

SHREE DIGVIJAY CEMENT COMPANY LIMITED

REG. OFFICE: DIGVIJAYGRAM, DIST. JAMNAGAR - 361 140, GUJARAT, INDIA; TEL.: 0288-2344272/75; FAX: 0288-2344092

OPEN OFFER FOR ACQUISITION OF UP TO 35,611,817 (THIRTY FIVE MILLION SIX HUNDRED AND ELEVEN THOUSAND EIGHT HUNDRED AND SEVENTEEN ONLY) FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF INR 10 (INDIAN RUPEES TEN ONLY) EACH ("OFFER SHARES"), REPRESENTING 25.1% OF THE EMERGING SHARE CAPITAL (AS DEFINED BELOW) OF SHREE DIGVIJAY CEMENT COMPANY LIMITED (THE "TARGET COMPANY") FROM ALL THE PUBLIC SHAREHOLDERS (AS DEFINED BELOW) OF THE TARGET COMPANY BY TRUE NORTH FUND VI LLP (THE "ACQUIRER") IN TERMS OF REGULATIONS 3(1) AND 4 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENTS THERE TO (THE "SEBI (SAST) REGULATIONS") (THE "OPEN OFFER" OR THE "OFFER").

This detailed public statement ("DPS") is being issued by JM Financial Limited, the manager to the Offer ("Manager") on behalf of the Acquirer in compliance with Regulations 13(4), 14 and 15(2) and other applicable Regulations of the SEBI (SAST) Regulations, pursuant to the public announcement in relation to the Offer dated November 12, 2018 ("Public Announcement" or "PA") filed on November 12, 2018 with the BSE Limited ("BSE" or "Stock Exchange"), and sent to the Target Company at its registered office on November 13, 2018 and to the Securities and Exchange Board of India ("SEBI") on November 13, 2018, in terms of Regulations 14(1) and 14(2) of the SEBI (SAST) Regulations.

For the purposes of this DPS:

- "Equity Shares" shall mean the equity shares having a face value of INR 10 (Indian Rupees Ten only) each of the Target Company.
- "Emerging Share Capital" shall mean the 141,642,525 Equity Shares of the Target Company on a fully diluted basis expected as of the tenth (10th) working day from the closure of the tendering period of the Open Offer, and includes (i) 265,212 Equity Shares, allotment of which is kept in abeyance by the Target Company; and (ii) 3,035 Equity Shares, which were issued by the Target Company but have not been subscribed, but excludes 1,120 Equity Shares which were forfeited by the Target Company.
- "Equity Share Capital" shall mean the total issued equity share capital of the Target Company on a fully diluted basis as on the date of the PA, and does not include (i) 265,212 Equity Shares, allotment of which is kept in abeyance by the Target Company; (ii) 3,035 Equity Shares, which were issued by the Target Company but have not been subscribed; and (iii) 1,120 Equity Shares which were forfeited by the Target Company.
- "Public Shareholders" shall mean all the public shareholders of the Target Company, and for the avoidance of doubt, excluding the members of the promoter and promoter group of the Target Company, the Acquirer, the parties to the SPA (as defined below), and any persons acting or deemed to be acting in concert with any of them.
- "Sellers" shall mean Votorantim Cimentos EAA Inversiones S.L. ("Seller 1") and Votorantim Cimentos S.A. ("Seller 2") collectively.
- "SPA" shall mean the share purchase agreement dated November 12, 2018 entered into among the Acquirer and the Sellers.

I. ACQUIRER, SELLERS, TARGET COMPANY AND OFFER

A. Details of the Acquirer

- The Acquirer, a limited liability partnership ("LLP"), was incorporated on August 7, 2017 under the Limited Liability Partnership Act, 2008, with LLP Identification number AAK-2395. Its registered office is located at Suite F9C, Grand Hyatt Plaza, Santacruz (East), Mumbai - 400 055, Maharashtra, India. There has been no change in the name of the Acquirer since the time of its incorporation.
- The principal activity of the Acquirer is that of making investments and the Acquirer is registered with SEBI as a Category II Alternative Investment Fund (AIF), with Registration Number IN/AIF2/17-18/0505 under the Securities and Exchange Board of India (Alternative Investment Fund) Regulations, 2012, as amended ("AIF Regulations").
- There is no other person/entity acting in concert with the Acquirer for the purposes of this Offer.
- The Acquirer is an LLP and does not have any shares and therefore shares of the Acquirer are not listed on any stock exchange in India.
- The group to which the Acquirer belongs is True North.
- The Acquirer is an LLP and has only 1 (one) limited partner, namely Indium VI Mauritius Holdings Limited, which has made capital commitments in excess of 10% of the total capital commitments as on date, in terms of the limited liability partnership agreement dated April 23, 2018. The persons in control of the Acquirer are set out in paragraphs 7-9 below of this part of the DPS.
- True North Managers LLP is the sponsor of the Acquirer and True North Enterprise Private Limited is the manager of the Acquirer, as per the provisions of the AIF Regulations.
- The Designated Partners of the Acquirer are:
 - Mr. Surendra Ambalal Dave, as nominee of the manager of the Acquirer (DIN: 00001480); and
 - Mr. Suresh Narsappa Talwar, as nominee of the sponsor of the Acquirer (DIN: 00001456).
- The Key Persons of the Acquirer are:
 - Mr. Vishal Nevatia;
 - Mr. Pramod Kabra;
 - Mr. Srikrishna Dwaram; and
 - Mr. Divya Sehgal.
- Other than the transaction detailed in Part II (Background to the Offer) below, which has triggered this Offer, pursuant to which the Acquirer shall acquire Equity Shares in the Target Company, as on the date of this DPS, the Acquirer, its Designated Partners, Key Persons, sponsor and manager of the Acquirer do not hold any ownership/interest/relationship/shares in the Target Company. Further, none of the Designated Partners are directors on the Board of the Target Company.
- As on the date of this DPS, the Acquirer has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the Securities and Exchange Board of India Act, 1992 ("SEBI Act") as amended or under any other regulations made under the SEBI Act.
- The Acquirer's key financial information based on its audited financial statements for the period from August 7, 2017 (incorporation date) to March 31, 2018 and the unaudited statements for the 3 months period ended June 30, 2018, are as set out here below:

