

Deloitte Haskins & Sells LLP

Chartered Accountants
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Auditor's Certificate under Clause 24(i) of the Equity Listing Agreement

Ref: SN/2014-15/149

The Board of Directors,
UltraTech Cement Limited
2nd floor, Ahura Centre, B-Wing,
Mahakali Caves Road,
Andheri (East),
Mumbai 400 093

We, Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration Number 117366W/W-100018), one of the joint statutory auditors of UltraTech Cement Limited, (hereinafter referred to as "the Company" / "the Transferee Company"), having its Registered Office at 2nd floor, Ahura Centre, B-Wing, Mahakali Caves Road, Andheri (E), Mumbai - 400093, have examined the proposed accounting treatment specified in Clause 13 of Part II in respect of the "Accounting Treatment in the books of Transferee Company" of the Scheme of Arrangement between Jaiprakash Associates Limited (the "Transferor Company") and UltraTech Cement Limited and their respective shareholders and creditors in respect of the transfer of Business (as defined in the Scheme) of the Transferor Company to and the vesting thereof in the Transferee Company on a slump exchange basis, in accordance with the terms of the Scheme and pursuant to the provisions of sections 391 to 394 of the Companies Act, 1956 and other relevant provisions of the Companies Act, 1956 (to the extent of the sections thereof that have not been repealed) and Companies Act, 2013 (to the extent of the sections thereof that have been brought into force) and exchange for which, the Securities (as defined in the Scheme) will be issued by the Transferee Company to the Transferor Company, with reference to its compliance with the applicable Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Other Generally Accepted Accounting Principles.

The responsibility for the preparation of the Scheme and its compliance with the relevant laws and regulations, including the applicable Accounting Standards and Other Generally Accepted Accounting Principles in India as aforesaid, is that of the Board of Directors of the Companies involved. Our responsibility is only to examine and report whether the proposed accounting treatment in the books of the Company contained in Clause 13 of Part II of the Scheme complies with the applicable Accounting

Certified True Copy
For UltraTech Cement Limited



S. K. Chatterjee
Company Secretary

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Standards and Other Generally Accepted Accounting Principles in India, as applicable. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity as one of the joint statutory auditors of any financial statements of the Company. We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India.

Based on our examination and according to the information and explanations given to us, we confirm that the proposed accounting treatment in the books of the Company contained in Clause 13 of Part II of the aforesaid Scheme is in compliance with Clause 24(i) of the Listing Agreement and the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Other Generally Accepted Accounting Principles, as applicable, taking into consideration the nature and terms of the Scheme.

A copy of the Clause 13 of Part II of the Scheme duly authenticated on behalf of the Company and a certified copy of the resolution of the Board of Directors of the Company approving the Scheme form Annexure I and II, respectively, of this certificate.

This Certificate is issued at the request of the Company pursuant to the requirements of Clause 24(i) of the Listing Agreement for onward submission to the Stock Exchanges [Bombay Stock Exchange (BSE) and National Stock Exchange (NSE)]. This Certificate should not be used for any other purpose without our prior written consent.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm Registration Number 117366W/W-100018)



Saira Nainar
Partner

(Membership No. 40081)
Mumbai, January 23, 2015





SCHEME OF ARRANGEMENT
UNDER SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956
BETWEEN
ULTRATECH CEMENT LIMITED
AND
JAIPRAKASH ASSOCIATES LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

Certified True Copy
For UltraTech Cement Limited



S. K. Chatterjee
Company Secretary



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I. INTRODUCTION:

- (a) Jaiprakash Associates Limited is a public limited company incorporated under the Act, having its registered office at Sector 128, Noida, Uttar Pradesh, 201304 ("Transferor Company"). The Transferor Company is engaged, *inter alia*, in the business of manufacture and sale of cement and clinker. The equity shares of the Transferor Company are listed on the Stock Exchanges.
- (b) UltraTech Cement Limited is a public limited company incorporated under the Act, having its registered office at 2nd floor, Ahura Centre, B-Wing, Mahakali Caves Road, Andheri (E), Mumbai - 400093 ("Transferee Company"). The Transferee Company is primarily engaged in the business of manufacture and sale of various grades and types of cement, ready mix concrete and other cement related products. The equity shares of the Transferee Company are listed on the Stock Exchanges.
- (c) This Scheme provides for the transfer of the Business (as defined below) of the Transferor Company to and the vesting thereof in the Transferee Company on a slump exchange basis, in accordance with the terms of the Scheme and pursuant to the provisions of sections 391 to 394 of the Act and other relevant provisions of the Act and in exchange for which, the Securities (as defined below) will be issued by the Transferee Company to the Transferor Company.

II. FACTS, RATIONALE AND BENEFITS:

- (a) The Transferor Company and the Transferee Company have entered into an agreement dated January 23, 2015 ("Implementation Agreement"), pursuant to which it has been agreed to transfer the Business (as defined below) as a going concern on a slump exchange basis to the Transferee Company and in exchange for which, the Securities (as defined below) will be issued by the Transferee Company to the Transferor Company on the agreed terms and conditions as set out herein below and in the Implementation Agreement.
- (b) The transfer of the Business pursuant to this Scheme would *inter alia* result in the following benefits:
- (i) In case of the Transferor Company:
- (a) unlocking of value for the Transferor Company by transfer of part of its assets; and
- (b) helping the Transferor Company in deleveraging its balance sheet, including reduction of debt and interest outgo as well as creation of value for the shareholders of the Transferor Company.
- (ii) In case of the Transferee Company:
- (a) Entry into one of the growing markets of India, viz. the Satna cluster in Madhya Pradesh which contributes to around ten percent (10%) of all India cement demand; and
- (b) Creating value for shareholders by acquiring ready to use assets


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aggregate of (i) the book value of the liabilities of the Business; and (ii) the fair value of the RPSs and the NCDs received pursuant to this Scheme shall be debited/ credited to the general reserve account of the Transferor Company.

13. ACCOUNTING TREATMENT IN THE BOOKS OF transferee COMPANY:

Upon the Scheme becoming effective:

- (a) The Transferee Company shall record the face value of the respective RPSs and the NCDs issued by them to the Transferor Company pursuant to this Scheme.
- (b) The Transferee Company shall record the liabilities taken over under the Scheme at the fair value as on the Appointed Date.
- (c) The Transferee Company shall record the assets taken over under the Scheme at the fair value as determined by the competent valuer as on the Appointed Date.
- (d) Excess, if any, of the aggregate face value of the RPSs and the NCDs and fair value of liabilities over the aggregate fair value of various assets determined by the valuers will be debited to goodwill. Any deficit will be credit to the capital reserve account.

14. TAX TREATMENT:

- (a) Any liabilities on account of income-tax in relation to the Transferor Company pertaining to the period prior to the Appointed Date, including all or any liability/refunds/credits/claims pertaining to the period before the Appointed Date shall be treated as liability/refunds/credits/claims of the Transferor Company.
- (b) All tax holiday including but not limited to benefit under Section 80(IA) of the IT Act including its continuing benefits, incentives, exemptions, concessions, carbon credits and other benefits or privileges enjoyed by the Transferor Company in relation to the Business, granted by any Government body, regulatory authority, local authority, by any other person or law or availed of by the Transferor Company, are concerned, the same shall, without any further act or deed, in so far as they relate to the Business vest with and be available to the Transferee Company on the same terms and conditions.
- (c) The Transferee Company shall be claiming depreciation on the fair value of the transferred assets to be recorded in its books.

15. SAVING OF CONCLUDED TRANSACTIONS:

Nothing in the Scheme shall affect any transaction or proceeding already concluded by the Transferor Company in respect of the Business, to the end and intent that the Transferee Company shall accept and adopt all acts, deeds and things done and executed by the Transferor Company in regard to the Business as if it is done and executed by the Transferee Company itself.


