DETAILED PUBLIC STATEMENT IN TERMS OF REGULATIONS 3(1) AND 4 READ WITH REGULATIONS 13(4), 14, 15(2) AND OTHER APPLICABLE REGULATIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 (AS AMENDED) (THE "SEBI (SAST) REGULATIONS") TO THE PUBLIC SHAREHOLDERS OF

ANJANI PORTLAND CEMENT LIMITED

Registered Office: Sitha Nilayam, 153, Dwarakapuri Colony, Punjagutta, Hyderabad - 500 082, Andhra Pradesh, India; **Tel:** (+91 40) 2335 3096/3106; **Fax:** (+91 40) 2335 3093; **Website:** www.anjanicement.com

Corporate Office: Anjani Cement Centre, Plot No. 7 & 8, Nagarjuna Hills, Punjagutta, Main Road, Hyderabad – 500 082, Andhra Pradesh, India; **Tel:** (+91 40) 2335 3096; **Fax:** (+91 40) 2335 3093.

Open offer ("**Open Offer**"/ "**Offer**") for the acquisition of maximum of 47,81,296 (Forty Seven Lacs Eighty One Thousand Two Hundred and Ninety Six) equity shares of the face value of Rs.10 (Rupees Ten) each ("**Offer Shares**") of Anjani Portland Cement Limited ("**Target Company**") from the Public Shareholders (as defined below) of the Target Company at a price of Rs. 61.75/- (Rupees Sixty One and Seventy Five Paise) per Offer Share by Chettinad Cement Corporation Limited ("**Acquirer**"). No person is acting in concert with the Acquirer for the purpose of this Offer.

This Detailed Public Statement ("DPS") is being issued by Motilal Oswal Investment Advisors Private Limited, the Manager to the Offer ("Manager"), on behalf of the Acquirer to the Public Shareholders of the Target Company in compliance with Regulation 13(4) and other applicable provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ("SEBI (SAST) Regulations"), pursuant to the Public Announcement ("PA") filed on March 12, 2014 with the BSE Limited ("BSE") and sent to the Target Company at its registered office on March 13, 2014 in terms of Regulation 3(1) and 4 of the SEBI (SAST) Regulations. The PA was filed with the Securities and Exchange Board of India ("SEBI") on March 13, 2014.

For the purposes of this DPS, the following terms would have the meaning assigned to them herein below:

"**Board of Directors**" means the board of directors of the Target Company.

"**Public Shareholders**" means all the public shareholders of the Target Company and does not include the parties to SPA, as defined below, and the persons acting in concert with such parties.

"**Share Capital**" means the total fully paid-up equity share capital of the Target Company.

"**Share(s)**" means fully paid-up equity shares of the face value of Rs 10 (Rupees Ten) each of the Target Company.

"**Sellers**" means and includes Mr. K. V. Vishnu Raju, Mrs. K Anuradha, Mrs. Vanitha Datla, Mr. P V R L Narasimha Raju, Mrs. K Ramavathy, Dr. K S N Raju, Mr. K Aditya Vissam, Mrs. P Lakshmi, M/s. Vanitha Finance & Investment Pvt Ltd, Mr. P S Naveen, Mr. P Satyanarayana Raju and Mrs. P Suryakantamma.

"**SPA**" means the share purchase agreement dated March 12, 2014 entered into by and amongst the Sellers, the Acquirer and the Target Company.

I. ACQUIRER, TARGET COMPANY AND OFFER

A. Information about the Acquirer

1. The Acquirer

1.1. The Acquirer is a public limited company, incorporated and registered in India under the Companies Act, 1956, as amended till date ("**Companies Act**"), with its registered and corporate office located at "Rani Seethai Hall Building", No. 603, Anna Salai, Chennai - 600 006, India; Telephone Number: (+91 44) 2829 2727; Fax Number: (+91 44) 2829 1558. Prior to this, the registered office was located at 64, Armenian Street, Chennai – 600 001. Further prior to this, the registered office was located at 80, Sembudass Street, Chennai – 600 001.The Acquirer's name has not been changed since incorporation. The Acquirer was incorporated on December 11, 1962, as a public limited company and is engaged in the business of manufacturing and sale of cement. The corporate identity number ("**CIN**") of the Acquirer is U93090TN1962PLC004947. The Acquirer does not have any subsidiary.

1.2. The issued capital of the company is Rs. 38,29,57,480/- (Rupees Thirty Eight Crore Twenty Nine Lacs Fifty Seven Thousand Four Hundred Eighty) comprising of 3,82,95,748 (Three Crore Eighty Two Lacs Ninety Five Thousand Seven Hundred Forty Eight) equity shares of Rs. 10 (Rupees Ten) each and paid-up capital of the Acquirer is Rs. 38,19,89,980/- (Rupees Thirty Eight Crore Nineteen Lacs Eighty Nine Thousand Nine Hundred and Eighty) comprising of 3,81,98,998 (Three Crore Eighty One Lacs Ninety Eight Thousand Nine Hundred and Ninety Eight) fully paid-up equity shares of Rs. 10 (Rupees Ten) each. The equity shares of the Acquirer are currently not listed on any of the stock exchanges in India or abroad.

1.3. The Acquirer is not a part of the promoter group of the Target Company as on the date of this DPS.

1.4. The main promoters and persons in control of the Acquirer are Dr. M.A.M. Ramaswamy, Mr. M.A.M.R. Muthiah and Mrs. Geetha Muthiah. The other promoters of the Acquirer comprises of Kumararajah M A M Muthiah Chettiar, Estate of late Dr. Rajah Sir M A Muthiah Chettiar of Chettinad, RM Palaniappan, Chettinad Financial Management Services Pvt. Ltd., Chettinad Hospitals Pvt. Ltd., Chettinad Lignite Transport Services Pvt. Ltd., Chettinad Earth Movers Pvt. Ltd., Chettinad Structural & Engineering Ltd., Chettinad Builders Pvt. Ltd., South India Corporation Pvt. Ltd., Chettinad Logistics Pvt. Ltd., Chettinad Software Services Pvt. Ltd., and Chettinad Holdings Pvt. Ltd.