In INR Lakhs

Particulars	For the 3 (three) months ended June 30, 2018 (Reviewed)	For the period from August 7, 2017 to March 31, 2018 (Audited) ⁽¹⁾
Total Revenue	Nil	Nil
Net Income/(Loss)	(2.21)	(346.06)
Earnings per share (₹ per Share) ⁽²⁾	NA	NA
Total Partner's Capital	Nil	Nil

Notes:

- As the LLP was formed on August 7, 2017, there is no financial information for the period prior to this.
- Not applicable as the Acquirer is a Limited Liability Partnership.

B. Details of the Sellers

- The details of the Sellers have been specified below:

Name	Nature of Entity	Registered Office	Part of Promoter Group of Target Company (Name of Group)	Listed on stock exchange in India or abroad	Equity Shares/voting rights held in Target Company before the acquisition under the SPA (as defined above)	Number of Equity Shares	% of Equity Share Capital	% of Emerging Share Capital
Votorantim Cimentos EAA Inversiones S.L.	Limited liability company incorporated under the laws of Spain	Calle Brasil 56, 36204 Vigo, Spain	Yes (Votorantim Group)	No	103,709,063		73.4	73.2
Votorantim Cimentos S.A.	Corporation incorporated under the laws of Brazil	Rua Gomes de Carvalho 1.996, 12, Pavimento-cj 122, 0457-006, Sao-Paulo-SP	Yes (Votorantim Group)	No	2,321,645		1.6	1.6

- Votorantim Cimentos EAA Inversiones S.L. was incorporated on 8th October, 2012 with the name of Cimentos EAA Inversiones S.L. and on 28th December, 2012 it changed its name to Votorantim Cimentos EAA Inversiones S.L.
- Votorantim Cimentos S.A. was incorporated on January 30, 1997 as a joint stock limit liability company under the name of 'Votorantim Cimentos Ltda.', and on July 15, 2009 pursuant to its conversion into a joint stock corporation, its corporate name was changed to 'Votorantim Cimentos S.A.'
- None of the Sellers have been prohibited by the SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act as amended or under any other regulations made under the SEBI Act.
- Upon consummation of the transactions contemplated in the SPA, the Acquirer will also acquire control over the Target Company and the Acquirer shall become the promoter of the Target Company in accordance with the provisions of Regulation 31A(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI (LODR) Regulations") and the Sellers shall cease to be the promoters and shall be re-classified in accordance with the provisions of Regulation 31A(5) of the SEBI (LODR) Regulations.

C. Details of the Target Company

- The Target Company is a public limited company incorporated on November 6, 1944, under the Indian Companies Act, 1913, in Gujarat, India. There has been no change in the name of the Target Company in the last 3 (three) years.
- The Target Company has its registered office at Digvijaygram, District Jamnagar - 361 140, Gujarat, India; Tel.: 0288-2344272/75 and Fax: 0288-2344092. The Corporate Identity Number (CIN) of the Target Company is L26940GJ1944PLC000749.

- The Target Company is predominantly engaged in the business of manufacturing, selling, export, import and dealing in cement and clinkers.
- The Equity Shares of the Target Company are listed on the BSE (Scrip ID: SHREDIGCEM, Scrip Code: 502180) and are frequently traded in terms of Regulation 2(1)(i) of the SEBI (SAST) Regulations (further details provided in Part IV (Offer Price) below) and are not suspended from trading on BSE. The ISIN of the Target Company is INE232A01011.
- As on the date of the PA and this DPS, the Sellers are the only promoters of the Target Company.
- The board of directors of the Target Company, as of the date of this DPS, is comprised as under:

Name of Director	Designation	DIN
Mr. A. K. Chhatwani	Chairman and Independent Director	00016735
Mr. Arcot Kumaresan	Independent Director	00149567
Mr. Jorge Alejandro Wagner	Director (Non-Executive)	07935739
Mr. Persio Morassutti	Director (Non-Executive)	07105548
Ms. Meike Albrecht	Director (Non-Executive)	07123752
Mr. K.K. Rajeev Nambiar	CEO and Managing Director	07313541

- As of the date of this DPS, the authorized share capital of the Target Company is INR 2,500,000,000 (Indian Rupees Two and Half Billion only) divided into 150,000,000 (One Hundred and Fifty Million) Equity Shares of face value of INR 10 (Indian Rupees Ten only) each, and 10,000,000 (Ten Million) preference shares of face value of INR 100 (Indian Rupees Hundred only).
- The issued equity share capital of the Target Company is INR 1,416,436,450 (Indian Rupees One Billion Four Hundred and Sixteen Million Four Hundred and Thirty Six Thousand and Four Hundred and Fifty only) comprising 141,643,645 (One Hundred Forty One Million Six Hundred Forty Three Thousand Six Hundred Forty Five) Equity Shares of INR 10 (Indian Rupees Ten only) each, including (i) 265,212 (Two Hundred Sixty Five Thousand Two Hundred Twelve) Equity Shares of INR 10 (Indian Rupees Ten only) each, which have been issued pursuant to rights issues by the Target Company and the allotment of which is kept in abeyance pending settlement of certain disputes; (ii) 3,035 Equity Shares which were issued by the Target Company that were unsubscribed; and (iii) 1,120 Equity Shares which were forfeited by the Target Company.
- The Emerging Share Capital of the Target Company calculated in compliance with Regulation 7 of the SEBI (SAST) Regulations is as follows:

Particulars	No. of Equity Shares	% of Emerging Share Capital
Fully paid up Equity Shares as of PA ⁽¹⁾	141,374,278	99.81%
Partly paid up Equity Shares as of PA ⁽²⁾	NIL	NA
Employee stock options outstanding	NIL	NA
Warrants convertible into equity share(s) each	NIL	NA
Equity Shares kept in abeyance	265,212	0.19%
Equity Shares which were issued by the Target Company but have not been subscribed	3,035	0.002%
Emerging Share Capital (Total)	141,642,525	100.00%

Notes:-

- Other than 265,212 Equity Shares, allotment of which is kept in abeyance by the Target Company and 3,035 Equity Shares which were issued but unsubscribed.
- 1,120 Equity Shares, which were partly paid-up and forfeited in past, are not included in the Emerging Share Capital.
- The Target Company does not have partly paid-up equity shares as on date. There were 1,120 Equity Shares, which were partly paid-up but have been forfeited by the Target Company. Additionally, there are 265,212 Equity Shares, allotment of which is kept in abeyance by the Target Company pending settlement of certain disputes and 3,035 Equity Shares, which were issued by the Target Company but remain unsubscribed.
- Brief audited financials of the Target Company as of and for the 15 months ended March 31, 2016 and each of the financial years ended March 31, 2017 and March 31, 2018, and six month period ended September 30, 2018 which are limited reviewed, are as specified below:

In INR Lakhs

Particulars	Six months ended September 30, 2018	Year ended March 31, 2018	Year ended March 31, 2017	Fifteen months period ended March 31, 2016
Total Revenue	21,229.98	42,417.25	31,914.03	47,558.34
Net Income/(Loss)	467.28	1,337.09	(1,416.91)	525.02
Earnings per Share (Basic)	0.33	0.95	(1.00)	0.37
Earnings per Share (Diluted)	0.33	0.95	(1.00)	0.37
Network/Shareholder's Funds	22,305.30	21,850.73	18,299.73	19,833.76

(Source: CA certificate issued by M/s. Maharishi & Co having firm registration number 124872W dated 16th November, 2018.)

Notes:-

- The figures for the period ended on September 30, 2018 and year ended on March 31, 2018 is as per IND AS Accounting Principles whereas figures for the year ended March 31, 2017 and for fifteen months ended March 31, 2016 is prepared in accordance with the Companies (Accounting Standard) Rules, 2006 (as amended).
- The figures for 6 months ended September 30, 2018 have been extracted from limited reviewed financials and figures for the rest of the years have been extracted from respective years audited financial statements.
- The figures for the six months period ended 30th September, 2018 are non-annualized.
- The figures for the six months period ended on 30th September, 2018 and year ended on 31st March, 2018 does not include adjustments on account of Remeasurements of post employment benefit obligations, gain/(loss) net of tax.
- Contingent Liabilities:
 - A sum of ₹ 309.84 lakhs as at March 31, 2018, March 31, 2017, March 31, 2016 on account of arrears, rent, service charges, way leave fees of certain leasehold property, consequent to the Order of the Estate Officer of Mumbai Port Trust (MPT) dated February 28, 2007, has not been provided for as the said property was assigned in an earlier year to M/s Dinbandhu Estate Private Limited (the Assignee). The assignment was subject to the approval of MPT which was to be arranged by the Assignee. The Company is contesting the said Order before the High Court.
 - Further, the following claims are not acknowledged as debts as the same are being contested by the Company :

In INR Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Sales Tax	138.75	209.49	163.36
Excise Duty	4,322.19	4,110.98	3,934.62
Service Tax	1,591.19	1,416.66	869.76
Custom Duty	451.55	451.55	451.55
Labour Cases	101.90	107.40	147.60
Other Cases	427.40	217.23	202.70
Total	7,032.98	6,513.31	5,769.59

D. Details of the Offer

- This Offer is a mandatory offer made in compliance with Regulations 3(1), 4 and other applicable Regulations of the SEBI (SAST) Regulations pursuant to the execution of the SPA, details of which are mentioned in Part II (Background to the Offer) of this DPS.
- This Offer is being made by the Acquirer to all the Public Shareholders, to acquire up to 35,611,817 (Thirty Five Million Six Hundred and Eleven Thousand Eight Hundred and Seventeen Only) Equity Shares representing 25.1% of the Emerging Share Capital ("Offer Size") at an offer price of INR 23.33 (Indian Rupees Twenty Three and Thirty Three Paise only) per Offer Share ("Offer Price") aggregating to a total consideration of INR 830,823,691 (Indian Rupees Eight Hundred and Thirty Million Eight Hundred and Twenty Three Thousand Six Hundred and Ninety One only) (rounded to the nearest rupee) ("Maximum Open Offer Consideration").
- As of the date of this DPS, there are no outstanding convertible securities, depository receipts, warrants or instruments, issued by the Target Company, convertible into Equity Shares of the Target Company.
- As of the date of this DPS, the Emerging Share Capital of the Target Company is as follows:

Particulars	No. of Equity Shares	% of Emerging Share Capital
Fully paid up Equity Shares as of PA ⁽¹⁾	141,374,278	99.81%
Partly paid up Equity Shares as of PA ⁽²⁾	Nil	NA
Employee stock options outstanding	Nil	NA
Warrants convertible into equity share(s) each	Nil	NA
Equity Shares kept in abeyance	265,212	0.19%

Equity Shares which were issued by the Target Company but have not been subscribed	3,035	0.002%
Emerging Share Capital (Total)	141,642,525	100.00%

