PUBLIC ANNOUNCEMENT TO SHAREHOLDERS OF THE

ASSOCIATED CEMENT COMPANIES LIMITED

In connection with the public announcement by DSP Merrill Lynch Limited as Manager to the Offer on behalf of Holdcem Cements Private Ltd ("Holcim"/"Acquirer") dated January 21, 2005 ("Offer"), pursuant to and in compliance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 1997 ("SEBI Takeover Regulations")

The shareholders of The Associated Cement Companies Limited ("ACC") are requested to kindly note the following:

In terms of Regulation 18(1) of the SEBI Takeover Regulations, the draft letter of Offer had been submitted on January 28, 2005 and observations in terms of Regulation 18(2) of the SEBI Takeover Regulations have yet to be received and are awaited. However, the process has delayed the earlier announced Schedule of Activity and the revised Schedule of Activity will be announced separately.

The other terms and conditions of the Offer remain unchanged.

The Acquirer and the PACs accept responsibility for the information contained in this Public Announcement. The Acquirer and the PAC are jointly and severally responsible for each of their obligations in terms of the SEBI (SAST) Regulations

This Public Announcement would also be available on the SEBI's website www.sebi.gov.in

Issued by the Manager to the Offer

DSP Merrill Lynch

DSP Merrill Lynch Limited

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Place: Mumbai

Date: March 9, 2005