket, Delhi – 110017. HIPL was originally incorporated in the year 2002 under the name 'Holdcem Cements Private Limited' and its name was changed to 'Holcim (India) Private Limited' in the year 2005.

7.2.2. HIPL is primarily engaged in the cement business through its investments in 2 (Two) companies dealing in cement and cement related products, that is, ACC Limited and



Ambuja Cement

the Company. Further details, in brief, of the business of HIPL are detailed in **Annexure G** enclosed herewith.

7.2.3. The equity shares of HIPL are not listed on any stock exchange in India. HIL and Mr. Dinesh Kothari are the only members of HIPL. HIL holds 5,69,03,85,094 (Five Hundred Sixty Nine Crores Three Lakhs Eighty Five Thousand and Ninety Four) equity shares of HIPL of the face value of Rs.10/- (Rupees Ten Only) each. The remaining 1 (one) equity share of HIPL of the face value of Rs.10/- (Rupees Ten Only) is held by Mr. Dinesh Kothari with the beneficial owner being HIL.

7.2.4. As disclosed in our letter (accompanied by the disclosure under Regulation 10(5) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011) dated July 24, 2013, the Company, HIL and HIPL have entered into an agreement on July 31, 2013 pursuant to which the Company will purchase from HIL, 1,36,56,92,423 (One Hundred Thirty Six Crores Fifty Six Lakhs Ninety Two Thousand and Four Hundred and Twenty Three) equity shares of HIPL with face value of Rs. 10/- (Rupees Ten Only), prior to the effectiveness of the Scheme. A certified true copy of the letter (accompanied by the disclosure under Regulation 10(5)) is enclosed herewith as **Annexure H**.

7.2.5. The share capital structure of the HIPL as on June 30, 2013 is as under:

A. Authorised Share Capital	Amount in Rupees
7,50,00,00,000 equity shares of Rs. 10/- each*	75,00,00,00,000
Total	75,00,00,00,000

**Pursuant to the re-classification approved by the shareholders in the annual general meeting held on April 30, 2013.*

B. Issued, Subscribed and Paid Up Share Capital	Amount in Rupees
5,69,03,85,095 equity shares of Rs. 10/- each fully paid up	56,90,38,50,950
Total	56,90,38,50,950

7.3. Further details, in brief, of the Company and HIPL are enclosed herewith as **Annexure G**.

8. Rationale of the Scheme

The Company believes that the amalgamation pursuant to the Scheme will result in the advantages listed out in **Annexure G** enclosed herewith.

9. Certified true copies of the Valuation Report and Fairness Opinion on the basis of which the Share Exchange Ratio is determined

9.1. Under the Scheme, in consideration of the amalgamation of HIPL with the Company, the Company shall, without any further application, act, instrument or deed, issue and allot to each member of HIPL (other than (i) the Company; and (ii) Mr. Dinesh Kothari since he is only entitled to a fractional share), whose name is registered in



Ambuja Cement

the register of members of HIPL on the record date (as determined by the Board of Directors of the Company and HIPL) or his/ her/ its legal heirs, executors or successors as the case may be, 10 (Ten) equity shares of the face value of Rs. 2 (Rupees Two Only) each (credited as fully paid up) of the Company for every 74 (Seventy Four) equity shares of the face value of Rs. 10 (Rupees Ten Only) (credited as fully paid-up) held by such member or his/ her/ its respective legal heirs, executors or successors in HIPL. The ratio in which equity shares of the Company are to be issued and allotted to the members of HIPL as set out above is herein referred to as the "**Share Exchange Ratio**". It is hereby clarified that (a) the Company shall not be issued any shares in exchange for any shares held by it in HIPL on the record date; and (b) since Mr. Dinesh Kothari is only entitled to a fractional share for the share held by him in HIPL on the record date, he shall not be issued any share for such share held in HIPL on the record date.

9.2. In this regard, a certified true copy of the joint Valuation Report on the Share Exchange Ratio prepared by BSR and Associates and Price Waterhouse & Co., both independent chartered accountants, and a certified true copy of the Fairness Opinion confirming the Share Exchange Ratio prepared by Axis Capital Limited, an independent Merchant Banker, considered by the Audit Committee and the Board of Directors of the Company are enclosed herewith as **Annexure I1** and **Annexure I2**, respectively.