1.5. Name(s) of key shareholders of the Acquirer who are holding more than 10% of the equity shareholding along with equity shareholding as of date is as follows:

Sr. No.	Name of the key shareholders	Number of Shares held	Percentage Shareholding
1.	Mr. M.A.M. R. Muthiah	55,86,709	14.63%
2.	Dr. M.A.M. Ramaswamy	91,83,834	24.04%
3.	Mrs. Geetha Muthiah	69,53,690	18.20%

1.6. The names of the directors of the Acquirer are as follows - Dr. M.A.M. Ramaswamy, Mr. M.A.M.R. Muthiah, Mr. Ramanathan Palaniappan, Mr. K Ganapathy, Mr. R Krishnamoorthy, Mr. L. Muthukrishnan and Mr. S.K. Prabakar.

1.7. The Acquirer, its directors, and its key managerial employees do not, as on the date hereof, hold any ownership/ interest/ relationship/ Shares in/of, the Target Company.

1.8. The Acquirer has entered into the SPA with Sellers and the Target Company as detailed in Part II (Background to the Offer) below, which has triggered this Offer. Other than the relationship established by the SPA, the Acquirer has no other relationship with the Sellers and the Target Company.

1.9. The Acquirer has not been prohibited by SEBI from dealing in securities in terms of Section 11B of the Securities and Exchange Board of India Act, 1992, as amended (the "**SEBI Act**"), or under any of the regulations made under the SEBI Act.

1.10. As on the date hereof, the Acquirer has not acquired any Shares post the date of the PA.

1.11. The financial details of the Acquirer, as derived from its audited and unaudited financial statements, are as follows:

(Rupees in lacs except EPS and Diluted EPS)

Particulars	FY2011[2]	FY2012[2]	FY2013[2]	9MFY2014[3]
Total Revenue	1,60,454	2,06,865	2,45,725	1,62,740
Profit after tax ("PAT")	7,517	18,800	13,754	9,046
Basic Earning Per Share ("EPS") / Diluted EPS (Rs)	19.68	49.21	36.01	31.57[4]
Networth/ Shareholder's Fund[1]	92,571	1,08,041	1,19,560	1,28,606

Notes:

[1] *Networth/ Shareholder's Fund includes equity share capital and reserves and surplus.*

[2] *The financial information as at and for the financial years ended March 31, 2011, March 31, 2012 and March 31, 2013 set forth above has been extracted from the audited financial statements of the Acquirer for the respective years.*

[3] *The financial information for the nine months period ended December 31, 2013 has been extracted from the unaudited limited reviewed financial statements of the Acquirer.*

[4] *Annualized*

B. Details of Sellers

1.1 The details of the selling shareholders have been set out hereunder:

Name of the selling shareholder	Address	Whether Part of the promoter group	Name of the group	Details of Shares / Voting rights held by the Sellers			
				Pre-transaction		Post-transaction	
				Number of shares	% of voting share capital	Number of shares assuming 26% shares are validly tendered in the Offer#	% of voting share capital assuming 26% shares are validly tendered in the Offer#
K V Vishnu Raju	Plot No 10, Road No 9, Jubilee Hills, Hyderabad – 500 033	Yes	NA	72,28,916	39.31	23,20,129	12.62
K Anuradha	Plot No 10, Road No 9, Jubilee Hills, Hyderabad – 500 033	Yes	NA	3,18,100	1.73	Nil	Nil
Vanitha Datla	Plot No 170, Road No 13A, Jubilee Hills, Hyderabad – 500 033	Yes	NA	6,02,409	3.28	Nil	Nil
P V R L Narasimha Raju	82,309/1 to 13, Trendset Ville E4, Road No 3 Banjara Hills, Hyderabad – 500 034	Yes	NA	2,68,925	1.46	Nil	Nil
K Ramavathy	170/1, Road No 13A, Jubilee Hills, Hyderabad – 500 033	Yes	NA	11,96,600	6.51	Nil	Nil
K S N Raju	Plot No 170/1, Road No 13A, Jubilee Hills, Hyderabad – 500 034	Yes	NA	7,16,700	3.90	Nil	Nil
K Aditya Vissam	Plot No 10, Road No 9, Jubilee Hills, Hyderabad – 500 033	Yes	NA	2,21,580	1.20	Nil	Nil
P Lakshmi	82,309/1 to 13, Trendset Ville E4, Road No 3 Banjara Hills, Hyderabad – 500 034	Yes	NA	2,31,700	1.26	Nil	Nil
Vanitha Finance & Investment Pvt Ltd	82, 120/112/A/14, Road No 9, Jubilee Hills, Hyderabad – 500 033	Yes	NA	3,65,000	1.98	Nil	Nil
P S Naveen	82,309/1 to 13, Trendset Ville E4, Road No 3 Banjara Hills, Hyderabad – 500 034	Yes	NA	50,000	0.27	Nil	Nil
P Satya-narayana Raju	27-18-19, A S R Nagar, Ward 36, Bhimavaram- 534 202	Yes	NA	1,11,500	0.61	Nil	Nil
P Surya-kantamma	27-18-19, A S R Nagar, Ward 36, Bhimavaram- 534 202	Yes	NA	19,600	0.11	Nil	Nil
Total				**1,13,31,030**	**61.62**	**23,20,129**	**12.62**

 # The Acquirer will acquire upto a maximum of 11,331,030 Shares representing 61.62% of the Share Capital of the Target Company pursuant to SPA, such that post the acquisition of Shares tendered in the Offer, the total shareholding and voting rights of the Acquirer in the Target Company will be less than or equal to 75% of Share Capital of the Target Company. Therefore assuming 26% Shares are tendered in the Offer, the Acquirer will acquire only 49% of the Share Capital or 9,010,901 Shares under the SPA.

