

This public announcement (“**Public Announcement**” / “**PA**”) is being issued by Chettinad Holdings Private Limited (“**Chettinad Holdings**” / “**Acquirer**”), to the public shareholders of Chettinad Cement Corporation Limited (“**Company**”) pursuant to Regulation 10 of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, as amended till date (“**Delisting Regulations**”) in respect of the proposed acquisition and voluntary delisting of the fully paid-up equity shares of the Company in accordance with the Delisting Regulations (“**Offer**” / “**Delisting Offer**”).

1. BACKGROUND OF THE DELISTING OFFER

- (a) Chettinad Cement Corporation Limited 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 (“**Company**”).

(b) The paid-up equity share capital of the Company is ₹ 38,19,89,980 (Indian Rupees Thirty Eight crores Nineteen Lakhs Eighty Nine Thousand Nine Hundred and Eighty) (“**Equity Capital**”) comprising of 3,81,98,998 (Three crores Eighty One Lakhs Ninety Eight Thousand Nine Hundred and Ninety Eight) fully paid-up equity shares having face value of ₹ 10 (Indian Rupees Ten) each (“**Equity Shares**”). The Equity Shares are listed and traded on the National Stock Exchange of India Limited (“**NSE**”), listed on the Madras Stock Exchange Limited (“**MSE**”), and are traded under the “Permitted Category” on the Bombay Stock Exchange Limited (“**BSE**”).

- (c) Chettinad Holdings Private Limited is a company incorporated and registered in India under the Companies Act, with its registered office located at “Rani Seethai Hall Building”, 5th Floor, No. 603, Anna Salai, Chennai- 600 006, Tel: +91 44 2829 2900, Fax: +91 44 2829 4620 (“**Acquirer**”). The promoter and promoter group of the Company are also the controlling shareholders and promoters of the Acquirer. The Acquirer currently holds no Equity Shares in the Company. Presently, the promoter and promoter group of the Company consists of various family members / individuals, trusts and corporate bodies (“**Promoter Group Members**”), who have been declared as such in the filings made by the Company pursuant to Clause 35 of the “Equity Listing Agreements” entered into between the Company and NSE / MSE, effectively holding in aggregate 3,37,82,577 Equity Shares of the Company representing approximately 88.44% of the Company’s paid-up equity share capital. On account of being directly controlled by the promoter and promoter group of the Company, the Acquirer effectively becomes a member of the promoter group of the Company, and is therefore considered as a “promoter” or a “person acting in concert with the promoter”, thereby being eligible to make this Delisting Offer, in terms of the Delisting Regulations.

- (d) The Acquirer is making this Public Announcement to the public shareholders (defined to mean all the shareholders other than the Promoter Group Members and hereinafter referred to as “**Public Shareholders**”): (i) to Acquire, in accordance with the Delisting Regulations and on the terms and subject to the conditions set out in Paragraph 11 (Conditions of the Delisting Offer), up to 44,16,421 (Forty Four Lakhs Sixteen Thousand Four Hundred and Twenty one) Equity Shares representing the balance approximately 11.56% of the Equity Capital of the Company (“**Offer Shares**”) from the Public Shareholders and proposes to delist the Equity Shares of the Company from the NSE and the MSE, pursuant to the Delisting Regulations; and (ii) to withdraw the permitted to trade status of the Equity Shares of the Company from the BSE (together referred to as the “**Delisting Offer**”). Consequent to the Delisting Offer and upon the number of shares acquired in the offer being a minimum of fifty percent of the Offer Shares i.e. 22,08,211 (Twenty Two lakhs Eight thousand Two hundred Eleven) and fulfillment of other conditions stipulated under the Delisting Regulations, the Company will seek to voluntarily delist its Equity Shares from the NSE and the MSE, and withdraw the permitted to trade status of the Equity Shares from the BSE for the reasons set out in Paragraph 2 (Necessity and the Objects of the Delisting Offer) of this Public Announcement.

- (e) On May 10, 2012, the Acquirer informed the Company of its intention to make the Delisting Offer to the Company (“**Delisting Proposal**”) and requested the board of directors of the Company (“**Board**”): (i) to convene a meeting to consider and approve the Delisting Proposal, in accordance with Regulation 8(1)(a) of the Delisting Regulations, and upon the Board so approving, immediately informing the Stock Exchanges of such consideration and approval; (ii) to take requisite steps and place the Delisting Proposal before the shareholders of the Company for their consideration and approval by a special resolution to be passed through postal ballot in accordance with Regulation 8(1)(b) of the Delisting Regulations; (iii) to seek in-principle approval of the NSE and the MSE for delisting the Equity Shares in accordance with Regulation 8(1)(c) of the Delisting Regulations; and (iv) to take all such actions and measures as may be necessary in connection with the withdrawal of the permitted to trade status from the BSE.

- (f) The Board by its resolution dated May 15, 2012, took on record the Delisting Proposal received from the Acquirer and approved the same. The Board also consented to seek the approval of the public shareholders of the Company for the Delisting Proposal by way of postal ballot in accordance with the provisions of Section 192A of the Companies Act read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011, and to seek in-principle delisting approval from the NSE and the MSE, subject to the Acquirer’s compliance with all the applicable laws, including the Delisting Regulations.

- (g) In this regard, a special resolution was passed by the shareholders of the Company through postal ballot in accordance with the provisions of Section 189(2) and 192A(2) of the Companies Act read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011. The result of this special resolution passed through postal ballot was declared on February 04, 2013, approving the proposed delisting of the Equity Shares from the NSE and the MSE in accordance with the Companies Act and Delisting Regulations, and withdrawal of the permitted to trade status from the BSE. The votes cast by the Public Shareholders in favour of the Delisting Offer were 19,73,860 being more than Two (2) times the number of votes cast by the Public Shareholders against the Delisting Offer (i.e. 31,099). The NSE and the MSE have also issued their in-principle approvals for the Delisting Offer, subject to compliance with the Delisting Regulations, through their letters dated February 19, 2013 and February 16, 2013, respectively.

