



ashima
LIMITED

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CIN : L99999GJ1982PLC005253

16th July, 2014.

To:

1. National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra-Kurla Complex,
Bandra (E), Mumbai – 400 051
2. Ahmedabad Stock Exchange Limited
Kamdhenu Complex,
Opp. Sahajanand College,
Panjara Polè, Ambawadi,
Ahmedabad – 380 015
3. Bombay Stock Exchange Limited
Corporate Relationship Department,
1st Floor, New Trading Building,
Rotunda Building, P. J. Towers,
Dalal Street, Fort,
Mumbai – 400 001

Dear Sirs,

Intimation under Clause 36 of the Listing Agreement:

The company hereby announces the following event as required by and in compliance of Clause 36 of the Listing Agreement:

1. The company has signed a term sheet for settlement of secured debt, with one of its secured lenders, namely Asset Reconstruction Company (India) Limited ("ARCIL"). It envisages payment of settlement amount in phases over a period of time.
2. As per the terms, ARCIL has rights to terminate the settlement arrangement and forfeit the amount paid by the company upon occurrence of any of the events of default listed in the term sheet.

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3. In absence of any sufficient internal accruals and the company's net worth being negative, the financial commitments given by the company to ARCIL would require raising resources through additional debt or equity.
4. The financial settlement with ARCIL amounts to less than 60% of the total secured debt of the company and the rest of the debt needs yet to be settled by the Company.

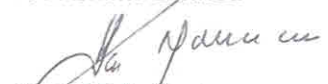
Submission under Clause 37 of the Listing Agreement: The company further submits that the above information may not be made available by the respective Stock Exchanges where the company is listed, to their members or to the Press or Media or to the general public, as the company contends that such disclosure or publication of this information will be detrimental to the interest of the company as stated herein below:

- a. The debt settlement proposed in the term sheet is subject to the company fulfilling financial commitments mentioned therein and upon any event of default as mentioned therein, the payments made in installments are subject to forfeiture and would tantamount to the entire debt to be restored along with interest and other charges by ARCIL. Further, ARCIL is only one of the lenders of the company. There are several other lenders and the company will have to conclude debt settlement with them. Till other lenders are settled, the company cannot complete its financial restructuring and in such scenario, disclosure given under clause 36 can be misconstrued and lead to misguide the general public, which is not clearly, the intention of the Company, and will hurt the Company's reputation and prospects among general public..
- b. Till the negotiations with other lenders are pending, the disclosure of this event in public, can adversely affect negotiations for debt settlement with other lenders and the settlement amount may move substantially on the higher side. This may result into a possibility that in such case the company will not be in a position to complete total financial restructuring

In view of the above, the company submits that the information about this event should not be made available to the members of any of the Stock Exchanges or to any section of the Press. The company undertakes to intimate the Stock Exchanges to make the information public at a later stage as explained above.

Thanking you
Yours faithfully

For Ashima Limited


Hiren Mahadevia
Chief Financial Officer and
Company Secretary