



GGCL/SEC/2014/ 13634 to 37

21 April 2014

To,

Bombay Stock Exchange Limited, Phiroze Jijibhoy Tower, Dalal Street, Mumbai Fax No. (022) 2272 3121/ 2272 3719	Ahmedabad Stock Exchange Limited, Kamdhenu Complex, Nr. Panjara Pole, Ambawadi, Ahmedabad – 380 015 , Fax No. (079) 2630 8877
Vadodara Stock Exchange Limited, 3 rd Floor, Fortune Towers, Sayajigunj, Vadodara Fax No. – (0265) 2361 452	National Stock Exchange of India Ltd. Exchange Plaza, 5 th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 Fax No. – (022) 2659 8237 / 38 / 47

Dear Sirs,

Sub: Compliance under the Listing Agreement

As per the provisions of Listing Agreements, we wish to inform you that the Board of Directors of the Company at its meeting held on April 21, 2014 considered and approved the amalgamation and arrangement between the Company, Gujarat Gas Financial Services Limited ('GFSL'), Gujarat Gas Trading Company Limited ('GTCL'), GSPC Gas Company Limited ('GSPC Gas') and GSPC Distribution Networks Limited ('GDNL') through a High Court approved Composite Scheme of Amalgamation and Arrangement under Sections 391 - 394 read with Sections 100 – 103 and other applicable provisions of the Companies Act, 1956 and notified sections of Companies Act, 2013 ('the Scheme').

The salient features of the Scheme are as follows:

- i. The Company, GFSL, GTCL, and GSPC Gas would be amalgamated with GDNL;
- ii. All assets and liabilities of the Company, GFSL, GTCL and GSPC Gas ('Transferor Companies') would be transferred to GDNL;
- iii. The Appointed Date of the Scheme would be April 1, 2013;
- iv. In consideration of the amalgamation, GDNL to issue and allot the shares as per the following swap ratio:
 - a. 1 (one) equity share of Rs.10/- each, credited as fully-paid up of GDNL, for every 1 (one) equity share of Rs. 2/- each held by equity shareholders of the GGCL;
 - b. 1 (one) equity share of Rs.10/- each, credited as fully-paid up of GDNL, for every 1 (one) equity share of Rs. 10/- each held by equity shareholders of GFSL;



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- c. 81 (eighty one) equity shares of Rs.10/- each, credited as fully-paid up of GDNL, for every 76 (seventy six) equity shares of Rs.10/- each held by equity shareholders of GSPC Gas;
- d. GSPC Gas holds 44.45% of the total issued, subscribed and paid-up share capital of GDNL which shall get extinguished;
- e. The Company holds 69.88% and 100% of the total issued, subscribed and paid-up share capital of GFSL and GTCL respectively. Since the Company, GFSL and GTCL are the transferor companies, the shares held by the Company in GFSL and GTCL shall get extinguished. Accordingly, no new shares of GDNL shall be issued in lieu of such shares getting extinguished.
- v. SBI Capital Markets Limited has issued a fairness opinion on the swap ratio recommended by SSPA & Co.
- vi. Currently, GSPC Gas, GSPL and GSFC holds 44.45%, 38.89% and 16.66% paid up capital of GDNL respectively. Further, the existing Issued, Subscribed and Paid up Capital of GDNL to be reduced.
- vii. The Scheme will be filed with the Stock Exchanges where the shares of the Company are listed as per SEBI Circular dated February 04, 2013 and May 21, 2013 for receiving their comments to the Scheme. The Scheme is subject to other necessary statutory approvals, including sanction of the Hon'ble High Court of Gujarat.

We request you to take the above on record.

Thanking you,

Yours faithfully,

For Gujarat Gas Company Limited

Rajeshwari Sharma

Rajeshwari Sharma
Company Secretary