

Ref: B/SCL/SE/SS/47/2022-23

October 17, 2022

BSE Limited,
Corporate Relationship Manager,
1st Floor, New Trading Ring,
Rotunda Bldg, P.J. Tower,
Dalal Street,
Mumbai 400001

Stock Code No: 502175

Dear Sir, Madam,

Sub: Notice of the meeting of the Unsecured Creditors of Saurashtra Cement Limited convened pursuant to the directions of the Hon'ble National Company Law Tribunal, Ahmedabad Bench

Pursuant to Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Notice dated October 14, 2022 for convening the meeting of Unsecured Creditors of Saurashtra Cement Limited to be held at the Registered Office of the Company on **Wednesday, November 23, 2022 at 12.30 p.m.** as directed by the Hon'ble National Company Law Tribunal, Ahmedabad Bench for the purpose of considering, and if thought fit, approving with or without modification(s), the proposed scheme of merger of Gujarat Sidhee Cement Limited ('Transferor Company') with Saurashtra Cement Limited ('Transferee Company') and their respective Shareholders and/ or Creditors ('Scheme').

This is for your information and records.

Thanking you,

Yours faithfully

For **Saurashtra Cement Limited**

Digitally signed
by SONALI
SANAS
Date:
2022.10.17
17:42:12 +05'30'

Sonali Sanas
President (CS, Legal & Strategy)

Encl: as above



Regd. Office & Works
Near Railway Station, Ranavav 360 560
Gujarat, India



SAURASHTRA CEMENT LIMITED

(CIN: L26941GJ1956PLC000840)

Registered Office: Near Railway Station, Ranavav 360560 (Gujarat)

E-Mail: sclinvestorquery@mehtagroup.com

Website: <http://scl.mehtagroup.com>

Phone: 02801-234200 | **Corporate Office Phone:** 022-66365444

NOTICE CONVENING MEETING OF UNSECURED CREDITORS OF SAURASHTRA CEMENT LIMITED

**PURSUANT TO ORDER DATED 12TH OCTOBER 2022 OF THE HON'BLE NATIONAL COMPANY
LAW TRIBUNAL, AHMEDABAD BENCH**

DETAILS OF THE MEETING:

Day	Wednesday
Date	23 rd November, 2022
Time	12.30 P.M. (IST)
Venue	Registered Office of the Company, Near Railway Station, Ranavav 360560, Gujarat

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The Notice of the Meeting, Statement under Sections 230 and 232 read with Section 102 and other applicable provisions of the Act and Rule 6 of the CAA Rules (page nos. (page nos. 3 to 26) and Annexure I to Annexure X (page nos. 27 to 98) constitute a single and complete set of documents and should be read together as they form an integral part of this document.



FORM NO. CAA. 2

[Pursuant to Section 230 (3) and rule 6 and 7]

IN THE NATIONAL COMPANY LAW TRIBUNAL, AHMEDABAD BENCH
CA (CAA) 48/ AHM/2022

IN THE MATTER OF SECTIONS 230 TO 232

AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT,
2013

AND

IN THE MATTER OF SCHEME OF AMALGAMATION OF GUJARAT
SIDHEE CEMENT LIMITED WITH SAURASHTRA CEMENT LIMITED
AND THEIR RESPECTIVE SHAREHOLDERS AND/OR CREDITORS

Gujarat Sidhee Cement Limited, a Company incorporated)
under the provisions of the Companies Act, 1956 and)
being a Company within the meaning of the Companies)
Act, 2013, under corporate identification number)
L26940GJ1973PLC002245 and having its registered office at)
Sidheegram, PO Prashnawada BO, Via Sutrapada SO Taluka,)
District Gir Somnath, Pin Code 362275 in the State of Gujarat.) ... Applicant Company No. 1/ Transferor Company

with

Saurashtra Cement Limited, a Company incorporated)
under the provisions of the Companies Act, 1956 and)
being a Company within the meaning of the Companies)
Act, 2013, under corporate identification number)
L26941GJ1956PLC000840 and having its registered office at)
Near Railway Station, Ranavav, Pin Code 360560 in the State)
of Gujarat.) ... Applicant Company No. 2/ Transferee Company