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CERTIFIED TRUE COPY OF EXTRACT OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS OF THE COMPANY HELD ON 23RD JANUARY, 2015

Scheme of arrangement between the Company, Jaiprakash Associates Limited and their respective shareholders and creditors ("Scheme")

"RESOLVED THAT based on the recommendation of the audit committee and subject to the approval by (i) the shareholders and the creditors of the Company; (ii) BSE Limited, the National Stock Exchange of India Limited (together the "Stock Exchanges"); (iii) the Securities and Exchange Board of India ("SEBI"); (iv) the Competition Commission of India ("CCI") and subject to the sanction by the Hon'ble Bombay High Court and the Hon'ble High Court of Judicature at Allahabad, Uttar Pradesh (together the "High Courts"), the draft Scheme of Arrangement for the acquisition of Cement Unit of Jaiprakash Associates Limited (JAL) in Madhya Pradesh (MP) comprising of:

1. Integrated cement plant with clinker capacity of 2.1 mtpa and cement grinding capacity of 2.6 mtpa at Bela, MP;
2. Integrated cement plant with clinker capacity of 3.1 mtpa and cement grinding capacity of 2.3 mtpa at Sidhi, MP;
3. 180 MW TPP of which 25 MW is situated at Bela and 155 MW at Sidhi,

including assets and liabilities (collectively the "Business") as a going concern on a slump exchange basis (a copy of which was tabled before the meeting and initialled by the Company Secretary for the purpose of identification) pursuant to the provisions of Sections 391 to 394 and other applicable provisions, if any, of the Companies Act, 1956 ("the Scheme") and the corresponding provisions of the Companies Act, 2013, as and when notified or any statutory modification or re-enactment thereof ("Act"), be and is hereby approved.

RESOLVED FURTHER THAT the valuation report dated 23rd January, 2015 prepared by independent valuers M/s. Bansi S. Mehta & Co., Chartered Accountants, tabled at the meeting, be accepted and taken on record.

RESOLVED FURTHER THAT the fairness opinion dated 23rd January, 2015 prepared by independent merchant banker J. M. Financial Institutional Securities Limited, tabled at the meeting, be accepted and taken on record.

"RESOLVED FURTHER THAT in terms of the provisions of the Scheme, the capital clause in the memorandum and articles of association of the Company will read as follows:

MEMORANDUM OF ASSOCIATION

- V. The authorized share capital of the Company is Rs. 280,00,00,000/- (Rupees Two Hundred and Eighty Crores only) divided into 27,99,00,000 equity shares of Rs. 10/- (Rupees Ten only) each aggregating to Rs. 279,90,00,000/- and 1,00,000 cumulative redeemable preference shares of Rs. 10/- aggregating to Rs. 10,00,000/-, with the rights, privileges and conditions attached thereto with the power to vary, modify or abrogate such rights, privileges and conditions as may be provided by the Articles of Association of the


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UltraTech Cement Limited

Registered Office :

B - Wing, Ahura Centre, 2nd Floor

Mahakali Caves Road, Andheri (E), Mumbai - 400093



022-66917800 / 29267800

022-66928109

Website: www.ultratechcement.com

www.adityabirla.com

CIN: L26940MH2000PLC128420



Company for the time being. The Board of Directors shall have the power to classify as and when required the shares as equity or preference shares and attach thereto respectively such preferential, deferred, qualified or special rights, privileges and conditions and also the power to increase or reduce the capital of the Company as may be determined in accordance with the Articles of Association of the Company.

ARTICLES OF ASSOCIATION

- 2. The authorized share capital of the Company is Rs. 280,00,00,000/- (Rupees Two Hundred and Eighty Crores only) divided into 27,99,00,000 equity shares of Rs. 10/- (Rupees Ten only) each aggregating to Rs. 279,90,00,000/- and 1,00,000 cumulative redeemable preference shares of Rs. 10/- aggregating to Rs. 10,00,000/-, with the power to increase or reduce such capital from time to time in accordance with the regulations of the Company and the legislative provisions for the time being in force in this behalf and with the power also to divide the shares in the capital for the time being into equity share capital and preference share capital and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions, in accordance with the provisions of the Act and these Articles.

