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ADITYA BIRLA CHEMICALS (INDIA) ACQUIRES CHLOR-ALKALI DIVISION OF JAYSHREE CHEMICALS

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"Acquisition a compelling strategic fit. Further solidifies Group's position as the country's largest producer of chlor-alkali," says Mr. Kumar Mangalam Birla, Chairman, Aditya Birla Group

The Board of Directors of Aditya Birla Chemicals (India) Limited ("ABCIL") ([http://www.adityabirla.com/businesses/Profile/aditya-birla-chemicals-limited-\(India\)](http://www.adityabirla.com/businesses/Profile/aditya-birla-chemicals-limited-(India))), a company of the Aditya Birla Group (<http://www.adityabirla.com/about-us/overview>), today approved the acquisition of the Chlor-Alkali Division ("CAD Division") of Jayshree Chemicals Limited ("JCL") for a cash consideration of Rs.212 crore. This transaction takes ABCIL to a higher growth trajectory.

CAD is an environment friendly and energy efficient membrane cell facility located at Ganjam, Odisha and also has about 1,600 acres of salt works in Andhra Pradesh. The current capacity of the facility is about 57,000 tonnes per annum. CAD is cost competitive, driven by strengths of the latest state-of-the-art technology. JCL's revenue for the year ended 31 March 2014 stood at Rs.136 crore. With this acquisition, the total caustic soda capacity of ABCIL will increase to about 3,55,000 tonnes per annum.

Says Mr. Kumar Mangalam Birla, Chairman of the Aditya Birla Group, "The acquisition is strategic and further strengthens our position in the Chlor-Alkali Business. It will take our Chlor-Alkali Business on a higher growth trajectory. The acquisition solidifies the Group's position as the country's largest producer of Chlor-Alkali and bolsters caustic soda supply, which is a critical input for the Aluminium Business. The Business has potential for future growth."

Avers Mr. Lalit Naik, Sector Head for Chemicals, Aditya Birla Group, "We expect significant operational synergies on account of cost savings. The acquisition cost and proposed capital expenditure will be funded through a mix of internal accruals and debt."

Caustic soda is one of the essential inputs for the manufacture of alumina. It is also used widely in various other industries. CAD's manufacturing facility is strategically situated in the state of Odisha and is in proximity to various aluminium manufacturing facilities, which provides significant growth opportunities.

The transaction is subject to statutory and regulatory approvals.

About Aditya Birla Chemicals (India) Limited

Aditya Birla Chemicals (India) Limited is one of the leading Chlor-Alkali companies, established in 1984. For effective utilisation of chlorine, the company manufactures various chlorine derivatives as value added products.

About Aditya Birla Group

A US\$40 billion corporation, the Aditya Birla Group is in the League of Fortune 500. It is anchored by an extraordinary force of over 1,20,000 employees, belonging to 42 different nationalities. The Group has been ranked number 4 in the global 'Top Companies for Leaders' survey and ranked number 1 in Asia Pacific for 2011. 'Top Companies For Leaders' is the most comprehensive study of organisational leadership in the world conducted by Aon Hewitt, Fortune magazine and RBL (a strategic HR and leadership advisory firm).

The Group has topped the Nielsen's Corporate Image Monitor 2012-13 and emerged as the number 1 corporate, the 'Best in Class'. Over 50 per cent of its revenues flow from its overseas operations. The Group operates in 36 countries — Australia, Austria, Bangladesh, Brazil, Canada, China, Egypt, France, Germany, Hungary, India, Indonesia, Italy, Ivory Coast, Japan, Korea, Laos, Luxembourg, Malaysia, Myanmar, Philippines, Poland, Russia, Singapore, South Africa, Spain, Sri Lanka, Sweden, Switzerland, Tanzania, Thailand, Turkey, UAE, UK, USA and Vietnam.

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