The Sellers have entered into the SPA with the Acquirer and the Target Company as detailed in Part II (Background to the Offer) below, which has triggered this Offer.

1.2. The Sellers have not been prohibited by SEBI from dealing in securities in terms of Section 11B of the SEBI Act, or under any of the regulations made under the SEBI Act.

C. Information about the Target Company

1.1. The Target Company, a public limited company, was originally incorporated on December 17, 1983 in the state of Andhra Pradesh in the name and style of "**Shez Chemicals Limited**". The Target Company at their general meeting held on February 25, 1985 passed a special resolution to change the name to "Shez Cements Limited" and consequently on October 17, 1985, the Registrar of Companies, Andhra Pradesh issued a fresh certificate of incorporation. Thereafter, the name of the Target Company changed to "**Anjani Portland Cement Limited**" vide fresh certificate of Incorporation consequent on change of name dated October 07, 1999 issued by the Registrar of Companies, Hyderabad, Andhra Pradesh, India. The CIN of the Target Company is L26942AP1983PLC004323. The registered office of the Target Company is situated at Sitha Nilayam, 153, Dwarakapuri Colony, Punjagutta, Hyderabad- 500 082, Andhra Pradesh, India; Telephone: (+91 40) 2335 3096; Fax: (+91 40) 2335 3106. The corporate office of the Target Company is located at Anjani Cement Centre, Plot Nos. 7&8, D. No. 8-2-248/1/7, Nagarjuna Hills, Punjagutta, Hyderabad – 500 082.

1.2. The Target Company is in the business of manufacture and sale of cement. The Target Company presently has its manufacturing plant located at Anjani Puram, Chintalapalem village, Malkapuram Post, Mellacheruvu Mandal, Nalgonda - 508 246, Andhra Pradesh.

1.3. The Shares of the Target Company are listed on the BSE (Scrip ID: APCL, Scrip Code: 518091), ISIN: INE071F01012. Based on the information available from the website of the BSE (www.bseindia.com), the Shares of the Target Company are infrequently traded on BSE within the meaning of 2(1) (j) of SEBI (SAST) Regulations for the period commencing on March 01, 2013 and ending on February 28, 2014 (i.e. 12 (twelve) calendar months preceding the month in which the PA is issued). The total authorized share capital of the Target Company as of the date of this DPS is Rs. 31,00,00,000/- (Rupees Thirty One Crore), divided into 3,00,00,000 (Three Crore) equity shares of Rs. 10/- (Rupees Ten) each and 10,00,000 (Ten Lacs) 14% cumulative redeemable preference shares of Rs. 10 (Rupees Ten) each.

As of the date of this DPS, the issued equity share capital of the company is Rs. 18,39,44,630/- (Rupees Eighteen Crore Thirty Nine Lacs Forty Four Thousand Six Hundred and Thirty) comprising 1,83,94,463 (One Crore Eighty Three Lacs Ninety Four Thousand Four Hundred and Sixty Three) equity Shares and the subscribed and paid-up equity share capital of the Target Company is Rs.18,38,95,970/- (Rupees Eighteen Crore Thirty Eight Lacs Ninety Five Thousand Nine Hundred Seventy) divided into 1,83,89,597 (One Crore Eighty Three Lacs Eighty Nine Thousand Five Hundred and Ninety Seven) Shares. As of the date of this DPS, the Target Company does not have any outstanding partly paid-up equity shares or any security /options convertible into Shares. The equity shares of the Target Company were listed on the Hyderabad Stock Exchange Limited which was derecognized by SEBI on August 29, 2007.

1.4. The directors of the Target Company are: Mr. K V Vishnu Raju, Mr. PVRL Narasimha Raju, Mr. R A Rama Raju, Mr. P S Ranganath, Mr. P V Subba Rao and Mr. P Ramachandra Raju.

1.5. The consolidated key financials of the Target Company for the last three years and for nine months period ending December 31, 2013 are as given below:

(Rupees in lacs except EPS and Diluted EPS)

Particulars	FY2011	FY2012	FY2013	9MFY2014
Total Income	20,966.70	33,204.85	32,703.89	23,641.49
Profit after tax ("PAT")	71.50	1,716.23	433.29	(434.92)
Basic Earning Per Share ("EPS") / Diluted EPS (Rs)	0.39	9.33	2.36	(2.37)
Networth/ Shareholder's Fund	6,611.36	8,071.12	8,504.41	Not Available

Note:

1) *The financial information set forth above has been extracted from the audited consolidated financial statements of the Target Company as at and for the financial year ended March 31, 2011, March 31, 2012, March 31, 2013 and the unaudited limited reviewed consolidated financial statements of the Target Company as reported to BSE as at and for the nine months ended December 31, 2013.*

2) *The Target Company's investments in Hitech Print Systems Ltd which was a wholly owned subsidiary and investment in Vennar Ceramics Ltd which was an associate company has been divested post December 31, 2013.*

D. Details of the Offer

1.1. This Open Offer is a mandatory offer being made by the Acquirer in compliance with Regulations 3(1) and 4 of the SEBI (SAST) Regulations pursuant to the SPA to acquire upto 61.62% of the Share Capital of the Target Company accompanied with change in control of the Target Company as detailed in Part II below.

1.2. The Acquirer is making an Open Offer to acquire up to a maximum of 47,81,296 (Forty Seven Lacs Eighty One Thousand Two Hundred and Ninety Six) Shares, the Offer Shares, representing in aggregate 26.00% of the Share Capital ("**Offer Size**") of the Target Company at a price of Rs. 61.75/- (Rupees Sixty One and Seventy Five Paise) per Share, payable in cash ("**Offer Price**"), in accordance with the provisions of the SEBI (SAST) Regulations and subject to the terms and conditions set out in this DPS and the letter of offer that is proposed to be circulated to the Public Shareholders in accordance with the provisions of the SEBI (SAST) Regulations.