- (h) This Public Announcement is being issued in the following newspapers as required under Regulation 10(1) of the Delisting Regulations:

Newspaper	Language	Editions
Financial Express	English	All Editions
Jansatta	Hindi	All Editions
Mumbai Lakshadeep	Marathi	Mumbai
Makkal Kural	Tamil	Chennai

- (i) Any modifications to this Public Announcement will be notified by issuing a corrigendum in all of the aforementioned newspapers.

- (j) The Acquirer reserves the right to withdraw the Delisting Offer in certain cases as more fully set out in Paragraph 11 (Conditions of the Delisting Offer) of this Public Announcement.

2. NECESSITY AND THE OBJECTS OF THE DELISTING OFFER

- (a) The objective of the Acquirer in making the Delisting Offer is to: (i) obtain full ownership of the Company, along with the existing Promoter Group Members which will provide the Promoter & Promoter Group, with an increased operational flexibility to support the Company’s business and to meet the needs of its customers; and (ii) to provide an exit opportunity to the Public Shareholders of the Company.
- (b) The Acquirer believes that the delisting of the Equity Shares is in the interest of the Public Shareholders of the Company as it will provide them with an exit opportunity from the Company at a price arrived at by the Book Building Process (defined below) in accordance with the Delisting Regulations, and will provide liquidity, which is otherwise not available in the shares of the Company.

- (c) Accordingly, the Acquirer intends to make the Delisting Offer to the Public Shareholders of the Company in order: (i) to voluntarily delist the Equity Shares from the NSE and the MSE by acquiring up to 44,16,421 (Forty Four Lakhs Sixteen Thousand Four Hundred and Twenty one) Equity Shares held by the Public Shareholders representing approximately 11.56% of the Equity Capital in accordance with the Delisting Regulations; and (ii) to take all such actions and measures as may be necessary in connection with the withdrawal of the permitted to trade status from the BSE.

3. BACKGROUND OF THE ACQUIRER

- (a) Chettinad Holdings Private Limited (“**Acquirer**”) was incorporated on January 03, 2012, under the laws of India, with the corporate identification number U74140TN2012PTC083855. The registered office of the Acquirer is located at “Rani Seethai Hall Building”, 5th Floor, No. 603, Anna Salai, Chennai - 600 006, Tel: +91 44 2829 2900, Fax: +91 44 2829 4620.

- (b) The Acquirer is engaged in the business of establishing, promoting, forming, subsidizing or otherwise assisting in establishment, promotion, forming and subsidizing industrial enterprises in the same group or otherwise.

- (c) As on the date of this Public Announcement, the issued and paid-up share capital of the Acquirer is ₹ 250,00,00,000 (Indian Rupees Two Hundred and Fifty Crores), consisting of Twenty Five Crore equity shares having face value of ₹ 10 (Indian Rupees Ten) each.

- (d) As of the date of this Public Announcement, the shares of the Acquirer are not listed on any stock exchange. The shareholding pattern of the Acquirer as on the date of this public announcement is as follows:

Name of the shareholder	Number of Shares		Voting Rights	
	No. of shares	% of shareholding	Voting Rights	%
Mr. M.A.M.R. Muthiah	17,50,00,000	70.00 %	17,50,00,000	70.00 %
Mr. M.A.M.R. Muthiah	7,49,99,000	29.99 %	7,49,99,000	29.99 %
Chettinad Developers P Ltd	1,000	0.01 %	1,000	0.01 %
Total	25,00,00,000	100.00 %	25,00,00,000	100.00 %

- (e) The present composition of the Board of Directors of the Acquirer, as on the date of this public announcement is set forth below:

S. No.	Name	Title	Date of Appointment
1.	Mr. V. Chandramouleeswaran	Director	January 03, 2012
2.	Mr. B. Renganathan	Director	June 28, 2012
3.	Mr. SPK. Chidambaram	Director	November 07, 2012

PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF THE EQUITY SHAREHOLDERS OF

CHETTINAD CEMENT CORPORATION LIMITED

Registered and Corporate Office: “Rani Seethai Hall Building”, No. 603, Anna Salai, Chennai-600 006, India.
Telephone No: +91 44 2829 2727; Fax No: +91 44 2829 1558; Website: www.chettinad.com

- (f) Based on the consolidated audited financial statements, the financial information of the Acquirer is as follows:

Year Ending	March 31, 2010 (₹ crores)^	March 31, 2011 (₹ crores)^	March 31, 2012 (₹ crores)
Revenues	NA	NA	0.21
Profit before tax	NA	NA	0.20
Profit after tax	NA	NA	0.14
As at	March 31, 2010 (₹ crores)	March 31, 2011 (₹ crores)	March 31, 2012 (₹ crores)
Share capital	NA	NA	250.00
*Reserves	NA	NA	0.14
Liabilities	NA	NA	67.02
Total Equity and Liabilities	NA	NA	317.16
Non-current assets	NA	NA	316.63
Current assets	NA	NA	0.53
Total Assets	NA	NA	317.16

^ Since the Company was incorporated on January 03, 2012, the financials for the 12-months period ending March 31, 2010 and March 31, 2011 are not applicable.

* Reserves calculated as the sum of accumulated profits, share option reserve and amalgamation reserve, as provided from audited financial statements.

- (g) The Acquirer has, in accordance with Paragraph 16 (Details of Escrow Account and the amount deposited therein) of this Public Announcement, made available all the requisite funds necessary to fulfill the obligations of the Acquirer under the Offer.

4. BACKGROUND OF THE COMPANY

- (a) Chettinad Cement Corporation Limited (“**Company**”), is a public company, limited by shares, incorporated under the Companies Act, with the corporate identification number L93090TN1962PLC004947, and with its registered office located at “Rani Seethai Hall Building”, No. 603, Anna Salai, Chennai - 600 006, India. Prior to the current location, the registered office of the Company was located at 64, Armenian Street, Chennai - 600 001. Further prior to this, the registered office of the Company was located at No.80, Sembudasa Street, Chennai - 600 001.