NOTICE CONVENING MEETING OF UNSECURED CREDITORS

To,
The Unsecured Creditors of
Saurashtra Cement Limited

1. NOTICE is hereby given that, in accordance with the Order dated 12th October 2022 passed by the Hon'ble National Company Law Tribunal, Ahmedabad Bench ("**Tribunal**"), in the above mentioned Company Application ("**Tribunal Order**"), a Meeting of the Unsecured Creditors of Saurashtra Cement Limited, will be held for the purpose of their considering, and if thought fit, approving, with or without modification(s), the proposed Scheme of Amalgamation of Gujarat Sidhee Cement Limited ("**Transferor Company**") with Saurashtra Cement Limited ("**Company**" or "**Transferee Company**") and their respective shareholders and/or creditors ("**Scheme**") on **Wednesday, 23rd November, 2022 at 12.30 p.m. (IST)**.
2. In pursuance of the said Tribunal Order and as directed therein, Notice is hereby given that a meeting of Unsecured Creditors of the Company is scheduled to be held at Registered Office of the Company at Near Railway Station, Ranavav, Pin Code 360560, Gujarat on Wednesday, 23rd November 2022, at 12.30 p.m. (IST) ("**Tribunal Convened Meeting**" or "**Meeting**"), at which place, date and time, the Unsecured Creditors are requested to attend.
3. TAKE NOTICE that the following Resolution is proposed under Section 230(3) and other applicable provisions of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force), and the provisions of the Memorandum of Association and Articles of Association of the Applicant Company, for the purpose of considering, and if thought fit, to approving the Scheme, with or without modification(s), by requisite majority:

"RESOLVED THAT pursuant to the provisions of Sections 230 and 232 of the Companies Act, 2013, the rules, circulars and notifications made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to the provisions of the Memorandum and Articles of Association of the Company and subject to the approval of Hon'ble jurisdictional National Company Law Tribunal ("**Tribunal**") and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be deemed appropriate by the parties to the Scheme, at any time and for any reason whatsoever, or which may otherwise be considered necessary, desirable or as



may be prescribed or imposed by the Tribunal or by any regulatory or other authorities, while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "**Board**" which term shall be deemed to mean and include one or more Committee(s) constituted/ to be constituted by the Board or any other person authorised by it to exercise its powers including the powers conferred by this Resolution), the arrangement embodied in the Scheme of Amalgamation of Gujarat Sidhee Cement Limited with Saurashtra Cement Limited and their respective shareholders and/or creditors ("**Scheme**"), be and is hereby approved;

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this Resolution and effectively implement the amalgamation embodied in the Scheme and to make any modifications or amendments to the Scheme at any time and for any reason whatsoever, and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the Tribunal while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise including passing of such accounting entries and/or making such adjustments in the books of accounts as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper."

4. **TAKE FURTHER NOTICE** that voting shall be allowed only by poll at the venue of the meeting in person or by proxy on Wednesday, 23rd November 2022.
5. Only such Unsecured Creditors of the Company may attend and vote (either in person or by Proxy) at the Meeting, who is unsecured creditors as per the books of the Company as on 30th September 2022 (**Cut Off Date**). A person/ entity who is not an Unsecured Creditor on such date should treat the notice for information purpose only and shall not be entitled to avail the facility of voting in the venue of the Meeting.
6. Persons entitled to attend and vote at the Meeting, may vote in person or by proxy, provided that all proxies in the prescribed form are deposited at the Registered Office of the Company at Near Railway Station, Ranavav, Pin Code 360560, Gujarat not later than 48 hours before the aforesaid Meeting. Forms of proxy shall be available at the Registered Office of the Company.
7. Copies of the notices in relation to the Meeting, together with the documents accompanying the same, including the statement under Sections 230 and 232 read with Section 102 and other applicable provisions of the Act read with Rule 6(3) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("**Rules**") along with all annexures to such statement ("**Statement**"), the Scheme, the form of proxy and the attendance slip can be obtained free of charge on any day (except Saturday, Sunday and public holidays) from the registered office of the Company at Near Railway Station, Ranavav 360560, in the State of Gujarat, during business hours.
8. Persons entitled to attend and vote at the Meeting, may vote in person or by proxy at the Meeting, provided that all proxies in the prescribed form, duly completed, signed and stamped or authenticated by the person entitled to attend and vote at the Meeting, are deposited at the registered office of the Company as mentioned above not later than 48 hours before the scheduled time of the Meeting. Forms of Proxy can be obtained free of charge on any day (except Saturday, Sunday and public holidays) from the registered office of the Company as mentioned above during business hours.
9. The Hon'ble Tribunal has appointed Mr Dipak Rachchha, Advocate or failing him Mr. Tejas Pandya, Advocate as the Chairperson of the Meeting, including for any adjournment(s) thereof. The Hon'ble Tribunal has also appointed Mr. Ravi Kapoor, Company Secretary in Practice (Membership Number F-2587) and in his absence Mr. Sachin Ahuja (Membership No.109019) Proprietor of M/s. Sachin Ahuja & Associates, Chartered Accountants as the scrutinizer for the Meeting, including for any adjournment(s) thereof.
10. A copy of each of the said Scheme of Amalgamation; form of proxy; attendance slip; Statement along with all annexures to such Statement; are enclosed herewith, copies whereof can be obtained free of charge at the Registered Office of the Company on any working day up to the date of the Tribunal Convened Meeting between 10.30 A.M. to 5.30 P.M. A copy of this notice and the accompanying documents are also placed on the website of the Company viz. <http://scl.mehtagroup.com/investors/scheme-of-amalgamation-of-gscl-with-scl>.
11. The results of the meeting shall be announced by the Chairperson on or before Friday, 25th November 2022 upon receipt of Scrutinizer's report and the same shall be displayed on the website of the Company <http://scl.mehtagroup.com/investors/scheme-of-amalgamation-of-gscl-with-scl>.
12. The above mentioned Scheme of Amalgamation, if approved at the aforesaid meeting, will be subject to the subsequent sanction of the Hon'ble Tribunal.