RESOLVED FURTHER THAT the issuance and allotment to Jaiprakash Associates Ltd. of 10%, 100,000 non-convertible cumulative redeemable preference shares of Rs. 10 (Rupees Ten) each and 90, 758 unsecured non-convertible redeemable debentures having face value of Rs. 500,000 each, in exchange for the acquisition of the Business on the Scheme becoming effective, be and is hereby approved.

RESOLVED FURTHER THAT for the purpose of co-ordinating with the Securities and Exchange Board of India ("SEBI") in terms of the Circular nos. CIR/CFD/DIL/5/2013 and CIR/CFD/DIL/8/2013 dated 4th February,2013 and 21st May,2013 ("SEBI Circulars") issued by SEBI, BSE Limited be and is hereby designated as the designated stock exchange."

Filing of notification/ application with the Competition Commission of India

"RESOLVED THAT any director or the Company Secretary of the Company, be and is hereby authorized to take all steps necessary or advisable on behalf of the Company to (i) file any notifications or applications before the Hon'ble Competition Commission of India (including filing of a notification under Section 6(2) of the Competition Act, 2002 ("Competition Act"); (ii) file any application, document or an appeal before the Hon'ble Competition Appellate Tribunal, any High Court in India or the Hon'ble Supreme Court of India (iii) proceed with or defend all actions and proceedings before or in the Hon'ble Competition Commission of India or the Hon'ble Competition Appellate Tribunal or in any High Court in India or the Hon'ble Supreme Court of India, and in regard to the foregoing, act, appear, plead, prepare, authenticate, sign and submit, verify and certify all documents, pleadings such as petitions, applications, affidavits, memoranda of appeal etc., and information, including but not limited to certification of the accounts of the Company, as required under the provisions of the Competition Act; and to appoint solicitors and advocates to represent the Company, and to appear, plead, act and file the notification with the Hon'ble Competition Commission of India and the Hon'ble Competition Appellate Tribunal on its behalf; and to do, execute and perform or cause to be done, executed and performed, generally all or any other acts, deeds and things in furtherance of the said authorization, in the name of and on behalf of the Company, including in regard to the notification to be filed by the Company under Section 6(2) of the Competition Act, before the Hon'ble Competition Commission of India."


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Constitution of a committee for the Scheme

"RESOLVED THAT a committee, called the Scheme Implementation Committee, be and is hereby constituted comprising of the following directors Mr. G.M.Dave, Mr. D.D.Rathi and Mr. O.P.Puranmalka for the purposes of overseeing the process of acquisition of the Business and Mr. Atul Daga, Chief Financial Officer shall be the permanent invitee for all meetings of such Committee.

RESOLVED FURTHER THAT:

- (i) without affecting and in addition to the authority given by the Board to the Company's directors/ officers / authorised person(s) elsewhere in these resolutions, the Scheme Implementation Committee be and is hereby authorised, empowered and deemed to have been authorised and empowered to exercise all powers and discharge all functions which the Board is authorised to exercise and discharge including *inter alia*:
- (a) to do and to perform and to authorize the performance of all such acts and deeds which are necessary or advisable for the implementation of the Scheme and upon sanction of the Scheme by, amongst others, the High Court(s) and/or Competition Commission of India ("CCI") and/or Securities and Exchange Board of India ("SEBI"), to implement and to make the Scheme effective, without any further approval of the Board;
 - (b) to assent to and approve any alteration or modification to the Scheme which the High Courts and/or the CCI and/or the SEBI may require or suggest or deem fit to impose;
 - (c) to make any modifications as they may consider necessary or advisable in relation to the procedure and modalities of effecting the transactions contemplated in the Scheme;
 - (d) to give such directions as they may consider necessary or advisable to settle any question or difficulty arising under the Scheme or in regard to the meaning or interpretation of the Scheme or implementation thereof or in any manner whatsoever connected therewith or to review the position relating to the satisfaction of various conditions of the Scheme and if necessary, to waive any of those (to the extent permissible under law);
 - (e) to approve and authorize execution of any agreements, deeds, documents, declarations, writings, etc., (including any alterations or modifications in the documents executed or to be executed), whether or not under the common seal of the Company, as may be required from time to time, in connection with the Scheme;
 - (f) to allot the cumulative redeemable preference shares and non-convertible debentures of the Company in terms of the provisions of the Scheme;
 - (g) to approve withdrawal (and where applicable, re-filing) of the Scheme at any stage in case any changes and/or modifications are suggested/required to be made in the Scheme or any condition suggested, required or imposed, whether by any shareholder, creditor, SEBI, CCI, the High Courts, and/or any other authority, are in its view not acceptable to the Company, and/or if the Scheme cannot be implemented otherwise, and to do all such acts, deeds and things as

may deem necessary and desirable in connection therewith and incidental thereto; and

- (h) to authorise the directors and / or officers of the Company to discuss, negotiate, finalise, execute, sign, submit and file all required documents, deeds of assignment / conveyance and any other deeds, documents, schemes, agreements, forms, returns, applications, letters, etc. including any modifications thereto, in each case as may be approved by such directors and/or officers, whether or not under the common seal of the Company, as may be required from time to time, and to do all such acts, deeds, matters and things as they may deem necessary and expedient at their absolute discretion in the above matters without any further approval of the Board.
- (ii) the Scheme Implementation Committee be and is hereby further authorised, empowered and deemed to have been authorised and empowered to exercise all powers and discharge all functions which the Board of Directors of the Company is authorised for the purpose of implementing the Scheme.

RESOLVED FURTHER THAT the Managing Director or the Deputy Managing Director or any one of the following officers of the Company viz. Mr. Atul Daga, Chief Financial Officer; Mr. V. Swaminathan, President (Finance); Mr. Mukesh B. Agarwal, Executive President; Mr. Paresh Thacker, General Counsel; Mr. Pramod Rajgaria, Joint Executive President and Mr. Sanjeeb Kumar Chatterjee, Company Secretary be and are hereby severally authorised to:

- (i) appoint advocates to conduct the matter of obtaining sanction to the Scheme and for this purpose, to appear or engage others to appear before the High Courts on behalf of the Company, finalise their fees, terms and conditions of their appointment, issue appointment letter(s) or other documents as required, furnish such information as may be required by them and to sign and execute letter(s), or such other document(s) as may be required for this purpose and to do all such acts, deeds and things as they may deem fit and proper in this regard;
- (ii) liaise with the depositories and enter into such modifications to the existing depository agreement as may be required to give effect to the Scheme or any part thereof and enter into such other documents and do such other things as may be required in this behalf;
- (iii) file the Scheme with the relevant Stock Exchanges / SEBI for their approval under the provisions of the listing agreement and/or the SEBI Circulars or as otherwise required and they be authorised to assent, if thought fit, to such alterations, conditions and modifications, if any, in the Scheme as may be prescribed or imposed by the Stock Exchanges/ SEBI for conveying their approval to the Scheme and to sign / execute all such applications, letters, writings, undertakings, certificates, confirmations and all other documents, deeds as may be necessary in this regard;
- (iv) seek directions from the respective High Courts for convening or dispensing with meetings of the shareholders and / or creditors for approving the Scheme and to sign and file undertakings and other documents as may be necessary in this regard;
- (v) finalise and issue the notices for convening the meetings of the shareholders and / or creditors together with the explanatory statement thereto under Section 393 of the Companies Act, 1956 in terms of the directions of the High Courts and assent to such alterations, conditions and modifications, if any, in the notices and explanatory statement