- (b) The Company was originally incorporated on December 11, 1962, as a Public Limited company under the same name. The Company does not have any subsidiaries.

- (c) The Equity Shares of the Company are listed and traded on the NSE, are listed on the MSE and have been permitted to trade on the BSE.

- (d) The Company is engaged in the business of manufacturing and sale of Cement.

- (e) The key audited financials for the financial years ending March 31, 2010, March 31, 2011 and March 31, 2012 and the limited reviewed financials for the half year ending September 30, 2012, for the Company are as under:

Year Ending	March 31, 2010 (in ₹ crores)	March 31, 2011 (in ₹ crores)	March 31, 2012 (in ₹ crores)	Sept. 30, 2012 (in ₹ crores)
Total Income	1,374	1,605	2,069	1,268
(Loss)/Profit before Taxation	127	95	251	146
(Loss)/Profit after Taxation	97	75	188	114
Share Capital	38	38	38	38
Reserves & Surplus	826	888	1,042	1,157
Total Shareholder's Funds	864	926	1,080	1,195
Non Current Liabilities	766	534	431	431
Current Liabilities	365	616	1,031	929
Total Liabilities	1,131	1,150	1,462	1,360
Non Current Assets	1,244	1,614	1,907	1,878
Current Assets	751	462	635	677
Total Assets	1,995	2,076	2,542	2,555
Earnings per Share	30.51	19.68	49.21	29.90
Net Asset Value per share	226	242	283	313
Return on Net Worth (%)	15.86	8.40	18.74	10.04*

Source: Annual report of the Company for the financial year ended March 31, 2012, March 31, 2011 and March 31, 2010.

Note: Return on Net Worth calculated as Profit after tax / Average Capital Employed.

^ Return on Net Worth for the 6 months period ending September 30, 2012.

- (f) Further information about the Company may be obtained from its website www.chettinad.com

5. PRESENT CAPITAL STRUCTURE AND SHAREHOLDING PATTERN OF THE COMPANY

- (a) As on the date of this Public Announcement, the authorized share capital of the Company is ₹ 5,00,00,00,000 (Indian Rupees Five Hundred crores) divided into 50,00,00,000 (Fifty crore) shares of ₹ 10 (Indian Rupees Ten) each. The issued share capital of the Company is ₹ 38,29,57,480 (Indian Rupees Thirty eight crores Twenty nine lakhs fifty seven thousand four hundred and eighty) divided into 3,82,95,748 (Three crores Eighty Two Lakhs Ninety Five thousand Seven hundred and Forty Eight) equity shares of ₹ 10 (Indian Rupees Ten) each. The subscribed and paid-up share capital of the Company is ₹ 38,19,89,980 (Indian Rupees Thirty Eight crores Nineteen Lakhs Eighty Nine Thousand Nine Hundred and Eighty) divided into 3,81,98,998 (Three crores Eighty One Lakhs Ninety Eight Thousand Nine Hundred and Ninety Eight) fully paid-up equity shares having face value of ₹ 10 (Indian Rupees Ten) each.
- (b) The Promoter Group Members hold 3,37,82,577 (Three crores Thirty seven lakhs Eighty two thousand Five Hundred Seventy Seven) Equity Shares representing approximately 88.44% of the Equity Capital. Other than the shareholding mentioned herein, as on the date of this Public Announcement, neither the Promoter nor any of its directors or any other member of the Promoter group holds any Equity Shares in the Company.

- (c) The shareholding pattern of the Company as of February 15, 2013, was as follows:

Shareholders Category	Number of Equity Shares	Percentage
Promoter and Promoter Group(a)	3,37,82,577	88.44%
Non-Promoter Shareholding		
Institutions	1,247,811	3.27%
Non-institutions		
Bodies corporate	2,030,353	5.32%
Individuals	1,113,246	2.92%
Clearing members	11,109	0.02%
NRIs / OCBs	13,902	0.03%
Sub-Total (b)	44,16,421	11.56%
GRAND TOTAL (a) + (b)	3,81,98,998	100.00%

Source: Company

- (d) As on the date of this Public Announcement, there are no partly paid-up shares, convertible instruments or stock options or any other instruments that may result in the issuance of equity shares by the Company.

6. LIKELY POST DELISTING SHAREHOLDING PATTERN

The likely post-delisting shareholding pattern of the Company, assuming that all the Offer Shares held by the Public Shareholders are acquired pursuant to the Delisting Offer, will be as follows:

Shareholder	No. of Equity Shares	Percentage
Promoter & Promoter Group (a)	3,37,82,577	88.44%
Acquirer (b)	44,16,421	11.56%
Non-Promoter shareholding (c)	-	-
GRAND TOTAL (a) + (b) + (c)	3,81,98,998	100%

7. STOCK EXCHANGE ON WHICH THE SHARES OF THE COMPANY ARE LISTED AND ARE PERMITTED TO TRADE

- (a) The Equity Shares are listed and traded on the National Stock Exchange of India Limited (“**NSE**”) and are listed on the Madras Stock Exchange Limited (“**MSE**”).
- (b) The Equity Shares are permitted to trade on the Bombay Stock Exchange / BSE Limited (“**BSE**”).

8. INFORMATION REGARDING STOCK MARKET DATA

- (a) The high, low and average closing price of the Equity Shares on the NSE during the preceding Three (3) calendar years were as follows:

Calendar Year	NSE		
	High*	Low*	Average**
2010	599.60	459.85	539.67
2011	545.85	397.95	468.62
2012	994.20	528.55	719.86

Source: NSE website

* Closing high / low during the period in Indian Rupees per Equity Share

** Average of daily closing prices during the period

- (b) The high, low and average closing price of the Equity Shares on the BSE during the preceding Three (3) calendar years were as follows:

Calendar Year	BSE		
	High*	Low*	Average**
2010	603.70	456.00	538.98
2011	545.25	401.05	468.12
2012	995.85	526.55	723.13

Source: BSE website

* Closing high / low during the period in Indian Rupees per Equity Share

** Average of daily closing prices during the period

There was no trading in the Equity Shares on the MSE during the preceding Three (3) calendar years.