1.3. The Offer Price will be paid in cash in accordance with Regulation 9(1) (a) of the SEBI (SAST) Regulations.

1.4. The PA announcing the Offer, under Regulations 3(1) and 4 read with Regulations 13(1) and 15(1) of the SEBI (SAST) Regulations was released to the BSE on March 12, 2014.

1.5. As of the date of this DPS, there are no partly paid-up equity shares in the Target Company.

1.6. As on the date of this DPS, there are no outstanding convertible securities, depository receipts, warrants or instruments, issued by the Target Company, convertible into Shares of the Target Company.

1.7. The Offer Shares to be acquired under the Offer must be free from all liens, charges and encumbrances, and will be acquired together with all rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof.

1.8. To the best of the knowledge of the Acquirer, as of the date of this DPS, no statutory or regulatory approval is required to acquire the Shares tendered pursuant to this Offer other than as indicated in Part VI (Statutory and Other Approvals) below. However, in case of any other statutory approvals being required by the Acquirer at a later date before the closure of the tendering period, this Offer shall be subject to such further approvals and the Acquirer shall make the necessary applications for such approvals. In accordance with Regulation 23 of the SEBI (SAST) Regulations, the Acquirer will have the right not to proceed with the Offer in the event statutory approvals as may be required for the acquisition of the tendered Shares are not granted.

1.9. The Offer is not a competing offer in terms of Regulation 20 of SEBI (SAST) Regulations.

1.10. This Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of SEBI (SAST) Regulations.

1.11. In terms of Regulation 23(1) of the SEBI (SAST) Regulations, if any of the approvals or conditions mentioned in Paragraph VI (all of which are outside the reasonable control of the Acquirer) are not obtained (including if refused) or satisfied, the Acquirer may elect not to proceed with completion of the transaction as envisaged under the SPA. In such an event, the Acquirer shall also have a right to withdraw this Offer in terms of Regulation 23(1) of the SEBI (SAST) Regulations. In the event of withdrawal, a public announcement will be made within 2 (Two) working days of such withdrawal, in the same newspapers in which this DPS has been published and such public announcement will also be sent to SEBI, BSE and to the Target Company at its registered office.

1.12. Subject to the deposit of 100% of the Offer consideration in escrow in cash and to the satisfaction or waiver of the conditions precedent mentioned in paragraph VI below, the Acquirer shall be entitled to acquire the Sale Shares and appoint its nominees as directors on the Board of Directors of the Target Company after expiry of 21 (Twenty One) working days from the date of this DPS in compliance with the SEBI (SAST) Regulations.

1.13. There are no persons acting in concert with the Acquirer for the purpose of this Offer within the meaning of Regulation 2(1)(q) of the SEBI (SAST) Regulations.

1.14. The Acquirer does not hold any Shares / voting rights in the Target Company as of the date of this DPS. The Acquirer has not acquired any Shares of the Target Company during the 12 months period prior to the date of this DPS.

1.15. The Manager to the Open Offer does not hold any Shares of the Target Company as on the date of this DPS.

E. In terms of Regulation 25(2) of the SEBI (SAST) Regulations, as of the date of this DPS, the Acquirer does not have any plans to dispose off or otherwise encumber any material assets of the Target Company in the next 2 (Two) years, except as may be approved by the board of directors and (i) in the ordinary course of business; or (ii) to the extent required for the purpose of restructuring and/or rationalization of assets, investments, liabilities, business or otherwise of the Target Company and in compliance with all the applicable laws; or (iii) for alienation of material assets of the Target Company that are determined by the board of directors as being surplus and/or non-core, or on account of any approval of or conditions specified by any regulatory or statutory authorities, Indian or foreign, or for the purpose of compliance with any law that is binding on or applicable to the operations of the Target Company. It will be the responsibility of the Board of Directors to make appropriate decisions in these matters in accordance with the requirements of the business of the Target Company. Such approvals and decisions will be governed by the provisions of the relevant regulations or any other applicable laws and legislation at the relevant time. Further, during such period of 2 (Two) years, save as set out above, the Acquirer undertakes not to sell, dispose off or otherwise encumber any material assets of the Target Company except in the ordinary course of business as security to banks/financial institutions or with the prior approval of the shareholders of the Target Company through a special resolution by way of a postal ballot.

F. The Shares of the Target Company are listed on the BSE. As per clause 40A of the listing agreement with the BSE read with Rule 19A of Securities Contract (Regulation) Rules, 1957 ("SCRR"), the Target Company is required to maintain at least 25% public shareholding (i.e. shares of the Target Company held by the public as determined in accordance with the SCRR), on a continuous basis for listing. As per the SPA, the Acquirer will acquire maximum 75% of the total Share Capital of the Target Company, including the Shares tendered in the Open Offer. Thus, the public shareholding in the Target Company will not fall below 25% consequent to this Open Offer and it will be in compliance with clause 40A of the listing agreement.

G. The Acquirer intends to acquire a maximum of 75% of the Share Capital of the Target Company including the Shares tendered in the Open Offer. Thus, the minimum Sale Shares to be purchased by the Acquirer as per the terms of the SPA shall be 90,10,901 (Ninety Lacs Ten Thousand Nine Hundred and One) Shares of the Target Company (forming a part of the total Sale Shares) aggregating to 49% (Forty Nine Percent) of the Share Capital of the Target Company (the "**Minimum Sale Shares**") Further, upon the completion of the Open Offer, the Acquirer shall purchase such number of the remaining Sale Shares (the "**Top-up Sale Shares**") that together with the Minimum Sale Shares and the Offer Shares acquired pursuant to the Open Offer would cause the aggregate shareholding of the Acquirer in the Target Company to be less than or equal to 75% (Seventy Five Percent) of the Share Capital of the Target Company.

