



20<sup>th</sup> May, 2018

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**Scrip Code: ULTRACEMCO**

Dear Sirs

**SUB:** Outcome of Board Meeting: Disclosures under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended ("Listing Regulations")

**REF:** Scheme of Arrangement amongst Century Textiles and Industries Limited ("Demerged Company"), UltraTech Cement Limited ("Resulting Company") and their respective shareholders and creditors, under Sections 230 - 232 and other applicable provisions of the Companies Act, 2013 ("Scheme")

The Board of Directors, at its meeting held today, have approved a Scheme of Arrangement amongst Century Textiles and Industries Limited ("Demerged Company"), UltraTech Cement Limited ("Resulting Company") and their respective shareholders and creditors for the acquisition of the Cement Business (*as defined in the Scheme*) of the Demerged Company. Post effectiveness of the Scheme, equity shares of the Resulting Company shall be issued to the eligible shareholders of the Demerged Company.

The Scheme as approved by the Board would be available on the website of the Company at [www.ultratechcement.com](http://www.ultratechcement.com) post submitting the same to the stock exchanges.

In terms of the Listing Regulations read with SEBI Circular No.CIR/CFD/CMD/4/2015 dated 9<sup>th</sup> September 2015, we are furnishing herewith the details of the Scheme as Annexure I.

Also attached is a Press Release and an Investor Presentation in this regard.

The same is for your information and record.

Thanking you,  
Yours faithfully  
For UltraTech Cement Limited

A handwritten signature in blue ink, appearing to read "S. K. Chatterjee".

S. K. Chatterjee  
Company Secretary

Encl. a/a.



UltraTech Cement Limited

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T : +91 22 6691 7800 / 2926 7800 | F : +91 22 6692 8109 | W : [www.ultratechcement.com](http://www.ultratechcement.com) / [www.adityabirla.com](http://www.adityabirla.com) | CIN : L26940MH2000PLC128420

**Disclosure of information pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular no. CIR/CFD/CMD/4/2015 dated 9<sup>th</sup> September, 2015.**

a. **Details of the Demerged Company**

The Demerged Company is engaged, *inter alia*, in the business of manufacture, production, sale and distribution of cement. It is not a related party of the Resulting Company and the transaction is not a related party transaction.

b. **Details of the Demerger**

Pursuant to the demerger, Cement Division of the Demerged Company *inter alia* consisting of 3 integrated cement units with a total capacity of 11.4 mtpa (excludes 1.2 mtpa for which statutory approval is pending) and 1 grinding unit of 2 mtpa shall be vested and transferred to the Resulting Company

The turnover of the Cement Division, as on 31<sup>st</sup> March, 2018, was Rs. 4,306 crores and forms 53.2% of the total turnover of the Demerged Company.

c. **Rationale for the Demerger**

- (i) expansion in markets having good potential demand for cement;
- (ii) creating value for its shareholders by acquiring ready to use assets which shall create operational efficiencies, reduce time to markets vis-à-vis greenfield projects which are time consuming due to challenges in acquisition of land and limestone mining leases;
- (iii) a strategic fit for serving existing markets and catering to additional volume requirements in new markets; and
- (iv) synergies in manufacture and distribution process and logistics alignment leading to economies of scale and creation of efficiency by reducing time to market and benefiting customers.

d. **Details of approvals required, indicative time period for completion of transaction etc.**

The transaction is subject to the approval of the stock exchanges, Securities and Exchange Board of India, shareholders and creditors, National Company Law Tribunal (Mumbai Bench), Competition Commission of India and all other statutory approvals and is expected to take around 6 to 9 months to be consummated.

e. **Details of change in shareholding pattern**

Considering the shareholding pattern of the Resulting Company as on 31<sup>st</sup> March, 2018, the pre and post shareholding pattern of the Resulting Company and the Demerged Company are as under:



The pre and post shareholding pattern of the Resulting Company:

Particulars	Pre-demerger		Post-demerger	
	No of shares	%	No of shares	%
Promoter & promoter group	167,459,599	60.98	176,654,892	61.22
Public	102,650,173	37.38	107,416,840	37.22
GDRs*	4,504,213	1.64	4,504,213	1.56
<b>Total</b>	<b>274,613,985</b>	<b>100.00</b>	<b>288,575,945</b>	<b>100.00</b>

\*2744168 GDRs held by promoter group

The pre and post shareholding pattern of the Demerged Company:

Particulars	Pre-demerger		Post-demerger	
	No of shares	%	No of shares	%
Promoter & promoter group	56,077,970	50.21	56,077,970	50.21
Public	55,617,710	49.79	55,617,710	49.79
<b>Total</b>	<b>111,695,680</b>	<b>100.00</b>	<b>111,695,680</b>	<b>100.00</b>

f. **Nature of consideration**

In terms of the share entitlement ratio enshrined in the Scheme, in consideration, the Resulting Company shall issue and allot to each shareholder of the Demerged Company, whose name is recorded in the register of members on the Record Date (*as defined in the Scheme*), equity shares in the following ratio:

For every 8 (eight) fully paid-up equity shares of INR 10/- each held in the Demerged Company 1 (one) fully paid-up equity share of INR 10/- each of the Resulting Company.

g. **Whether listing would be sought for the resulting entity**

Both, the Resulting Company and the Demerged Company are existing listed entities and hence, not applicable.





Mumbai, 20 May 2018

Media Release

**Demerger of Cement Business of Century Textiles and Industries Limited  
into UltraTech Cement Limited**

The Board of Directors of UltraTech Cement Limited (“Company” or “UltraTech”), at its meeting held today, approved a Scheme of Arrangement amongst Century Textiles and Industries Limited (“Century”), the Company and their respective shareholders and creditors (“Scheme”). In terms of the Scheme, Century will demerge the ‘Cement Business’ into UltraTech.

The Cement Business consists of 3 integrated cement units in Madhya Pradesh, Chhattisgarh and Maharashtra with a total capacity of 11.4 mtpa\* and a grinding unit in West Bengal of 2.0 mtpa. For the year ended 31<sup>st</sup> March, 2018, it had reported revenue of Rs. 4,306 crores and EBITDA of Rs. 492 crores (excluding non-recurring items).

The transaction provides UltraTech the opportunity for further strengthening its presence in the highly fragmented, competitive and fast growing East and Central markets and extending its footprint in the Western and Southern markets in the country. The operations will be bolstered by economies of scale arising out of synergies in procurement and logistics costs; creation of efficiencies by reducing time to market, enhancing competitiveness as well as customer service. Other advantages stem from ready to use assets with a strong distribution network, availability of land, railway and other infrastructure. The acquisition is expected to lead to greater shareholder value creation.

The consideration for the demerger will be by way of issuance of equity shares to the shareholders of Century as on the Record Date (defined in the Scheme), in the ratio as recommended by the valuers and approved by the Board. It entails issuing 1 (one) equity share of UltraTech of face value Rs.10/- each for every 8 (eight) equity shares of Century of face value Rs. 10/- each. UltraTech will issue 1.4 crore new equity shares to the shareholders of Century, which will increase its equity capital to Rs. 288.58 crores, divided into 28.86 crores equity shares of Rs. 10/- each. The acquisition will contribute positively to the Company’s earnings.

The transaction is subject to the approval of shareholders and creditors, stock exchanges, NCLT, CCI and all other regulatory approvals as may be required. The transaction is expected to be consummated within 6-9 months.

Walker Chandiook & Co LLP and Bansi S Mehta & Co were the independent joint valuers, Axis Capital provided the fairness opinion and Khaitan & Co and Trilegal (Competition Law aspects) were the legal advisors.

Upon consummation, the Company’s cement capacity will stand augmented to 109.9 mtpa including its overseas operations. This will position UltraTech as the 3<sup>rd</sup> largest Cement player globally (excluding China).

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**UltraTech Cement Limited**

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*\*It excludes capacity of 1.2 mtpa which is pending statutory clearance*