- (c) The monthly high and low closing prices and the trading volume (number of Equity Shares traded) of the Company on the NSE during the Six (6) calendar months preceding the date of this Public Announcement were as follows:

Month	High*	Low*	Volume**
January 2013	998.40	901.85	76,523
December 2012	994.20	810.05	176,211
November 2012	810.80	797.05	34,492
October 2012	828.25	808.20	25,184
September 2012	852.15	770.60	58,558
August 2012	784.5	753.70	56,865

Source: NSE website

* Closing high / low during the period in Indian Rupees / Equity Share

** Monthly trading volume

- (d) The monthly high and low closing prices and the trading volume (number of Equity Shares traded) of the Company on the BSE during the Six (6) calendar months preceding the date of this Public Announcement were as follows:

Month	High*	Low*	Volume**
January 2013	999.45	902.50	16,479
December 2012	995.85	805.30	108,149
November 2012	830.00	797.05	21,209
October 2012	824.55	805.00	14,091
September 2012	854.20	777.90	51,545
August 2012	785.85	755.35	33,229

Source: BSE website

* Closing high / low during the period in Indian Rupees / Equity Share

** Monthly trading volume

There was no trading in the Equity Shares on the MSE during the Six (6) calendar months preceding the date of this Public Announcement.

9. DETERMINATION OF FLOOR PRICE

- (a) The Acquirer proposes to acquire the Offer Shares of the Company from the Public Shareholders pursuant to a book building process established in terms of Schedule-II of the Delisting Regulations (“**Book Building Process**”).
- (b) Under the Delisting Regulations, Regulation 15 prescribes separate modes of determination of the floor price for frequently and infrequently traded equity shares. Based on the information provided by MSE, and in the case of NSE and BSE, based on the information available on the websites of NSE and BSE, the Equity Shares of the Company were infrequently traded on the all the three stock exchanges namely NSE, BSE and MSE, within the meaning of Explanation to Regulation 15(2) of the Delisting Regulations.
- (c) Regulation 15(2)(b) provides that if the equity shares of a company were infrequently traded in all the recognised stock exchanges where they are listed, the floor price shall be determined in accordance with the provisions of sub-regulation (3).
- (d) Regulation 15(3) provides that the floor price shall be determined by the promoter and the merchant banker taking into account the highest price paid by the promoter for acquisitions, if any, of equity shares of the class sought to be delisted, including by way of allotment in a public or rights issue or preferential allotment, during the twenty six weeks (26) period prior to the date on which the recognised stock exchanges were notified of the board meeting in which the delisting proposal was considered and after that date up to the date of the public announcement; and other parameters including return on net worth, book value of the shares of the company, earning per share, price earning multiple vis-à-vis the industry average.
- (e) Since the promoter has not acquired any shares of the Company during the twenty six weeks (26) period prior to the date on which the recognised stock exchanges were notified of the board meeting in which the delisting proposal was considered and after that date up to the date of this public announcement, the floor price has been determined taking into account other parameters including return on net worth, book value of the shares of the Company, earnings per share, price earnings multiple vis-à-vis the industry average.

Financial Parameters	As on March 31, 2012
Return on Net Worth (%) ⁽¹⁾	18.74%
Book Value Per Share ⁽²⁾ (₹)	283
Basic / Diluted Earnings Per Share (Indian Rupees) ⁽³⁾ (₹)	49.21
Industry Price earning multiple ⁽⁴⁾	13.1

Notes:

- (1) Return on Net Worth has been obtained from the Annual Report of FY 2011-12, calculated as the Profit after tax / Net Worth as at end of the year.
- (2) Book Value per Share has been obtained from the Annual Report of FY 2011-12 of the Company.
- (3) Basic / Diluted Earnings Per Share has been obtained from the Annual Report of FY 2011-12.
- (4) Data sourced from capital Markets Magazine dated Feb 18 - Mar 03, 2013, Vol. XXVII/26; average of following industry composite P/E: Cement - South India.
- (f) Mr. S. Baskaran, Partner J. Karthik Bharathi & Co., Chartered Accountant (Membership No. 211403), who was appointed by the Acquirer to prepare a valuation report in respect of the Equity Shares of the Company has, by its report dated May 09, 2012 determined the fair value of the Equity Shares of the Company to be ₹ 540 per Share. (Indian Rupees Five Hundred Forty).

- (g) In accordance with Regulation 15(2) read in conjunction with Regulation 15(3) of the Delisting Regulations, the Floor Price per Equity Share shall be the higher of the following:

i) The highest price paid by the promoter for acquisitions, if any, of equity shares of the class sought to be delisted, including by way of allotment in a public or rights issue or preferential allotment, during the twenty six weeks (26) period prior to the date on which the NSE, BSE and MSE were notified of the board meeting in which the delisting proposal was considered and after that date up to the date of this public announcement.	Not Applicable
ii) The higher of the prices determined after taking into account: (a) the fair value determined by Mr. S. Baskaran, Partner J. Karthik Bharathi & Co., Chartered Accountant (Membership No. 211403), in its report dated May 09, 2012; and (b) the financial parameters mentioned at Paragraph 9(e).	

- (h) In the interest of the Public Shareholders of the Company, in consultation with the Manager to the Delisting Offer, the Promoter has determined that ₹ 540 (Indian Rupees Five Hundred Forty) (the “Floor Price”), being the highest of the prices arrived at in accordance with Paragraph 9(g) above, to be the Floor Price for purposes of the Delisting Offer.

- (i) The Public Shareholders may tender their Offer Shares at any time during the Bid Period (as defined in Paragraph 12(a) (Dates of Opening and Closing of Bid period)) and at any price at or above the Floor Price in accordance with the terms and subject to the conditions set out herein.