II. BACKGROUND TO THE OFFER

1.1. The Acquirer has entered into the SPA with the Sellers for the acquisition of upto 1,13,31,030 subscribed and fully paid up equity shares ("**Sale Shares**") of Rs. 10/- (Rupees Ten) each representing 61.62% of the Share Capital of the Target Company at a price of Rs. 61.75/- (Rupees Sixty One and Seventy Five Paise) per equity share aggregating to Rs. 69,96,91,103/-(Rupees Sixty Nine Crore Ninety Six Lacs Ninety One Thousand One Hundred and Three) payable in cash.

1.2. The Acquirer intends to acquire a maximum of 75% of the Share Capital of the Target Company including the Shares tendered in the Open Offer. Thus, the minimum Shares to be acquired by the Acquirer as per the terms of the SPA shall be 90,10,901 (Ninety Lacs Ten Thousand Nine Hundred and One) Shares aggregating to 49% (Forty Nine Percent) of the Share Capital of the Target Company, i.e., the "**Minimum Sale Shares**". Further, upon the completion of the Open Offer, the Acquirer shall acquire such number of the remaining Sale Shares, i.e., the Top-up Sale Shares that together with the Minimum Sale Shares and the Shares acquired pursuant to the Open Offer would cause the aggregate shareholding of the Acquirer in the Target Company to be less than or equal to 75% (Seventy Five Percent) of the Share Capital of the Target Company. Closing under the SPA will take place in the manner and in accordance with the terms described more fully therein. A summary of some of the salient features of the SPA which have been executed between the Target Company, the Sellers and the Acquirer is as follows:

(a) The sale and purchase of the Minimum Sale Shares under the SPA and therefore also of the Offer Shares is subject to the fulfilment of the conditions precedent set out in Article 3 of the SPA, unless waived in writing by the Acquirer. The conditions precedent are summarised in paragraph VI herein below.

(b) The Acquirer is entitled under the SPA to have its nominees appointed as directors of the Target Company after the purchase of Minimum Sale Shares. The Acquirer undertakes to comply with all applicable provisions of the SEBI (SAST) Regulations including Regulation 24 in this relation.

(c) The Sellers have undertaken non-compete obligations for a period of three years from the date of acquisition of the Minimum Sale Shares (the "First Completion Date") to the Acquirer under the SPA.

(d) The Sellers have undertaken non-solicitation obligations for a period of two years from the First Completion Date under the SPA.

(e) The Sellers have agreed to indemnify the Acquirer for certain identified liabilities that relate to the period prior to the First Completion Date.

(f) The Sellers and the Target Company have, between the execution date and First Completion Date in terms of the SPA, agreed to comply with certain standstill obligations pertaining to, inter alia the disposition of assets, entering into long term contracts, further indebtedness, dividends, payment obligations, capital expenditures, acquisitions, etc.

1.3. The Acquirer is a major player in the cement industry in South India with manufacturing facilities in Tamil Nadu and Karnataka. The Acquirer is interested in strengthening its presence in South India to begin with and pan India on a long term basis. The cement manufacturing unit of the Target Company located in Andhra Pradesh provides a suitable platform for the Acquirer to achieve its goals and hence this acquisition and Offer.

1.4. The mode of payment of consideration for acquisition of the Sale Shares and also for the Offer Shares by the Acquirer is cash.

1.5. After the completion of this Offer and pursuant to the acquisition of Sale Shares of the Target Company under the SPA, the Acquirer shall be the promoter of the Target Company and will exercise full control over the management and affairs of the Target Company and the Sellers will cease to be promoters of the Target Company.

III. SHAREHOLDING AND ACQUISITION DETAILS

1.1. As of the date of this DPS, neither the Acquirer nor its Directors hold any Shares in the Target Company. The proposed shareholding of the Acquirer in the Target Company and the details of acquisition are as follows:

Details	Acquirer	
	Number of Shares	% Shareholding
Shareholding as on the PA date	Nil	Nil
Shares acquired between the PA date and the DPS date	Nil	Nil
Post Offer shareholding (On diluted basis, as on tenth (10th) working day after closure of tendering period) (#)	1,37,92,197	75.00

 # Assuming the Acquirer receives full response and acceptance to the Open Offer.

IV. THE OFFER PRICE

1.1. The Shares of the Target Company are listed on the BSE (Scrip ID: APCL, Scrip Code: 518091). The Shares of the Target Company are available for trading on the BSE Limited.

1.2. The Shares of the Target Company are infrequently traded on the BSE, during the 12 months preceding the date on which the PA was made, within the meaning of Regulation 2(1)(j) of the SEBI (SAST) Regulations.

The annualized trading turnover in the Shares of the Target Company based on trading volume during March 01, 2013 to February 28, 2014 (12 calendar months preceding the month in which the PA is made) is as given below:

Stock Exchange	Total No. of Shares traded for a period of 12 calendar months preceding the calendar month in which the PA is made)	Total number of listed Shares	Annualized trading turnover (as a % of total listed Shares)
BSE	8,98,573	1,83,89,597	4.89%

1.3. Based on the parameters set out under Regulation 8(2) of the SEBI (SAST) Regulations the Offer Price of Rs. 61.75/- (Rupees Sixty One and Seventy Five Paise) per Share is justified in terms of the following:

(a)	The highest negotiated price per Sale Share (as per the SPA) attracting the obligation to make this Open Offer	Rs. 61.75/- per Share
(b)	The volume-weighted average price paid or payable for acquisition whether by the Acquirer or any person acting in concert with him, during 52 (Fifty Two)weeks immediately preceding the date of the PA	Not Applicable
(c)	The highest price paid or payable for any acquisition, whether by the Acquirer or by any persons acting in concert with him, during 26 (Twenty Six) weeks immediately preceding the date of the PA	Not Applicable
(d)	The volume-weighted average market price paid of such Shares for a period of 60 (Sixty) trading days immediately preceding the date of the PA as traded on BSE (as the maximum volume of trading in the Shares of the Target Company is recorded on BSE during such period)	Not Applicable
(e)	Where the shares are not frequently traded, the price determined by the Acquirer and the Manager to the Open Offer taking into account valuation parameters including, book value, comparable trading multiples, and such other parameters as are customary for valuation of shares#	Rs. 36.08 per Share

#M/s. Tungala & Co, Chartered Accountants with Firm Registration No.011158S vide their certificate dated March 18, 2014, has certified that they have considered the (i) Net Assets Value ("NAV") Method and (ii) Price Earning Capacity Valuation ("PECV") Method and accorded weights of 2x and 1x to the values arrived at under each methodology for the purpose of arriving at the fair value for the Shares of the Target Company.

So far, there have been no corporate actions in the Target Company warranting adjustment of relevant pricing parameters under Regulation 8(9) of the SEBI (SAST) Regulations. In the event any such corporate actions are undertaken by the Target Company, then suitable adjustments shall be made to the Offer Price in accordance with Regulation 8(9) of the SEBI (SAST) Regulations.

1.4. In view of the parameters considered and presented above, in the opinion of the Acquirer and the Manager to the Offer, the Offer Price of Rs. 61.75/- (Rupees Sixty One and Seventy Five Paise) being the highest of the prices mentioned above, is justified in terms of Regulations 8(2) of the SEBI (SAST) Regulations.

1.5. The Acquirer will not acquire any Shares of the Target Company, other than the Sale Shares and the Offer Shares till the completion of the Open Offer proceedings.

1.6. If there is any revision in the Offer Price on account of competing offers, such revision will be done only upto the period prior to 3 (Three) working days before the commencement of the tendering period of this Offer in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. In the event of such revision, the Acquirer shall (i) make corresponding increases to the escrow amounts, as more particularly set out in paragraph V (1.4) of this DPS; (ii) make a public announcement in the same newspapers in which this DPS has been published; and (iii) simultaneously with the issue of such announcement, inform SEBI, BSE and the Target Company at its registered office of such revision.

V. FINANCIAL ARRANGEMENTS

1.1. The total funds required for implementation of the Offer (assuming full acceptance), i.e., for the acquisition of 47,81,296 (Forty Seven Lacs Eighty One Thousand Two Hundred and Ninety Six) fully paid up Shares at the Offer Price is Rs. 29,52,45,028/- (Rupees Twenty Nine Crore Fifty Two Lacs Forty Five Thousand and Twenty Eight) ("**Offer Consideration**").

1.2. The Acquirer has made firm financial arrangement for financing the acquisition of Shares under the Open Offer, in terms of Regulation 25(1) of the SEBI (SAST) Regulations. The Acquirer proposes to fund the Offer out of its internal accruals and/or inter-corporate deposits.

1.3. In accordance with Regulation 17(1) of the SEBI (SAST) Regulations, the Acquirer has opened an escrow account in the name and style as "**APCL - Open Offer Escrow Account**" bearing Account No. 914020009638758 ("**Escrow Account**") with Axis Bank Limited, at its branch located at No. 82, Dr. Radhakrishnan Salai, Mylapore, Chennai, Tamilnadu – 600 004, India (hereinafter referred to as "**Escrow Agent**") and made a cash deposit of Rs. 7,38,25,000/- (Rupees Seven Crore Thirty Eight Lacs Twenty Five Thousand) in the Escrow Account in accordance with the Regulation 17(3)(a) of the SEBI (SAST) Regulations, which is in excess of 25% of the Offer Consideration. The cash deposit has been confirmed vide a confirmation letter dated March 15, 2014 issued by the Escrow Agent. The Manager to the Offer has been solely authorized to realize the monies lying to the credit of the Escrow Account in terms of the SEBI (SAST) Regulations.

1.4. In case of any upward revision in the Offer Price or the Offer Size, the cash in the Escrow Account shall be increased by the Acquirer in terms of Regulation 17(2) of the SEBI (SAST) Regulations, prior to effecting such revision.

1.5. M/s. J Karthik Bharthi & Co., Chartered Accountants, Firm Registration No. 010333S (Address: No. 53, "Wellington Estate", 3rd Floor, Ethiraj Salai, Chennai – 600 015. Telephone No.: (+91 44) 6517 3749) vide certificate dated March 12, 2014 has certified that the Acquirer has made firm financial arrangements to meet the financial obligations under the Open Offer to be made to the Public Shareholders of the Target Company.

1.6. On the basis of the aforesaid financial arrangements and the chartered accountant's certificate, the Manager to the Offer is satisfied about the ability of the Acquirer to implement the Offer in accordance with the SEBI (SAST) Regulations as firm financial arrangements are in place to fulfill the obligations.

VI. STATUTORY AND OTHER APPROVALS

1.1. Unless waived in writing by the Acquirer, the acquisition of Sale Shares and Offer Shares are also subject to the satisfaction of the conditions precedent as set forth in Article 3.1 of the SPA. Some of the key condition precedents are given below:

1.1.1. The Sellers shall and shall ensure that the Target Company shall obtain all the corporate approvals required for the execution, delivery of the agreement, the transfer of the Sale shares and the performance of the Sellers and / or the Target Company's obligations under the SPA.

1.1.2. There being no material breach by the Sellers or the Target Company of any provision of the SPA.

1.1.3. The representations and warranties of the Sellers contained in SPA shall be true in all respects at and as of the First Completion Date with the same effect as if made at and as of the First Completion Date.