Notes:-

- Other than 265,212 Equity Shares, allotment of which is kept in abeyance by the Target Company and 3,035 Equity Shares which were issued but unsubscribed.
- 1,120 Equity Shares, which were partly paid-up and forfeited in past, are not included in the Emerging Share Capital.
- As on the date of the DPS, all Equity Shares issued by the Target Company are listed except (i) 265,212 Equity Shares, allotment of which is kept in abeyance by the Target Company; and (ii) 3,035 Equity Shares, which were issued by the Target Company but have not been subscribed.
- The Offer Price will be payable in cash by the Acquirer, in accordance with the provisions of Regulation 9(1)(a) of the SEBI (SAST) Regulations.
- To the best of the knowledge of the Acquirer, there are no statutory or other approvals required by the Acquirer to complete the acquisition under the SPA (details of which are set out in Part II (Background to the Offer) below) or of the Offer Shares as on the date of this DPS. If, however, any statutory or other approval is required by the Acquirer at a later date prior to the completion of the tendering period, the Offer would be subject to such statutory or other approval(s) being obtained.
- Where any statutory or other approval extends to some but not all of the Public Shareholders, the Acquirer shall have the option to make payment to such Public Shareholders in respect of whom no statutory or other approvals are required in order to complete this Offer.
- In terms of Regulation 23(1) of the SEBI (SAST) Regulations, in the event that the approvals which become applicable prior to completion of the Offer are not received, or the condition to closing under the SPA as set out below, which is outside the reasonable control of the Acquirer, is not satisfied by expiry of 11 months from the date of execution of the SPA or such other date as may be mutually agreed between the parties to the SPA ("Long Stop Date"), the Acquirer shall have the right to withdraw the Offer:
 - if there is an Order (as defined in the SPA) which restricts any party to the SPA from consummating the sale and purchase of the Equity Shares held by the Sellers under the SPA ("Adverse Order"), such Adverse Order having been vacated, dismissed or stayed.

In the event of such a withdrawal of the Offer, the Acquirer (through the Manager) shall, within 2 (two) Working Days (as defined under the SEBI (SAST) Regulations) of such withdrawal, make an announcement of such withdrawal stating the grounds and reasons for the withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations.

- The Offer is not conditional on any minimum level of acceptance by the Public Shareholders in terms of Regulation 19 of the SEBI (SAST) Regulations.
- The Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
- As detailed in Part II (Background to the Offer) below, this Offer has been triggered upon the execution of the SPA.
- Non-resident Indians ("NRIs") and Overseas Corporate Bodies ("OCBs") holders of Equity Shares, if any, must obtain all requisite approvals required to tender the Equity Shares held by them pursuant to the Open Offer and submit such approvals along with the other documents required to accept the Open Offer. Further, if holders of Equity Shares who are not persons resident in India (including NRIs, OCBs and foreign portfolio investors) had required any approval from the Reserve Bank of India ("RBI") or any other regulatory body in respect of the Equity Shares held by them in the Target Company, they will be required to submit such previous approvals that they would have obtained for acquiring and holding the Equity Shares of the Target Company to tender Equity Shares held by them pursuant to the Open Offer, along with the other documents required to be tendered to accept the Open Offer as mentioned in the letter of offer ("Letter of Offer"). In the event such approvals and supporting documents are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered in the Open Offer.
- The Offer Shares will be acquired by the Acquirer fully paid-up, free from all liens, charges and encumbrances and together with the rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof, and the tendering Public Shareholder shall have obtained all necessary consents for it to sell the Offer Shares on the foregoing basis.
- In terms of Regulation 25(2) of the SEBI (SAST) Regulations, as of the date of this DPS, the Acquirer has no intention to restructure or alienate, whether by way of sale, lease, encumbrance or otherwise, any material assets of the Target Company during the period of 2 (two) years following the completion of the Offer, except
 - in the ordinary course of business; or
 - on account of compliance with any law that is or becomes binding on or applicable to the operations of the Target Company; or
 - as has already been disclosed by the Target Company in the public domain i.e. proposed Scheme of Arrangement between Shree Digvijay Cement Company Limited and its equity shareholders under Section 230 to Section 232 read with Section 66 and other applicable provisions of Companies Act, 2013, in respect of which BSE Limited has issued observation letter dated October 25, 2018 and which may hereafter be submitted to the National Company Law Tribunal for approval.
- Other than the above, if the Target Company is required to alienate any material asset of the Target Company within a period of 2 (two) years from completion of the Offer, the Target Company shall seek the approval of its shareholders for the same, as is required under the proviso to Regulation 25(2) of the SEBI (SAST) Regulations.
- Regulation 38 of the SEBI (LODR) Regulations read with Rule 19A of the Securities Contract (Regulation) Rules, 1957, and subsequent amendments thereto ("SCRR") require the Target Company to maintain minimum public shareholding, as determined in accordance with the SCRR, on a continuous basis for listing. Upon the completion of the Offer and underlying transaction pursuant to the SPA, if the public shareholding of the Target Company falls below the minimum level of public shareholding, as required to be maintained by the Target Company under the SCRR and the SEBI (LODR) Regulations, the Acquirer undertakes to take necessary steps to facilitate compliance by the Target Company with the relevant provisions under the SCRR, as required under Regulation 7(4) of the SEBI (SAST) Regulations and/or the SEBI (LODR) Regulations, within the time period stated therein, i.e., to bring down the non-public shareholding to 75% of the equity share capital within 12 (twelve) months from the date of such fall in the public shareholding below 25%, through permitted routes and/or any other such routes as may be approved by SEBI from time to time.
- The Manager to the Offer shall not deal, on its own account, in Equity Shares of the Target Company during the Offer period.