10. **Shareholding pattern of the companies pre and post amalgamation as per Clause 35 of the Listing Agreement**

10.1. *Shareholding pattern of the Company*

10.1.1. The shareholding pattern of the Company as of June 30, 2013 (i.e. prior to the amalgamation) as per the requirements of Clause 35 of the Listing Agreement is enclosed herewith as **Annexure J1** hereto.

10.1.2. The shareholding pattern of the Company post the amalgamation as per the requirements of Clause 35 of the Listing Agreement is enclosed herewith as **Annexure J1**.

10.2. *Shareholding pattern of HIPL*

10.2.1. The shareholding pattern of HIPL as of June 30, 2013 (i.e. prior to the amalgamation) as per the requirements of Clause 35 of the Listing Agreement is enclosed herewith as **Annexure J2**.

10.2.2. Given that HIPL will be dissolved without winding up pursuant to the Scheme, the shareholding pattern of HIPL post amalgamation will be NIL.

11. **Audited Financial Statements and Annual Reports of the Company and HIPL for the last 3 years**

The audited Financial Statements and Annual Reports of the Company and HIPL for the last 3 (three) years are enclosed herewith as **Annexure K1** and **Annexure K2** respectively. The aforesaid annexures also contain unaudited financials as of March 31, 2013 and June 30, 2013. The financials of the Company as of March 31, 2013 and June 30, 2013 have been subjected to Limited Review by the Statutory Auditors and their report is also attached under **Annexure K1**.



Ambuja Cement

12. Compliance Report as per Clause 49 of the Listing Agreement by the Company

12.1. We hereby undertake and confirm that the status of compliance of the Company with Clause 49 of the Listing Agreement is as set out in the Compliance Report enclosed herewith as **Annexure L**.

12.2. As HIPL is an unlisted company, this requirement is not applicable to HIPL.

13. Complaints Report

13.1. The Company undertakes to submit the complaints report within the prescribed time period in accordance with, and in the manner provided in, the SEBI Circulars.

13.2. There are no complaints on the draft Scheme at the time of filing of this application.

14. The net worth certificate of the Company

The net worth certificate (excluding revaluation reserve) of the Company is enclosed herewith as **Annexure M**.

15. Capital evolution details of the Company and HIPL

The capital evolution details of the Company and HIPL are enclosed herewith as **Annexure N1** and **Annexure N2**, respectively.

16. Confirmation from the Company Secretary of the Company

In accordance with Clause 24(g) of the Listing Agreement, an undertaking from the undersigned, the Company Secretary of the Company is enclosed herewith as **Annexure O**.

17. Auditor's certificate under Clause 24(i) of the Listing Agreement

In accordance with Clause 24(i) of the Listing Agreement, Statutory Auditor's certificate stating that the accounting treatment contained in the Scheme is in compliance with accounting standards specified by the Central Government under Section 211(3C) of the Companies Act is enclosed herewith as **Annexure P**.

18. Please see below the link to the Company's website where the draft Scheme and other documents required to be uploaded pursuant to the SEBI Circulars are provided:

https://www.ambujacement.com/scheme_amalgamation.php

19. A cheque is enclosed as payment towards processing fees for this application.

20. As mentioned above, the Company has selected NSE as the Designated Stock Exchange for the purposes of the SEBI Circulars. We would therefore request you to please forward the documents specified in the SEBI Circulars to the Securities and Exchange Board of India for their comments.



Ambuja Cement

We request you to take the abovementioned information on record and to take necessary action in this regard.

We look forward to a prompt and favorable review of this application and request you to issue an observation letter at the earliest so as to enable us to file the Scheme with the Hon'ble High Court of Gujarat and Hon'ble High Court of Judicature at New Delhi.

We would be happy to provide any clarifications or further information. Any intimation in this regard may be addressed to:

Mr. Rajiv Gandhi
Company Secretary and Compliance Officer
Ambuja Cements Ltd.
Elegant Business Park
MIDC Cross Road "B"
J.B. Nagar
Off Andheri – Kurla Road
Andheri (East)
Mumbai 400 059

E.mail: rajiv.gandhi@ambujacement.com

Telephone (Landline): 022 – 40667059

Telephone (Mobile): 91 9920752059

Thanking you.

Yours faithfully,

For **AMBUJA CEMENTS LIMITED**

Rajiv R. Gandhi

Rajiv Gandhi
Company Secretary and Compliance Officer



Encl.: a/a