1.1.4. There shall not have been any proceeding, order, injunction, or other action issued pending or threatened which to the best knowledge of the Sellers' (i) involves a challenge to or seeks to or which prohibits, prevents, restrains, restricts, delays, makes illegal or otherwise interferes with the consummation or any of the transactions contemplated under the SPA, or (ii) seeks to impose conditions upon the ownership or operations of the Target Company or which affects the ability of the Acquirer to purchase the Sale shares from the Sellers and no applicable law (or proposed law) shall have been proposed, promulgated, adopted, enacted or entered or otherwise made effective by any governmental authority that has or would have such effect.

1.1.5. The Sellers and the Target Company shall procure a no-objection certificate from Commissioner of Industries, Andhra Pradesh for the transaction.

1.1.6. The Sellers and the Target Company shall have applied for renewal of all the licenses held by the Target Company that are about to expire and / or have already expired (including but not limited to: (a) Shops and Establishment; (b) consent order for discharge of effluents; (c) Packers License, (d) Bureau of Indian Standards (Cement); (e) consent order for existing / new altered discharge of effluents and (f) mining licenses and prospecting license.

1.1.7. The Sellers and the Target Company shall have applied for renewal of all the government authorizations held by the Target Company that are about to expire and / or have already expired.

1.1.8. The Sellers and the Target Company shall procure no-objection certificate from each of the secured lenders to the Target Company certifying that (i) each such lender has no objection to the transaction; (ii) each such lender releases the Sale shares pledged with such lender.

1.1.9. The Sellers and the Target Company shall procure no-objection certificate from each of the unsecured lenders where the terms of borrowing from the respective unsecured lender stipulates that the lender's prior approval is required to be obtained for change in management / control of the Target Company.

1.1.10. Sellers shall clear all encumbrances in respect of all the Sale Shares.

1.1.11. In respect of unencumbered immovable properties the Sellers and the Target Company shall submit to the Acquirer all documents and records to establish a clear title to certain immoveable properties of the Target Company as described in Schedule - 5.2 Part A and Part B of Annexure - 5 to the SPA, to the satisfaction of the Acquirer.

1.1.12. In respect of encumbered immovable properties the Sellers and the Target Company shall submit to the Acquirer all documents and records pertaining to the encumbrances on the immoveable properties as described in Schedule - 5.2 Part A and Part B of Annexure - 5 of the SPA, and the Target Company's title to the said immovable properties including its right to create encumbrance, to the satisfaction of the Acquirer.

1.2. As of the date of this DPS, to the best of the knowledge of the Acquirer, there are no other statutory approvals required to implement the Offer. However, in case of any regulatory or statutory approval being required at a later date before the closure of the Offer, the Offer shall be subject to all such approvals and the Acquirer shall make the necessary applications for such approval.

1.3. If the holders of the Shares who are not persons resident in India (including NRIs, OCBs and FIIs) had required any approvals (including from the RBI, the FIPB or any other regulatory body) in respect of the Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Shares, to tender the Shares held by them in this Offer, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer reserve the right to reject such Shares tendered in this Offer.

1.4. In case of delay / non-receipt of any approval, SEBI may, if satisfied that non receipt of the requisite approvals was not attributable to any willful default, failure or neglect on the part of the Acquirer to diligently pursue such approval, grant extension of time for the purpose, subject to the Acquirer agreeing to pay interest to the Public Shareholders as directed by SEBI, in terms of Regulation 18(11) of the SEBI (SAST) Regulations.

1.5. In terms of Regulation 23(1) of the SEBI (SAST) Regulations, if any of the conditions precedent and other conditions as stated in the SPA or approvals mentioned in this paragraph (all of which are outside the reasonable control of the Acquirer) are not satisfied, or if any of the statutory approvals are refused, the Acquirer will have a right to withdraw the Offer. In the event of withdrawal, a public announcement will be made within 2 (Two) working days of such withdrawal, in the same newspapers in which this DPS has been published and such public announcement will also be sent to SEBI, BSE and the registered office of the Target Company.

1.6. Subject to the receipt of statutory and other approvals and to the satisfaction of the conditions precedent set forth in the SPA and enumerated above, the Acquirer shall complete all procedures relating to this Offer within 10 (Ten) working days from the date of closure of the tendering period to those shareholders whose share certificates and/ or other documents are found valid and in order and are accepted for acquisition by the Acquirer.

VII. TENTATIVE SCHEDULE OF ACTIVITY

Activity	Date and Day
PA	Wednesday, March 12, 2014
Date of publication of this DPS in newspapers	Thursday, March 20, 2014
Filling of the draft letter of offer with SEBI along with the soft copies of the PA and this DPS	Thursday , March 27, 2014
Last date for public announcement of a competing offer(s) being made	Tuesday, April 15, 2014
Identified Date *	Friday, April 25, 2014
Date by which Letter of Offer to be dispatched to Public Shareholders	Monday, May 05, 2014
Last date for upward revision of the Offer Price or any increase in the Offer Size	Tuesday, May 06, 2014
Last date for public announcement by the independent directors committee of the Target Company on their recommendation to the shareholders of the Target Company for this Offer	Thursday, May 08, 2014
Date of publication of Offer opening public announcement in the newspapers where this DPS has been published (with a simultaneous intimation to the SEBI, BSE, and the Target Company)	Friday, May 09, 2014
Date of commencement of the tendering period (Offer Opening Date)	Monday, May 12, 2014
Date of closure of the tendering period (Offer Closing Date)	Monday, May 26, 2014
Last date for communicating the rejection / acceptance; completion of payment of consideration or refund of Shares to the Public Shareholders of the Target Company	Monday, June 09, 2014

** Identified Date is only for the purpose of determining the names of the Public Shareholders of the Target Company as on such date to whom the Letter of Offer would be sent. It is clarified that all the Public Shareholders holding Shares of the Target Company (registered or unregistered) are eligible to participate in this Offer any time before the closure of this Offer.*

VIII. PROCEDURE FOR TENDERING THE EQUITY SHARES IN CASE OF NON RECEIPT OF LETTER OF OFFER

1.1. All Public Shareholders holding the Shares, whether in dematerialized or physical form, registered or unregistered, are entitled to participate in this Offer, any time during the tendering period of this Offer.