10. DETERMINATION OF DISCOVERED PRICE AND EXIT PRICE

- (a) All Public Shareholders may tender their Equity Shares during the Bid Period (as defined herein below).
- (b) In accordance with the Delisting Regulations, the minimum price per Equity Share payable by the Acquirer for the Offer Shares it acquires pursuant to the Delisting Offer, as determined in accordance with the Delisting Regulations, will be the price at which the maximum number of Offer Shares are validly tendered pursuant to the Book Building Process in the manner as specified in Schedule II of the Delisting Regulations (“**Discovered Price**”).
- (c) The Acquirer has intimated the Board by its letter dated May 10, 2012, that it is willing to acquire the Offer Shares tendered pursuant to the Delisting Offer at a price not exceeding ₹ 575 (Indian Rupees Five Hundred Seventy Five) per Equity Share (“**Indicative Price**”), subject to any regulatory or other approvals that may be necessary. The Indicative Price represents a premium of approximately 6.5% to the Floor Price as determined in this Public Announcement. The Indicative Price should in no way be construed as:
- a ceiling or maximum

- (i) It is the responsibility of the Public Shareholders to ensure that their Offer Shares are credited or pledged to the Special Depository Account (in accordance with Paragraph 13(f) (Deposit or Pledge of Demat Shares) of this Public Announcement) on or before 3:00 PM on the Bid Closing Date.
- (j) In order for Bid Forms to be valid, (i) unregistered Public Shareholders who hold Offer Shares in physical form must have submitted the Bid Form along with the original contract note issued by a registered share broker of a recognized stock exchange through whom such Offer Shares were acquired accompanied by the duly signed share transfer deed(s) and original share certificate(s) as received from the market, duly stamped and executed as the transferee(s); and (ii) registered Public Shareholders who hold Offer Shares in physical form, must have submitted the Bid Form along with the duly signed share transfer deed(s) and original share certificate(s). In each case, the Public Shareholders must submit the relevant documents either by hand delivery or by registered post or by speed post such that these are received by the Trading Member before 3:00 PM on the Bid Closing Date. The Trading Member will, after entering the Bids on the online electronic system, send the Bid Form to the Company or the share transfer agent of the Company for confirming their genuineness. Those Bid Forms that are found to be genuine by the Company or the share transfer agent, as the case may be, will be delivered to the Manager to the Delisting Offer. The Bids in respect of the Bid Forms which are found to be not genuine, as communicated to the Trading Member by the Company or the share transfer agent shall be deleted from the system.
- (k) It shall be the responsibility of the Public Shareholders tendering their Offer Shares in the Delisting Offer to obtain all requisite approvals (including corporate, statutory or regulatory approvals) if any required by them, prior to tendering in the Delisting Offer and the Acquirer shall take no responsibility for the same. The Public Shareholders should attach a copy of any such approval to the Bid Form, wherever applicable. Once the dematerialized Offer Shares are credited or pledged to the Special Depository Account or physical Offer Shares submitted to the Trading Member, the Acquirer shall assume that the Public Shareholders have submitted their Bid(s) only after obtaining applicable approvals, if any. Non-Resident Indians ("NRI") shareholders and Overseas Corporate Bodies ("OCBs") must seek the approval of the RBI before submitting the Bid Form, and attach a copy of the approval along with the Bid Form. In any case, the Acquirer reserves the right to reject those Bid Forms which are submitted without attaching a copy of such required approvals, including approvals, if any, from the Reserve Bank of India (the "RBI"). For further details on the documents / information required from participating Public Shareholders please refer to the Letter of Offer.
- (l) The Manager to the Delisting Offer will hold in trust the dematerialized Offer Shares deposited in the Special Depository Account or pledged in favour of the Special Depository Account, in accordance with Paragraph 13(f) (Deposit or Pledge of Demat Shares). The Manager to the Delisting Offer will hold in trust the share certificate(s) and transfer deed(s) delivered to it by the Company or the share transfer agent, as the case may be, in accordance with Paragraph 13(j) (Transfer of Physical Shares), until the Acquirer completes its obligations under the Delisting Offer in accordance with the Delisting Regulations.
- (m) The international securities identification number (ISIN) for the Equity Shares of the Company is INE132B01011.
- (n) In the event that some Public Shareholders do not receive, or misplace, their Letter of Offer, they may obtain a copy of the same by writing to Integrated Enterprises (India) Limited (the "**Registrar to the Delisting Offer**"), clearly marking the envelopes "Chettinad Cement Corporation Limited Delisting Offer". Alternatively, such Public Shareholders may also obtain copies of Bid Forms at the Bid Centres, or may download the same from the website of the Stock Exchanges.
- (o) The Offer Shares to be acquired under this Delisting Offer are to be acquired free from all liens, charges and encumbrances and together with all rights attached thereto. The Offer Shares that are subject to any liens, charges or encumbrances or are a subject matter of litigation are liable to be rejected.
- (p) Paragraph 5 of Schedule II of the Delisting Regulations provides that the Public Shareholders, who have tendered their Offer Shares by submitting Bids pursuant to the terms of this Public Announcement and the Letter of Offer, may withdraw or revise their Bids upwards not later than One (1) day before the Bid Closing Date. Downward revision of the Bids is not permitted. Any such request for revision or withdrawal of the Bids can only be exercised by submitting the Bid Revision / Withdrawal Form ("**Bid Revision Form**") to the same Trading Member and the same Bid Centre through whom the original Bids were submitted so as to reach such Trading Member on or before 3:00 PM as on One (1) day prior to the Bid Closing Date. Please note that the Bid Revision Form for withdrawal or revision of Bids will not be accepted at other Bid Centres.
- 14. DETAILS OF THE MANAGER TO THE DELISTING OFFER**
- The Acquirer has appointed ICICI Securities Limited, a company incorporated and registered under the Companies Act, having its registered office at ICICI Centre, H. T. Parekh Marg, Churchgate, Mumbai - 400 020, India and registered with the Securities and Exchange Board of India ("**SEBI**") as the Manager to the Delisting Offer ("**Manager to the Delisting Offer**").
- 15. DETAILS OF THE REGISTRAR TO THE DELISTING OFFER**
- The Acquirer has appointed Integrated Enterprises (India) Limited, a company incorporated and registered under the Companies Act, having its office at II Floor, Kences Towers, 1, Ramakrishna Street, North Usman Road, T. Nagar, Chennai - 600 017, India, and registered with the SEBI as the Registrar to an Issue and Transfer Agent in Category I ("**Registrar to the Delisting Offer**").
- 16. DETAILS OF ESCROW ACCOUNT AND THE AMOUNT DEPOSITED THEREIN**
- (a) The estimated consideration payable, being the Floor Price of ₹ 540 (Indian Rupees Five Hundred Forty) per Equity Share multiplied by the number of Offer Shares outstanding with the Public Shareholders is ₹ 238,48,67,340 (Indian Rupees Two Hundred Thirty Eight crores Forty Eight Lakhs Sixty Seven thousand and Three hundred Forty) (as may be increased from time to time, the "**Escrow Amount**").
- (b) In accordance with Regulations 11(1) and 11(3) of the Delisting Regulations, the Acquirer, the Manager to the Delisting Offer and HDFC Bank Limited, acting through its branch at Chennai presently situated at 115, Dr. Radhakrishna Salai, Mylapore, Chennai - 600 004 (the "**Escrow Bank**"), have entered into an escrow agreement dated February 22, 2013, pursuant to which the Acquirer has opened an escrow account number 00040310009537 in the name of "CHETTINAD CEMENT DELISTING ESCROW A/C", with the Escrow Bank (the "**Escrow Account**"), and a fixed deposit account (the "**Cash Deposit**") for an aggregate amount of ₹ 238,50,00,000 (Indian Rupees Two Hundred Thirty Eight crores Fifty Lakhs), which is more than the estimated consideration payable as calculated in paragraph (a) above, and marked a lien in favor of the Merchant Banker on this Cash Deposit.

