

Fair Valuation of Odisha Cement Limited

M/s. Dalmia Bharat Limited (referred as “DBL”) was merged with M/s.Odisha Cement Limited (referred as “ODCL”) with the ex-date of November 29, 2018 with the following terms “2 (two) equity shares of face value of INR 2/- (Rupees Two Only) each fully paid up of ODCL to be received for every 1 (one) equity share of face value of INR 2/- (Rupees Two Only) each fully paid up held in DBL.”

Below are the details of equity shares held in Dalmia Bharat Limited:

Scheme Name	Quantity
Principal Dividend Yield Fund	27,138
Principal Emerging Bluechip Fund	222,216

On the ex-date, the valuation price of ODCL was calculated using the market value of DBL on the day prior to the ex-date divided by new eligible shares of ODCL. This price (INR 1186.45/-) was valid for 30 days.

ODCL is a listed company and its shares are currently being traded in the market with a FV of INR 10/-.

The face value of the company will be reduced to INR 2/- and the shareholders of DBL will be allotted the new shares on January 8, 2019 (as per the letter filed by ODCL with Stock exchanges on December 27, 2018).

Effective December 28, 2018, IVC has decided to value the shares of ODCL using the closing price of ODCL shares listed in the stock exchanges, after considering the following factors

- There is no change in the number of shares of ODCL on account of face value reduction. Changes in the number of shares will only be on account of allotment of new shares to the investors of DBL and cancellation of shares held by DBL
- The current traded price of ODCL would have already taken into consideration the merger and the reduction in the face value
- As per the valuation policy with respect to demerger, if the resultant company is not listed within 30 days, a discount of 20% has to be provided on the arrived price. However, this event is a merger of DBL & ODCL and the merged company (ODCL) was already listed and its shares are also traded in the stock exchanges.
- Company has also initiated action on allotment by filing a letter with the exchanges