1.2. Persons who have acquired the Shares but whose names do not appear in the register of members of the Target Company on the Identified Date or unregistered owners or those who have not received the Letter of Offer, may participate in this Offer by submitting an application on a plain paper giving details set out in the DPS and to be set out in the Letter of Offer. In the alternate, such holders of the Shares may apply in the form of acceptance-cum-acknowledgement in relation to this Offer that will be annexed to the Letter of Offer, which may also be obtained from the SEBI website (http://www.sebi.gov.in) and Karvy Computershare Private Limited ("Registrar to the Offer"). The application is to be sent to the Registrar to the Offer at any of the collection centers that shall be mentioned in the Letter of Offer, so as to reach the Registrar to the Offer during business hours on or before 5:00 p.m. on the date of closure of the tendering period of this Offer, together with:

a) In the case of the Shares held in physical form, the name, address, number of the Shares held, number of the Shares offered, distinctive numbers and folio number together with the original equity share certificate(s) and valid transfer deed(s), the original contract note issued by a registered share broker of a recognized stock exchange through whom such Shares were acquired and/or such other documents, as may be specified in the Letter of Offer; or

b) In the case of the Shares held in dematerialized form, the depository participant (the "**DP**") name, DP ID, account number together with a photocopy or counterfoil of the delivery instruction slip in "off-market" mode duly acknowledged by the DP for transferring the Shares to the special depository account ("**Escrow Demat Account**"), as per the details given below:

Depository Participant Name	Karvy Stock Broking Limited
DP ID	IN300394
Client ID	18724580
Account Name	KCPL - APCL OPEN OFFER ESCROW ACCOUNT
Depository	National Securities Depository Limited ("NSDL")
Market	Off Market
Date of Credit	On or before May 26, 2014

***Note:** Public Shareholders having their beneficiary account with Central Depository Services (India) Limited ("CDSL") must use the inter-depository delivery instruction slip for the purpose of crediting their Shares in favour of the Escrow Demat Account.*

1.3. This Offer is being made by the Acquirer to (i) all the Public Shareholders, whose names appear in the register of members of the Target Company as of the close of business on April 25, 2014, i.e. the Identified Date; (ii) the beneficial owners of the Shares whose names appear as beneficiaries on the records of the respective depositories, as of the close of business on April 25, 2014, i.e. the Identified Date; and (iii) those persons who acquire the Shares any time prior to the date of the Closure of the Tendering Period for this Offer, i.e. May 26, 2014, but who are not the registered shareholders. Accidental omission to dispatch the Letter of Offer to any shareholder to whom this Offer has been made or non-receipt of the Letter of Offer by any such shareholder shall not invalidate this Offer in any way.

1.4. Duly executed Form(s) of Acceptance along with share certificate(s) and share transfer form(s) should be sent only to the Registrar to the Offer and not to the Manager to the Offer or Acquirer or their advisors or Target Company.

1.5. No indemnity would be required from unregistered shareholders regarding the title to the Shares.

1.6. A copy of the Letter of Offer (including Form of Acceptance-cum-Acknowledgment) is expected to be available on SEBI's website (http://www.sebi.gov.in) during the period the Offer is open and may also be downloaded from the SEBI website.

IX. THE DETAILED PROCEDURE FOR TENDERING SHARES IN THIS OFFER WILL BE AVAILABLE IN THE LETTER OF OFFER

X. OTHER INFORMATION

1.1. For the purpose of disclosures in this DPS relating to the Target Company and the Sellers, the Acquirer has relied on the information provided by the Target Company and/ or the Sellers and has not independently verified the accuracy of details of the Target Company and/ or the Sellers. Subject to the aforesaid, the Acquirer and its Directors accept the responsibility for the information contained in the Public Announcement and this DPS and also for the obligations of the Acquirer laid down in the SEBI (SAST) Regulations.

1.2. Pursuant to Regulation 12 of the SEBI (SAST) Regulations, the Acquirer has appointed Motilal Oswal Investment Advisors Private Limited as the Manager to the Offer. Address: Motilal Oswal Tower, Junction of Gokhale & Sayani Road, Prabhadevi, Mumbai - 400 025, India, Tel: +91 22 3980 4380, Fax: +91 22 3980 4315, E-Mail: rupesh.khant@motilaloswal.com, Contact Person: Mr. Rupesh Khant

1.3. The Acquirer has appointed Karvy Computershare Private Limited as the Registrar to the Offer. Address: Plot No. 17 to 24, Vittalrao Nagar, Hi-Tech City Road, Madhapur, Hyderabad- 500 081, Andhra Pradesh, Telephone: +91 40 2342 0818-828, Fax: +91 40 2343 1551, Website: www.karvycomputershare.com, E-Mail: murali.m@karvy.com, Contact Person : Mr. M. Muralikrishna

1.4. This DPS is expected to be available on the SEBI website at http://www.sebi.gov.in

1.5. In this DPS, any discrepancy in any table between the total and sums of the amount listed is due to rounding off and / or regrouping.

Issued on behalf of the Acquirer by the Manager to the Offer

MOTILAL OSWAL
Investment Banking

MOTILAL OSWAL INVESTMENT ADVISORS PRIVATE LIMITED
Motilal Oswal Tower, Junction of Gokhale & Sayani Road, Prabhadevi, Mumbai - 400 025, India
Tel: +91 22 3980 4380; **Fax:** +91 22 3980 4315; **Email:** rupesh.khant@motilaloswal.com
Contact Person: Rupesh Khant; **SEBI Registration No.:** INM000011005

Place : Mumbai
Date : March 19, 2014