Sd/-

Dipak Rachchha

Chairperson appointed by
the Tribunal for the Meeting

Ahmedabad, dated 14th October 2022

CIN: L26941GJ1956PLC000840

Registered Office: Near Railway Station, Ranavav 360560 (Gujarat)

E-Mail: sclinvestorquery@mehtagroup.com

Website: <http://scl.mehtagroup.com>

Phone: 02801-234200 | **Corporate Office Phone:** 022-66365444

NOTES:

1. All alterations made in the Form of Proxy should be initialed.
2. Only Unsecured Creditors of the Company may attend and vote either in person or by proxy or in the case of a body corporate, by a representative authorised under Section 113 of the Companies Act, 2013 at the meeting of the Unsecured Creditors of the Company. The authorised representative of a body corporate which is an Unsecured Creditor of the Company may attend and vote at the meeting of the Unsecured Creditors of the Company provided a certified true copy of the resolution of the board of directors or other governing body of the body corporate authorising such representative to attend and vote at the meeting of the Unsecured Creditors of the Company is deposited at the registered office of the Company not later than 48 (forty eight) hours before the scheduled time of the commencement of the meeting of the Unsecured Creditors of the Company. The Form of Proxy can be obtained free of charge at the registered office of the Company.
3. In terms of the directions contained in the Order, the quorum for the Unsecured Creditors meeting shall be as prescribed under Section 103 of the Companies Act, 2013 and would include Unsecured Creditors in person or by an authorized representative and thereafter the persons present shall be deemed to constitute the quorum.
4. For the purposes of computing the quorum, the valid proxies shall also be considered, if the proxy in the prescribed form, duly completed, signed and stamped or authenticated by the person entitled to attend and vote at the Meeting, is filed with the registered office of the Company at least 48 hours before the Meeting.
5. An Unsecured Creditor / its proxy or authorized representative, attending the meeting, is requested to bring and handover the attendance slip duly completed and signed along with a copy of the deposited form of proxy (in case of a proxy) and the supporting documents duly authenticated.
6. Corporate Unsecured Creditor(s) intending to send their authorized representative to attend the meeting are requested to send to the Company a copy of the Board Resolution authorizing their representative to attend and vote on behalf at the meeting.
7. The documents referred to in the accompanying Explanatory Statement shall be open for inspection by the Unsecured Creditors at the registered office of the Company between 10.30 A.M. to 5.30 P.M. on all days (except Saturdays, Sundays and public holidays) upto the date of the Meeting.
8. The Hon'ble Tribunal has appointed Mr Dipak Rachchha, Advocate or failing him Mr. Tejas Pandya, Advocate as the Chairperson of the Meeting, including for any adjournment(s) thereof. The Hon'ble Tribunal has also appointed Mr. Ravi Kapoor, Company Secretary in Practice (Membership Number F-2587) and in his absence Mr. Sachin Ahuja (Membership No.109019) Proprietor of M/s. Sachin Ahuja & Associates, Chartered Accountants as the scrutinizer for the Meeting, including for any adjournment(s) thereof.
9. The Scrutinizer will submit his report to the chairperson after completion of the scrutiny of the votes cast by the Unsecured Creditors of the Company through poll papers at the Meeting during the voting process. The Scrutinizer's decision on the validity of the votes shall be final. The results of the voting at the meeting of the Unsecured Creditors will be announced on or before 5:00 PM on Friday, 25th November 2022 at the registered office of the Company. The results along with the report of the Scrutinizer shall be displayed at the registered office of the Company at Near Railway Station, Ranavav 360560 in the State of Gujarat and its website <http://scl.mehtagroup.com/investors/scheme-of-amalgamation-of-gscl-with-scl>. The voting results will also be published subsequently in the "Business Standard" Ahmedabad and Mumbai editions in English and "Jai Hind" Rajkot edition in Gujarati.