- (c) Following the determination of the Discovered Price, and the issuance of the public announcement under Regulation 18, the Acquirer will comply with the requirements of Regulation 11(2) of the Delisting Regulations and deposit such amount to the Escrow Account as may be required under the Delisting Regulations.
- (d) In the event that the Acquirer accepts the Discovered Price as the Exit Price or offers a higher Exit Price, the Acquirer shall deposit such additional amount to the Escrow Account (and the definition of "Escrow Amount" shall be deemed to include such increase, if any) as may be required to acquire all of the Shares validly tendered in the Offer at the Exit Price.
- 17. PROCEDURE FOR SETTLEMENT**
- (a) In case the Acquirer decides to accept the Exit Price and makes the Second Public Announcement in accordance with Paragraph 10(e) (Second Public Announcement) and all other conditions attaching to the Delisting Offer are satisfied, the Acquirer shall, along with the Manager to the Delisting Offer, instruct the Escrow Bank to open a special account, which shall be used for payment to the Public Shareholders who have tendered Equity Shares in the Delisting Offer ("**Special Account**"). The Acquirer will instruct the Manager to the Delisting Offer who in turn will thereafter instruct the Escrow Bank to transfer the Escrow Amount from the Escrow Account to the Special Account. The Acquirer shall thereafter acquire all Offer Shares that have been validly tendered at prices up to or equal to the Exit Price, for a cash consideration equal to the Exit Price for each such Offer Share, subject to applicable taxes as described in Paragraph 20 (Tax Deduction at Source) of this Public Announcement.
- (b) All the Public Shareholders whose Bids were at a price up to or equal to the Exit Price and whose Bids were verified to be genuine by the Trading Member, the Registrar and the Company or the share transfer agent, in accordance with the Delisting Regulations, shall be paid the Exit Price for each Offer Share validly tendered, within Ten (10) working days from Bid Closing Date (i.e., by Monday, April 08, 2013) by way of crossed account payee cheque / demand draft / pay order / electronic credit. All cheques / demand drafts / pay orders / electronic credit will be drawn in the name of the first holder in case of joint holders of Equity Shares. Dispatches involving payment of monies by way of crossed account payee cheque / demand draft / pay order will be made by the registered post / courier / speed post.
- (c) Additionally, if and once the Equity Shares have been delisted, all Public Shareholders whose Offer Shares have not been acquired by the Acquirer, may validly tender their Equity Shares to the Acquirer at the Exit Price during a period of up to Twelve (12) months following the date, being the later of, the date of delisting of the Equity Shares from the NSE and the MSE, and the withdrawal of the permitted to trade status from the BSE (the "**Exit Window**"). Such Public Shareholders may tender their Equity Shares by submitting the required documents to the Registrar to the Delisting Offer during the Exit Window, in pursuant to the exit offer letter issued by the Acquirer for such Public Shareholders. A separate offer letter in this regard will be sent to the Public Shareholders who continue to hold Equity Shares after the Delisting Offer. Such Public Shareholders will be required to submit the required documents to the Registrar to the Delisting Offer within the stipulated time.
- (d) If the Acquirer does not accept or offer an Exit Price, all dematerialized Offer Shares deposited in the Special Depository Account or pledged with the Manager to the Delisting Offer in favour of the Special Depository Account, in accordance with Paragraph 13(f) (Deposit or Pledge of Demat Shares) of this Public Announcement and physical Offer Shares tendered in accordance with Paragraph 13(j) (Transfer of Physical Shares) of this Public Announcement, will: (i) in the case of dematerialized Offer Shares deposited in the Special Depository Account, be credited back to the respective depository account with the respective depository participants as per the details furnished by the relevant Public Shareholder in the Bid Form; (ii) in the case of dematerialized Offer Shares pledged to the Manager to the Delisting Offer in favour of the Special Depository Account, have the pledge revoked; and (iii) in the case of physical Offer Shares, be dispatched together with the share transfer deed to the relevant Public Shareholder's sole risk; the actions in respect of (i), (ii) and (iii) above being completed within Ten (10) working days from the Bid Closing Date (i.e., by Monday, April 08, 2013), as stipulated under the Delisting Regulations.
- (e) Offer Shares from any invalid Bid will: (i) in the case of dematerialized Offer Shares deposited in the Special Depository Account, be credited back to the respective depository account with the respective depository participants as per the details furnished by the relevant Public Shareholder in the Bid Form; (ii) in the case of dematerialized Offer Shares pledged to the Manager to the Delisting Offer in favour of the Special Depository Account, have the pledge revoked; and (iii) in the case of physical Offer Shares, be dispatched together with the share transfer deed to the relevant Public Shareholders by registered post / speed post / courier, at the Public Shareholder's sole risk; the actions in respect of (i), (ii) and (iii) above being completed within Ten (10) working days from the Bid Closing Date (i.e., by Monday, April 08, 2013), as stipulated under the Delisting Regulations.