II. BACKGROUND TO THE OFFER

- The Offer is being made by the Acquirer to the Public Shareholders of the Target Company in accordance with Regulation 3(1) and Regulation 4 of the SEBI (SAST) Regulations.
- The Acquirer has entered into the SPA wherein it is proposed that the Acquirer shall purchase from the Sellers, 106,030,708 (One Hundred and Six Million Thirty Thousand Seven Hundred and Eight) Equity Shares of the Target Company, which constitutes 75.0% of the Equity Share Capital. The said sale of the Equity Shares held by the Sellers is proposed to be executed for a consideration aggregating up to INR 1,672,043,412 (Indian Rupees One Billion Six Hundred and Seventy Two Million Forty Three Thousand Four Hundred and Twelve only) for all Equity Shares held by the Sellers i.e. at a price of up to INR 15.77 (Indian Rupees Fifteen and Seventy Seven Paise only) per fully paid up Equity Share (the "Underlying Transaction"). The details of the Underlying transaction are set out below:

Type of transaction (direct/indirect)	Mode of transaction (Agreement/Allotment/market purchase)	Shares/Voting rights acquired/proposed to be acquired		Total consideration for shares/voting rights (VR) acquired (in INR)	Mode of payment	Regulation which has triggered
		Number	% vis-à-vis total equity/voting capital			
Direct	Purchase of Equity Shares of the Target Company held by the Sellers pursuant to the SPA entered into between the Acquirer and the Sellers	106,030,708 ¹	75.0% of the Equity Share Capital	Upto INR 1,672,043,412, payable in accordance with the terms of the SPA	Cash	3(1) and 4 of the SEBI (SAST) Regulations

¹This is the sum of all equity shares proposed to be sold by the Sellers pursuant to the SPA.

Note: In the event that the Acquirer's total shareholding in the Target Company after the completion of the Offer and acquisition under the SPA exceeds 75.0% of the equity share capital of the Target Company, the Acquirer will be under a statutory obligation to sell down its stake to 75.0% of the equity share capital of the Target Company in such manner and within such time as is permitted under the Securities Contracts (Regulation) Rules, 1957.

- Completion of the underlying transaction as envisaged under the SPA is subject to satisfaction of certain closing conditions as set out in the SPA including: certain intimations by the Target Company to lenders and third parties; compliance by Sellers with terms and conditions of Consents (as defined in SPA) in all material respects; if there is an Adverse Order, such Adverse Order having been vacated, dismissed or stayed; and the Sellers exercising all rights and powers as shareholders of the Target Company to cause the Target Company to refrain from undertaking any matter which would prevent the transactions contemplated in the SPA and the Transaction Documents (as defined in the SPA) including undertaking any wind up, de-registration, merger or amalgamation with any other entity.
- The Sellers and the Acquirer have made certain representations and warranties and covenants as mentioned in the SPA which are customary for transactions such as the

Underlying Transaction. The Sellers, joint and severally, have provided certain indemnities to the Acquirer and/or the Target Company under certain circumstances including breach of any warranty by the Sellers.

5. The SPA may be terminated *inter alia* in the following circumstances (i) by the Purchaser on occurrence of an event that results in or constitutes a Material Adverse Effect (as defined in the SPA); (ii) by either party in the event the closing does not take place by the Long Stop Date (as defined in the SPA); (iii) by mutual agreement between the Acquirer and the Seller 1.

6. Upon the consummation of the transactions contemplated in the SPA, the Acquirer will acquire control over the Target Company and the Acquirer shall become the promoter of the Target Company, in accordance with Regulation 31A(8) of the SEBI (LODR) Regulations and the Sellers shall cease to be the promoters and shall be re-classified in accordance with the provisions of Regulation 31A(5) of the SEBI (LODR) Regulations. The Target Company is presently engaged in the business of manufacturing, selling, export, import and dealing in cement and clinkers. The Acquirer intends to continue and strengthen the existing activities of the Target Company and work with the management and employees of the Target Company to grow the business of the Target Company.

III. SHAREHOLDING AND ACQUISITION DETAILS

1. The current and proposed shareholding of the Acquirer in the Target Company and the details of their acquisition are as follows:

Details	Acquirer	
	Number of Equity Shares/voting rights	Percentage of Emerging Share Capital
Shareholding as on the PA date	Nil	Nil
Shares acquired between the PA date and the DPS date	Nil	Nil
Shareholding as on the DPS date	Nil	Nil
Shareholding after the completion of acquisitions under the SPA	106,030,708 Equity Shares	74.9
Post Offer shareholding (on diluted basis as on the 10 th working day after the closing of tendering period and assuming no Offer Shares are tendered in the Open Offer)	106,030,708 Equity Shares	74.9
Post Offer shareholding (on diluted basis as on the 10 th working day after the closing of tendering period and assuming the entire 25.1% are tendered in the Open Offer)*	141,642,525 Equity Shares	100

*Assuming full acceptance of the Open Offer.

2. As of the date of this DPS, neither the Acquirer, nor its Designated Partners, hold any Equity Shares in the Target Company.

IV. OFFER PRICE

1. The Equity Shares of the Target Company are listed on the BSE.

2. The annualized trading turnover in the Equity Shares, based on the trading volumes in the Equity Shares of the Target Company on the BSE during the period from November 1, 2017 to October 31, 2018 (i.e. 12 (twelve) calendar months preceding the month in which the PA was issued) ("**Twelve Months Period**"), is as set out below:

Stock Exchange	Traded turnover of equity shares of the Target Company during the Twelve Months Period ("A")	Total number of equity shares of the Target Company during the Twelve Months Period ("B")	Traded turnover % (A/B)
BSE	27,339,527	141,374,278	19.34%

(Source: Certificate dated November 12, 2018 issued by S V N D & Associates LLP, chartered accountants, with firm registration number W100212.)

3. Based on the above, the Equity Shares are frequently traded in terms of Regulation 2(1)(j) of the SEBI (SAST) Regulations, with BSE being the stock exchange where the maximum volume of trading in the shares of the Target Company has been recorded.

