



## PRESS RELEASE

11<sup>th</sup> February 2015

### **ADITYA BIRLA CHEMICALS (INDIA) LIMITED TO MERGE WITH GRASIM INDUSTRIES LIMITED**

The Board of Directors of Aditya Birla Chemicals (India) Limited ("ABCIL") today approved the proposed merger of ABCIL with Grasim Industries Limited ("Grasim"). The swap ratio approved by the Board is 1 (one) share of Rs. 10 each of Grasim for every 16 (sixteen) shares of Rs. 10 each of ABCIL.

ABCIL is one of the leading Chlor-Alkali companies in India with an installed capacity of ~293,000 tons of caustic soda per annum. Grasim is the leading producer of caustic soda in India with an installed capacity ~ 452,500 tons per annum.

ABCIL has expanded its capacity through organic and inorganic routes in the recent past. The merger will allow ABCIL shareholders to benefit from Grasim's strong balance sheet to fund growth plans at an optimal cost and gain from the significant experience of Grasim in managing sizeable operations. It thus enhances overall shareholder value. The consolidation is in line with Aditya Birla Group's philosophy to unify similar business in one company.

#### **Scheme of Amalgamation:**

The proposed merger will be undertaken through a Court approved Scheme of Amalgamation under Sections 391 to 394 of the Companies Act, 1956 read with other applicable provisions of the Companies Act, 1956 and the Companies Act, 2013.

The proposed Scheme of Amalgamation will be subject to the approvals of High Court, Competition Commission of India, Stock Exchange, Shareholders and lenders / creditors, statutory and other regulatory approvals, if any.

Advisors to the merger are as follows:

- Independent Valuer : Walker Chandiok & Co LLP
- Fairness Opinion to ABCIL : JM Financial Institutional Securities Limited
- Legal Advisor : Khaitan & Co.

#### **Aditya Birla Chemicals (India) Limited**

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