18. PROPOSED TIMETABLE FOR THE DELISTING OFFER

Activity	Date*	Day*
Resolution for delisting of Equity Shares passed by the Shareholders of the Company	February 4, 2013	Monday
Public Announcement by the Acquirer	February 23, 2013	Saturday
Specified Date [#]	March 01, 2013	Friday
Dispatch of Letter of Offer and Bid Forms to the Public Shareholders as on Specified Date	March 05, 2013	Tuesday
Bid Opening Date (9:00 AM)	March 15, 2013	Friday
Last date for upward revision or withdrawal of Bids (3:00 PM)	March 20, 2013	Wednesday
Bid Closing Date (3:00 PM)	March 21, 2013	Thursday
Last date for making the Public Announcement of Discovered Price / Exit Price and Acquirer's acceptance / rejection of Discovered Price / Exit Price	April 04, 2013	Thursday
Last date for payment of consideration for the Offer Shares to be acquired in case of a successful Delisting Offer [#]	April 08, 2013	Monday
Last date for return to Public Shareholders of Offer Shares tendered but not acquired under the Delisting Offer	April 08, 2013	Monday

*Changes, if any will be notified to the Public Shareholders by way of corrigendum to this Public Announcement in the same newspapers where this Public Announcement is being issued.

[#] Specified Date is only for the purpose of determining the names of the Public Shareholders as on such date to whom the Letter of Offer will be sent. However, all Public Shareholders (registered or unregistered) of the Equity Shares are eligible to participate in the Delisting Offer any time before and on the Bid Closing Date.

[#] Subject to the acceptance of the Discovered Price (if it is higher than the Floor Price) or offer of an Exit Price higher than the Discovered Price by the Acquirer.

In the event there is any change in the proposed timetable, it will be announced by way of corrigendum to this Public Announcement in the same newspapers in which this Public Announcement appears.

19. STATUTORY AND REGULATORY APPROVALS

- (a) To the best of the Acquirer's knowledge, as of the date of this Public Announcement, no statutory or regulatory approvals are required to acquire the Offer Shares by the Acquirer. If any statutory or regulatory approvals become applicable: (i) the acquisition of the Offer Shares by the Acquirer will be subject to such statutory or regulatory approval; and (ii) in the event that receipt of such statutory or regulatory approval is delayed, changes to the proposed timetable, if any, will be notified to the Public Shareholders by way of a corrigendum to this Public Announcement in the same newspapers in which this Public Announcement appears.
- (b) NRI shareholders and OCBs, if any, who wish to tender their Equity Shares must obtain the prior approval of the RBI before tendering their Equity Shares and submit a copy along with the Bid Form. Any Bids submitted by such shareholders that are not supported by the requisite RBI approval, may be rejected by the Acquirer.
- (c) Non-resident shareholders, including, NRIs, OCBs are also requested to read the Letter of Offer and the Bid Form for details of supporting documents / information to be provided in connection with their Bids.

20. DISCLOSURE REGARDING THE MINIMUM ACCEPTANCE CONDITION FOR SUCCESS OF THE DELISTING OFFER

As per Regulation 17 of the Delisting Regulations, the Delisting Offer made shall be deemed to be successful if post the offer, the shareholding of the Promoter taken together with the Offer Shares accepted in the Book Building Process at or below the Exit Price, reaches at least 3,59,90,788 (Three crores Fifty Nine lakhs Ninety thousand Seven hundred and Eighty eight) Equity Shares constituting ~94.22% (rounded off) of the Equity Capital of the Company.

21. TAX DEDUCTED AT SOURCE

All the Public Shareholders would be either classified as resident or non-resident, determined on the basis of criteria laid down in Section 6 of the Income Tax Act, 1961 ("**IT Act**"). Tax withholding for resident Public Shareholders and non-resident Public Shareholders are mentioned as under:

Withholding tax for Public Shareholders being Tax Residents of India:

- a) No Tax will be deducted at source for Public Shareholders who are tax residents of India. Resident Public Shareholders must specify the details requested in the Bid Form, including but not limited to their Residential Status.

Withholding tax for Public Shareholders who are not Tax Residents of India

- a) As per the provisions of Section 195(1) of the IT Act, any person responsible for paying to a non-resident any sum chargeable to tax is required to deduct tax at source (including cess & surcharge as applicable). Since, the consideration payable under the Delisting Offer would be chargeable to capital gains under Section 45 of the IT Act, the Acquirer will need to deduct tax at source (including cess & surcharge as applicable) at the applicable tax rate on the entire consideration payable to the following categories of Public Shareholders, who are not tax residents of India as given below:
- Non-Resident Indians / Overseas Corporate Bodies / Non-Domestic Companies: Acquirer will deduct tax at source at the applicable rates (including applicable cess & surcharge) on the Exit Price as may be applicable on short-term capital gains or business profits or long-term capital gains, as the case may be.
 - Foreign Institutional Investors ("**FI**") : Acquirer will not deduct tax at source on the Exit Price if the Shares are held on investment / capital account in view of the provisions of Section 196D(2) of the IT Act read with the provisions of Section 115AD of the IT Act. Tax will be deducted at source at the applicable rates (plus cess & surcharge as applicable) on the Exit Price if the Shares are held on trade account or if the FI fails to certify in the bid form that the Shares are held by it on investment / capital account.