4. The Offer Price of INR 23.33 (Indian Rupees Twenty Three and Thirty Three Paise only) per Offer Share is justified in terms of Regulation 8(2) of the SEBI (SAST) Regulations, being the highest of the following parameters:

Sl. No.	Details	Price per Equity Share in INR
A.	The highest negotiated price per Equity Share of the Target Company for any acquisition under an agreement attracting the obligation to make a public announcement of an open offer i.e. the price per share under the SPA	15.77 ⁽¹⁾
B.	The volume weighted average price paid or payable per Equity Share for acquisitions by the Acquirer or by any person acting in concert with him during the fifty two weeks immediately preceding the date of the PA	NA ⁽²⁾
C.	The highest price per Equity Share paid or payable for any acquisition by the Acquirer or by any person acting in concert with him during the twenty six weeks immediately preceding the date of the PA	NA ⁽²⁾
D.	The volume weighted average market price per Equity Share for a period of sixty trading days immediately preceding the date of the PA as traded on the BSE during such period and such shares being frequently traded	23.33
E.	Where the shares are not frequently traded, the price determined by the Acquirer and the Manager to Offer, taking into account valuation parameters including, book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such companies; and	NA ⁽³⁾
F.	The per equity share value computed under Regulation 8(5), if applicable	NA ⁽⁴⁾

Notes:

- Further details in respect of the negotiated price have been set out in Part II: Background to the Offer.
- The Acquirer has not acquired any shares in the Target Company in past.
- The equity shares of the Target Company are listed only on the BSE and they are frequently traded.
- The acquisition is not an indirect acquisition under Regulation 5(1) of SEBI (SAST) Regulations.
- The Offer Price of INR 23.33 (Indian Rupees Twenty Three and Thirty Three Paise only) per Offer Share represents the highest of the above parameters mentioned in the SEBI (SAST) Regulations. S V N D & Associates LLP, chartered accountants, with firm registration number W100212, located at Unit 506, Sanjar Enclave CTS, S. V. Road, Opp. Milap PVR Cinema, Kandivali West, Mumbai - 400 067, vide their certificate dated November 12, 2018 have confirmed the aforementioned computation of the Offer Price.
- There have been no corporate actions by the Target Company warranting adjustment of any of the relevant price parameters under Regulation 8(9) of the SEBI (SAST) Regulations.
- In the event of an acquisition of the Equity Shares of the Target Company by the Acquirer during the Offer period, at a price higher than the Offer Price, then the Offer Price will be revised upwards to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8) of the SEBI (SAST) Regulations. However, the Acquirer shall not acquire any Equity Shares of the Target Company after the third (3rd) working day prior to the commencement of the tendering period of this Offer and until the expiry of the tendering period of this Offer. An upward revision to the Offer Price or to the Offer Size, if any, on account of competing offers or otherwise, may also be done at any time prior to the commencement of 1 (one) working day before the commencement of the tendering period of this Offer in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. Such revision would be done in compliance with other formalities prescribed under the SEBI (SAST) Regulations. In the event of such revision, the Acquirer shall:
 - make corresponding increase to the escrow amounts as more particularly set out in paragraph 2 of Part V (Financial Arrangements) of this DPS;
 - make a public announcement in the same newspapers in which this DPS is published; and
 - simultaneously with the issue of such announcement, inform the BSE, SEBI and the Target Company at its registered office of such revision in accordance with the SEBI (SAST) Regulations.

V. FINANCIAL ARRANGEMENTS

- The total funding requirement for the Offer, assuming full acceptance, i.e. for the acquisition of 35,611,817 (Thirty Five Million Six Hundred and Eleven Thousand Eight Hundred and Seventeen Only) Equity Shares, at the Offer Price of INR 23.33 (Indian Rupees Twenty Three and Thirty Three Paise only) per Offer Share is Maximum Open Offer Consideration, i.e. INR 830,823.691 (Indian Rupees Eight Hundred and Thirty Million Eight Hundred and Twenty Three Thousand Six Hundred and Ninety One only) (rounded to the nearest Rupee).
- The Acquirer has adequate resources to meet the financial requirements of this Open Offer and by way of security for performance of its obligations under the SEBI (SAST) Regulations, the Acquirer has (i) created an escrow account named "True North Fund VI LLP - Open Offer Escrow Account" (the "**Escrow Account - Cash**") with HDFC Bank Limited (at its branch at Ground Floor, Jehangir Building, M G Road, Fort, Mumbai) (the "**Escrow Bank**") and has deposited a sum of INR 8,308,237.00 (Indian Rupees Eight Million Three Hundred and Eight Thousand, Two Hundred and Thirty Seven only) in the said Escrow Account - Cash being in excess of 1% percent of the Maximum Open Offer Consideration, which shall be invested by way of fixed deposits ("**Fixed Deposits**") to be maintained with the Escrow Bank, and the Manager has an irrevocable lien over the funds lying in the Escrow Account - Cash and the Fixed Deposits. The Escrow Account - Cash and Fixed Deposits are in compliance with the requirements of Regulation 17 of the SEBI (SAST) Regulations; and (ii) furnished an unconditional, irrevocable, and on demand bank guarantee dated November 14, 2018 having bank guarantee number 240GT01183180004 of an amount of INR 207,705,923.00 (Indian Rupees Two Hundred and Seven Million Seven Hundred and Five Thousand Nine Hundred and Twenty Three only) which is twenty five percent (25%) of Maximum Open Offer Consideration from HDFC Bank Limited (acting through its branch, Sandoz House Branch, Dr Annie Besant Road, Worli, Mumbai- 400 018), in favor of the Manager to the Offer ("**Bank Guarantee**"). The Bank Guarantee is valid up to May 13, 2019. The Manager to the Offer has been duly authorised to realize the value of the aforesaid Bank Guarantee in terms of the SEBI (SAST) Regulations. The Acquirer undertakes that in case the Offer process is not completed within the validity of the Bank Guarantee, then the Bank Guarantee will be further extended at least up to the 30th day from the date of completion of payment of the shares validly tendered in the Open Offer. The bank issuing the Bank Guarantee is neither an associate company nor a group company of the Acquirer or the Target Company.
- The amount deposited in Escrow Account - Cash, along with the Bank Guarantee are in excess of a sum total of 25% of the first INR 5,000,000,000 (Indian Rupees Five Billion only) of the Maximum Open Offer Consideration, as required under Regulations 17(1) and 17(3) of the SEBI (SAST) Regulations.
- S V N D & Associates LLP, chartered accountants, with firm registration number W100212, located at Unit 506, Sanjar Enclave CTS, S. V. Road, Opp. Milap PVR Cinema, Kandivali West, Mumbai 400 067, vide their certificate dated November 12, 2018, have certified, on the basis of the uncalled capital commitment from the limited partners of the Acquirer, that the Acquirer has made firm arrangements for funds through verifiable means to meet its payment obligations under this Offer.
- The Manager to the Offer has entered into an agreement dated November 14, 2018 with the Acquirer and the Escrow Bank (the "**Escrow Agreement**") pursuant to which the Acquirer has solely authorized the Manager to the Open Offer to realize the value of the Escrow Account - Cash, to operate the special escrow account opened as per the provisions of the SEBI (SAST) Regulations and invoke the lien on and liquidate the Fixed Deposits.
- The Manager to the Open Offer is satisfied that firm arrangements have been put in place by the Acquirer to fulfill its obligations in relation to this Open Offer through verifiable means in accordance with the SEBI (SAST) Regulations.