10. The Hon'ble Tribunal by its said Order dated 12th October 2022 has directed that a meeting of *inter alia* the Unsecured Creditors of the Company shall be convened and held at the Registered Office of the Company, at Near Railway Station, Ranavav 360560 in the State of Gujarat on Wednesday, the 23rd day of November, 2022 at 12.30 P.M. (1230 hours) for the purpose of considering, and if thought fit, approving, with or without modification(s), the arrangement embodied in the Scheme. Unsecured Creditors would be entitled to vote in the said meeting either in person or through proxy.
11. The Scheme shall be considered approved by the Unsecured Creditors of the Company if the resolution mentioned above in the notice has been approved by the requisite majority of the Unsecured Creditors of the Company, present and voting.
12. The notice, the Explanatory Statement together with the documents accompanying the same, are being sent through speed post to all those Unsecured Creditors by registered post or speed post or by courier or by e-mail. The Notice will also be displayed on the website of the Company (<http://scl.mehtagroup.com/investors/scheme-of-amalgamation-of-gscl-with-scl>).
13. In terms of the directions contained in the Order, the Notice convening the Meeting through advertisement of the Meeting will be published by the Company in the "Business Standard" Ahmedabad and Mumbai editions in English and "Jai Hind" Rajkot edition in Gujarati, indicating the day, date, place and time of the Meeting and stating that the copies of the Scheme, the Explanatory Statement and the Form of Proxy can be obtained free of charge on any day (except Saturday, Sunday and public holidays) from the registered office of the Company.
14. It may be noted that the voting facility through ballot/polling paper will be provided at the Meeting venue.
15. The voting rights for the purposes of voting at the venue of the Meeting shall be reckoned on the basis of the outstanding dues owed to such Unsecured Creditors by the Company as on 30th September 2022 (**Cut-Off Date**) and a person who is not a Unsecured Creditor on such date should treat the notice for information purposes only.



IN THE NATIONAL COMPANY LAW TRIBUNAL, AHMEDABAD BENCH
CA (CAA) 48/ AHM/2022

IN THE MATTER OF SECTIONS 230 TO 232
AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT,
2013

AND

IN THE MATTER OF SCHEME OF AMALGAMATION OF GUJARAT
SIDHEE CEMENT LIMITED WITH SAURASHTRA CEMENT LIMITED
AND THEIR RESPECTIVE SHAREHOLDERS AND/OR CREDITORS

Gujarat Sidhee Cement Limited, a Company incorporated)
under the provisions of the Companies Act, 1956 and)
being a Company within the meaning of the Companies)
Act, 2013, under corporate identification number)
L26940GJ1973PLC002245 and having its registered office at)
Sidheegram, PO Prashnawada BO, Via Sutrapada SO Taluka,)
District Gir Somnath, Pin Code 362275 in the State of Gujarat.) ... Applicant Company No. 1/ Transferor Company

with

Saurashtra Cement Limited, a Company incorporated)
under the provisions of the Companies Act, 1956 and)
being a Company within the meaning of the Companies)
Act, 2013, under corporate identification number)
L26941GJ1956PLC000840 and having its registered office at)
Near Railway Station, Ranavav, Pin Code 360560 in the State)
of Gujarat.) ... Applicant Company No. 2/ Transferee Company