- b) The rate of deduction of tax in the case of non-residents is dependent on several factors. Since the Acquirer does not have in-house information in respect of various non-resident Public Shareholders, such Public Shareholders must specify the details requested in the Bid Form, including but not limited to the following information: (i) Residential status of the Public Shareholder; (ii) Category to which the non-resident Public Shareholder belongs i.e., Non Resident Indian, Overseas Corporate Body, Non-domestic company, Foreign Institutional Investor, FI other than a company or any other non-resident; (iii) Date of acquisition of Equity Shares; (iv) Whether the Equity Shares are held on investment account or trading account; (v) Whether the shares qualify as long term capital asset or short term capital asset.

Further, for the purpose of determining whether the capital gains are short-term or long-term, Acquirer shall take the following actions based on the information obtained from the Company.

- In the case of Shares held in physical form that are registered with the Company in the name of the Shareholder, the date of registration of the Shares with the Company shall be taken as the date of acquisition.
- In the case of Shares held in a physical form and where the Shareholder is not the registered Shareholder, the capital gain shall be assumed to be short-term.
- In the case of dematerialized Shares, the date of credit of the Shares to the Shareholders Demat Account shall be taken as the date of acquisition.

In case of the documents / information as requested in the Bid Form are not submitted to the Acquirer or the Acquirer considers the documents / information submitted to be ambiguous / incomplete / conflicting, the capital gain shall be assumed to be short-term and Acquirer reserves the right to withhold tax on the gross consideration at the applicable rate.

- c) If the aforementioned categories of Shareholders require the Acquirer not to deduct tax or to deduct tax at a lower rate or on a lower amount, they would need to obtain a certificate from the Income Tax authorities under Section 195(3) or under section 197(1) of the IT Act, and submit it to the Acquirer while submitting the Bid Form. On failure to produce such certificate from the Income Tax authorities, the Acquirer will deduct tax as aforesaid on the entire consideration, and a certificate in the prescribed form shall be issued to that effect.
- d) The TDS provisions summarized above are applicable only to those Public Shareholders who have obtained Permanent Account Number ("**PAN**") under the IT Act and furnished the same in the Bid Form. A self-attested copy of the PAN card / PAN allotment number is also required to be attached as evidence. If PAN is not mentioned in the Bid Form or a self attested copy of PAN card / PAN allotment letter is not attached, in view of Section 206AA of the IT Act, the Acquirer will arrange to deduct tax at the rate of 20% or the rate as may be applicable to the category of the Public Shareholder under the IT Act, whichever is higher.

Shareholders are advised to consult their tax advisors for the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. The Acquirer and the Manager to the Delisting Offer do not accept any responsibility for the accuracy or otherwise of such advice. Further, the tax laws as mentioned above are based on the prevailing provisions of the IT Act and may undergo change in view of any amendment, if any made in the IT Act. The Acquirer reserves the right to apply the rates for tax withholding, as applicable at the time of payment to shareholders.

22. CERTIFICATION BY THE BOARD

The Board has confirmed that:

- (a) the Company has not raised capital by issuing securities during the Five (5) years immediately preceding the date of this Public Announcement; and
- (b) all material information which is required to be disclosed: (i) under the provisions of the listing agreements executed by the Company with the NSE and the MSE pertaining to continuous listing and; (ii) in terms of the letter dated April 18, 2002 issued by BSE allowing the shares to trade in the permitted category with effect from April 22, 2002, have been disclosed to all the Stock Exchanges (NSE, BSE and the MSE).

23. DISCLAIMER CLAUSES OF THE STOCK EXCHANGES

- (a) **Disclaimer Clause of the BSE**

It is to be distinctly understood that the permission given by BSE to use their electronic automated facilities and infrastructure for "Online reverse book building facility for delisting of securities" should not in any way be deemed or construed that the compliance with various statutory and other requirements by Chettinad Cement Corporation Limited and ICICI Securities Limited etc. are cleared or approved by BSE; nor does BSE in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does BSE have any financial responsibility or liability nor does BSE take responsibility in any way for the financial or other soundness of the Company, its promoters or its management.

It is also to be distinctly understood that the approval given by BSE should not in any way be deemed or construed to mean that the PA and the Letter of Offer have been cleared or approved by BSE, nor does BSE in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the announcements, nor does BSE warrant that the securities will be delisted.

That every person who desires to avail of the exit opportunity may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE or against the Investor Protection Fund set up by BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such offer and tender of securities through book building process whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

24. COMPLIANCE OFFICER

The Compliance Officer of the Company is Mr. S. Hariharan (Company Secretary); Phone: +91 44 4208 9116; Fax: +91 44 2829 1558. In case the Public Shareholders have any queries concerning the non-receipt of credit or payment for Offer Shares or on delisting processes and procedure, they may address the same to the Registrar to the Delisting Offer or the Manager to the Delisting Offer.

25. GENERAL DISCLAIMER

Every person who desires to avail of the Delisting Offer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Acquirer, the Manager to the Delisting Offer, the Registrar to the Delisting Offer or the Company whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such Delisting Offer and tender of securities through the Book Building Process in accordance with the Delisting Regulations.

In this Public Announcement, all references to "₹" are references to the Indian Rupee.

Manager to the Delisting Offer	Registrar to the Delisting Offer
	
ICICI Securities Limited ICICI Centre, H. T. Parekh Marg, Churchgate, Mumbai - 400020, India. Tel: +91 22 2288 2460, Fax: +91 22 2282 6580 SEBI Registration No.: INM000011179 Email: chettinad.delisting@ icicisecurities.com Contact Person: Mr. Vishal Kanjani / Ms. Neha Verma	Integrated Enterprises (India) Limited 2 nd Floor, Kences Towers, 1, Ramakrishna Street, North Usman Road, T. Nagar, Chennai - 600 017, India. Tel: +91 44 2814 0801- 0803, Fax: +91 44 2814 2479 SEBI Registration No.: INR000000544 Email: corperv@integratedindia.in Contact Person: Mr. K Balasubramanian

Signed for and on behalf of Chettinad Holdings Private Limited

Sd/- Mr. V. Chandramouleeswaran Director	Sd/- Mr. B. Renganathan Director	Sd/- Mr. SPK. Chidambaram Director
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Date: February 22, 2013