VI. STATUTORY AND OTHER APPROVALS

- To the best of the knowledge of the Acquirer, there are no statutory or other approvals required by the Acquirer to complete the acquisition under the SPA and the Offer as on the date of this DPS. However, in case of any statutory or other approval being required by the Acquirer at a later date prior to completion of the tendering period, the Offer would be subject to such other statutory or other approval(s) being obtained.
- NRIs and OCBs holders of Equity Shares, if any, must obtain all requisite approvals required to tender the Equity Shares held by them pursuant to the Open Offer and submit such approvals along with the other documents required to accept the Open Offer. Further, if holders of Equity Shares who are not persons resident in India (including NRIs, OCBs and foreign portfolio investors) had required any approval from the RBI or any other regulatory body in respect of the Equity Shares held by them in the Target Company, they will be required to submit such previous approvals that they would have obtained for acquiring and holding the Equity Shares of the Target Company to tender Equity Shares held by them pursuant to the Open Offer, along with the other documents required to be tendered to accept the Open Offer as mentioned in the Letter of Offer. In the event such approvals and supporting documents are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered in the Open Offer.
- The Offer is also subject to the satisfaction of the condition stipulated under the SPA and disclosed herein above in paragraph D(9) of Part I (*Details of Offer*) (which is considered to be outside the reasonable control of the Acquirer).
- The Acquirer does not require any approvals from financial institutions or banks for this Offer.
- Where any statutory or other approval extends to some but not all of the Public Shareholders, the Acquirer shall have the option to make payment to such Public Shareholders in respect of whom no statutory or other approvals are required in order to complete this Offer.
- In case of delay in receipt of any statutory approval which may be required by the Acquirer at a later date, SEBI may, if satisfied that such delay in receipt of the requisite statutory approval(s) was not attributable to any willful default, failure or neglect on the part of the Acquirer to diligently pursue such approval, grant an extension of time for the purpose of completion of this Open Offer subject to such terms and conditions as may be specified by SEBI, including payment of interest at such rate as may be prescribed by SEBI from time to time in accordance with Regulation 18(11) of the SEBI (SAST) Regulations.
- In terms of Regulation 23(1) of the SEBI (SAST) Regulations, in the event that the approvals, whether relating to the acquisition under the SPA or the acquisition of the Offer Shares, specified in this DPS, which become applicable prior to completion of the Offer, are not received, or if the condition set out in paragraph D(9) of Part I (*Details of the Offer*) above, which is outside the reasonable control of the Acquirer, is not satisfied in accordance with the SPA, the Acquirer shall have the right to withdraw the Offer. In the event of such a withdrawal of the Offer, the Acquirer (through the Manager) shall, within 2 (two) Working Days (as defined in SEBI (SAST) Regulations) of such withdrawal, make an announcement of such withdrawal stating the grounds for the withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations.

VII. TENTATIVE SCHEDULE OF ACTIVITY

No.	Activity	Schedule (Day and Date)
1.	PA	Monday, November 12, 2018
2.	Publication of this DPS	Monday, November 19, 2018
3.	Filing of the draft letter of offer with SEBI	Wednesday, November 28, 2018
4.	Last date for public announcement for competing offer(s)	Wednesday, December 12, 2018
5.	Last date for receipt of SEBI observations on the draft letter of offer (in the event SEBI has not sought clarifications or additional information from the Manager to the Offer)	Wednesday, December 19, 2018
6.	Identified Date ^a	Friday, December 21, 2018
7.	Last date by which the Letter of Offer is to be dispatched to the Public Shareholders whose name appears on the register of members on the Identified Date	Monday, December 31, 2018
8.	Date by which the committee of the independent directors of the Target Company shall give its recommendation to the shareholders of the Target Company for this Offer	Wednesday, January 02, 2019
9.	Last date for upward revision of the Offer Price/ Offer Size	Thursday, January 03, 2019

10.	Date of publication of Offer opening public announcement in the newspapers in which this DPS has been published	Friday, January 04, 2019
11.	Date of commencement of the tendering period (" Offer Opening Date ")	Monday, January 07, 2019
12.	Date of closure of the tendering period (" Offer Closing Date ")	Friday, January 18, 2019
13.	Last date of communicating the rejection/acceptance and completion of payment of consideration or refund of Equity Shares to the shareholders of the Target Company	Friday, February 01, 2019
14.	Last date for publication of post-Offer public announcement in the newspapers in which this DPS has been published	Friday, February 08, 2019

*The schedule of activities mentioned above is tentative and is subject to SEBI's review process.