- as may be prescribed or imposed by the High Courts or effect any other modification or amendment as they may consider necessary or desirable to give effect to the Scheme;
- (vi) make applications to the relevant authorities and other persons for their approval to the Scheme, as may be required, and to make such disclosures, filings and intimations to governmental or regulatory authorities and other persons as may be required in relation to the Scheme, and for that purpose to undertake all necessary actions;
 - (vii) sign, execute, file requisite applications, pleadings, affidavits, petitions and other documents in the High Court and to do all such acts, deeds and things as may be necessary in this behalf from time to time including approving any alteration or modification to the Scheme which the High Court may deem fit to approve or impose;
 - (viii) appoint one or more agencies or expert advisors, as may be required in relation to or in connection with the Scheme, on such terms and conditions as they may deem fit and to sign, execute and deliver all documents, letters, advertisements, announcements, disclosures, affidavits, undertakings, and other related documents in favour of the concerned authorities, as may be necessary in this regard;
 - (ix) make, execute, swear, declare and register all declarations, affidavits, applications, letters, papers and writings as may be required, necessary or expedient under the provisions of various applicable acts, rules, regulations or notifications of the Central and/or State Government(s) and/or any other authorities and to represent the Company in all correspondences, matters and proceedings before them of any nature whatsoever in relation to the above;
 - (x) suitably inform, apply and/ or represent to the Central and/ or State Government(s) and/ or all other applicable authorities, agencies, etc., and/or to represent the Company before the said authorities and agencies and to sign and submit such applications, letters, forms, returns, memoranda, undertakings, declarations, deeds or documents and to take all required necessary steps and actions from time to time in the above connection, including registration of documents with the concerned Sub-Registrar of Assurances;
 - (xi) to finalise the estimated and/or unaudited financial statement of the Seller as provided by it in terms of the Scheme and the Implementation Agreement.
 - (xii) to incur such expenses as may be necessary in relation to the above or the transaction; and
 - (xiii) to do all such other acts, matters, deeds and things as may be necessary or desirable in connection with or incidental to giving effect to the above or to otherwise give effect to the Scheme.

RESOLVED FURTHER THAT any action already taken by the abovementioned directors and / or officers of the Company in relation to appointment of advisors, valuers, auditors, accountants, merchant bankers, escrow agent and such other entity(ies) be and is hereby ratified.

RESOLVED FURTHER THAT subject to the directions of the High Court, the Company do appoint Mr. Kumar Mangalam Birla or failing him Mr. D. D .Rathi or failing him Mr. O.P.Puranmalka, or such other person as may be directed by the Hon'ble High Court to act as chairman of the court convened meetings of the shareholders and creditors of the Company


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RESOLVED FURTHER THAT the Common Seal of the Company be affixed on the documents, agreements, and any other documents, if required, in the presence of any two directors of the Company or anyone director together with anyone of the officers mentioned above, or any two of the abovementioned officers of the Company, who shall sign the same in token thereof.

RESOLVED FURTHER THAT the Common Seal of the Company be sent to any other State(s), if so required, to facilitate execution of documents, papers in connection with the Scheme.

RESOLVED FURTHER THAT as required in terms of the Circulars Nos. CIR/CFD/DIL/5/2013 and CIR/CFD/DIL/8/2013 dated 4th February, 2013 and 21st May, 2013 issued by the Securities and Exchange Board of India ("SEBI Circulars") an undertaking stating the reasons for non-applicability of the relevant provisions of the SEBI Circulars to the Scheme, in terms of the draft tabled at the meeting and initialled by the Company Secretary for the purpose of identification, be and is hereby approved and Mr. Sanjeeb Kumar Chatterjee, Company Secretary be and is hereby authorized to sign the undertaking on behalf of the Board and the same be submitted to the auditors of the Company for their certification.

RESOLVED FURTHER THAT copies of the foregoing resolution certified to be true copies by a director or anyone of the abovementioned officers of the Company be furnished to all concerned as may be necessary".


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For UltraTech Cement Limited

S. K. Chatterjee
Company Secretary