#The Identified Date is only for the purpose of determining the Public Shareholders as on such date to whom the Letter of Offer would be sent. It is clarified that subject to Part VI (Statutory and Other Approvals) above, all the Public Shareholders (registered or unregistered) of the Target Company are eligible to participate in this Offer at any time on or prior to the Offer Closing Date.

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

- Subject to paragraph 2 of Part VI (*Statutory and Other Approvals*), all Public Shareholders holding the shares in dematerialized form are eligible to participate in this Open Offer at any time during the period from Offer Opening Date till the Offer Closing Date ("**Tendering Period**") for this Open Offer. Please refer to paragraph 7 below of this part, for details in relation to tendering of Offer Shares held in physical form.
- The Letter of Offer specifying the detailed terms and conditions of this Offer will be mailed to all the Public Shareholders whose name appears in the register of members of the Target Company as at the close of business hours on the Identified Date.
- Accidental omission to dispatch the Letter of Offer to any person to whom the Offer is made or the non-receipt or delayed receipt of the Letter of Offer by any such person will not invalidate the Offer in any way. As per the tentative schedule of activities set out in Part VII (*Tentative Schedule of Activity*), the last date by which the Letter of Offer may be dispatched to the Public Shareholders of the Target Company is December 31, 2018.
- Public Shareholders who have acquired Equity 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 acquired Equity Shares after the Identified Date but prior to the closure of the tendering period of the Offer, or those who have not received the Letter of Offer, may also participate in this Offer.
- In case of non-receipt of the Letter of Offer, such Public Shareholders of the Target Company may download the same from the SEBI website (www.sebi.gov.in) or obtain a copy of the same from the Registrar to the Offer (details at paragraph 5 of Part IX (*Other Information*)) of this DPS on providing suitable documentary evidence of holding of the Equity Shares of the Target Company.
- The Offer will be implemented under the stock exchange mechanism made available by the Stock Exchanges in the form of a separate window ("**Acquisition Window**"), as provided under the SEBI (SAST) Regulations and SEBI circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 issued by SEBI and as amended by SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016. In such a case:
 - BSE shall be the designated stock exchange for the purpose of tendering Equity Shares in the Offer.
 - The Acquirer has appointed JM Financial Services Limited (the "**Buying Broker**") as its broker for the Offer through whom the purchases and settlement of the Equity Shares tendered under the Offer shall be made. The contact details of the Buying Broker are as mentioned below:
 - Name:** JM Financial Services Limited
 - Address:** 5th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025.
 - Contact Person:** Ms. Prachee Dhuri
 - Tel.:** +91 22 6630 3030; **Fax:** +91 22 6630 3330
 - All the Public Shareholders who desire to tender their Equity Shares under the Offer, would have to intimate their respective stock brokers ("**Selling Broker**") within the normal trading hours of the secondary market, during the tendering period.
 - A separate Acquisition Window will be provided by the BSE to facilitate placing of sell orders. The Selling Broker can enter orders for dematerialized Equity Shares.
- Procedure to be followed by Public Shareholders holding Equity Shares in the physical form:
 - As per the proviso to Regulation 40(1) of the SEBI (LODR) Regulations (as amended by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018), effective from December 5, 2018, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository.
 - In this Open Offer, considering the timelines of activities prescribed under the SEBI (SAST) Regulations, the acceptance of tendered shares will be undertaken after December 5, 2018. Accordingly, the Public Shareholders who are holding Equity Shares in physical form and are desirous of tendering their Equity Shares in the Open Offer can do so only after the Equity Shares are dematerialized. Such Public Shareholders are advised to approach any depository participant to have their Equity Shares dematerialized.
- The Equity Shares to be acquired under the Open Offer must be free from all liens, charges and encumbrances and will be acquired together with all rights attached thereto.


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

IX. OTHER INFORMATION

- The Acquirer and its Designated Partners accept full responsibility for the information contained in the PA, and this DPS (other than such information as has been obtained from public sources or provided or relating to and confirmed by the Target Company and/or the Sellers) and shall be responsible for the fulfillment of obligations under the SEBI (SAST) Regulations in respect of this Offer.
- The information pertaining to the Target Company and/or the Sellers contained in the PA or the DPS or the Letter of Offer or any other advertisement/publications made in connection with the Open Offer has been compiled from information published or provided by the Target Company or the Sellers, as the case may be, or publicly available sources which has not been independently verified by the Acquirer. The Acquirer and its Designated Partners do not accept any responsibility with respect to any misstatement by the Target Company and/or the Sellers in relation to such information.
- This DPS and the PA shall also be available on SEBI's website (www.sebi.gov.in).
- In this DPS, all references to "INR" are references to Indian Rupee.
- Link Intime India Private Limited has been appointed as the Registrar to the Offer, whose details are set out here below:

REGISTRAR TO THE OFFER	
Name	Link Intime India Private Limited
Address	C-101, 1 st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083.
Telephone	+91 22 4918 6200
Fax	+91 22 4918 6195
Email	sdcc.openoffer@linkintime.co.in
Contact Person	Mr. Sumeet Deshpande
SEBI Registration Number	INR000004058

- 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	
	JM FINANCIAL LIMITED 7 th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025, India Tel.: +91 22 6630 3030 Fax: +91 22 6630 3330 Email: sdcc.openoffer@jmfll.com Contact Person: Ms. Prachee Dhuri SEBI Registration Number: INM000010361

Place : Mumbai, India
Date : November 19, 2018