STATEMENT UNDER SECTIONS 230 AND 232 READ WITH SECTION 102 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 ("ACT") AND RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 ("CAA RULES") TO THE NOTICE OF THE MEETING OF UNSECURED CREDITORS OF SAURASHTRA CEMENT LIMITED CONVENED PURSUANT TO ORDER OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, AHMEDABAD BENCH ("TRIBUNAL") DATED 12TH OCTOBER 2022 ("TRIBUNAL ORDER")

1. MEETING FOR THE SCHEME

This is a statement accompanying the Notice convening the Meeting of Unsecured Creditors of Saurashtra Cement Limited, for the purpose of their considering and if thought fit, approving, with or without modification(s), the proposed Scheme of Amalgamation of Gujarat Sidhee Cement Limited ("**Transferor Company**") with Saurashtra Cement Limited ("**Company**" or "**Transferee Company**") and their respective shareholders and/or creditors ("**Scheme**"). The Scheme provides for the amalgamation of the Transferor Company with the Company by way of merger and dissolution of Transferor Company without winding up, in accordance with the terms of the Scheme, under Sections 230 to 232 and other applicable provisions of the Act.

The salient features of the Scheme are given in paragraph 5 of this Statement. The detailed terms of the arrangement may be referred in the Scheme, appended as '**Annexure I**'.

2. DATE, TIME AND MODE OF MEETING

Pursuant to an order dated 12th October 2022, passed by the Hon'ble Tribunal in Company Application viz. CA (CAA) 48/ AHM/2022, the Meeting of the Unsecured Creditors of the Company, will be held for the purpose of their considering and, if thought fit approving by the Unsecured Creditors, with or without modification(s), the said Scheme at the Registered Office of the Company, Near Railway Station, Ranavav 360 560, Gujarat on Wednesday, the 23rd November 2022 at 12.30 p.m. (IST).

3. **RATIONALE AND BENEFITS OF THE SCHEME**

The circumstances which justify and/or have necessitated the said Scheme and the benefits of the same are, inter alia, as follows:

- i. The Transferor Company and the Transferee Company have similar businesses of cement and clinker and operating under their respective brand names in the State of Gujarat. Further, the Transferee Company has recently ventured into the paint business including cement paints which complements the existing business of the Transferee Company. As such the businesses of the Transferor Company and the Transferee Company can be combined conveniently and carried on in conjunction more advantageously and no useful purpose is being served in continuing with two separate legal entities. Amalgamation of the two companies is proposed accordingly.
- ii. In such circumstances, for the optimum running, cost optimising, growth and development of the restructured businesses and undertakings of the Transferor Company and the Transferee Company with their combined resources and a larger capital and asset base, it is considered desirable and expedient to amalgamate the Transferor Company with the Transferee Company in the manner and the terms and conditions stated in the said Scheme of Amalgamation.
- iii. The proposed amalgamation will help pooling of resources of the Transferor Company and the Transferee Company, streamlining the corporate structure and consolidation of investments within the Transferee Company and act as a gateway for growth and expansion of business operations and presence in India and abroad.
- iv. The infrastructure resources of the Companies complement each other and as such the proposed amalgamation will enable appropriate consolidation and integration of operations and activities of the Transferor Company and the Transferee Company thereby ensuring better management and enable the merged entity to offer a comprehensive package of solutions from one entity as opposed to multiple entities.
- v. The business of the amalgamated entity will be carried on more efficiently and economically as a result, inter alia, of pooling and usage of common resources in manufacturing, engineering, manpower and other infrastructure, thus leading to optimum utilisation and elimination of duplication of administrative expenses and responsibilities which will be facilitated by and follow the amalgamation.
- vi. The proposed amalgamation will create better opportunities and improvement in competitive position of the Transferee Company as a combined entity and achieving economies of scale including enhanced access to marketing resources/networks/customers. The amalgamated Transferee Company will have increased capability for offering products and services by virtue of its enhanced resource base and deeper client relationship, resulting in better and greater realisation of the potential of the business and prospects of the Transferor Company and the Transferee Company in the merged entity.
- vii. The consolidation of business would lead to development of long term internal and core competencies, augment the manufacturing footprint and capabilities of the amalgamated entity by increasing the scale of manufacturing operations, thereby helping in rationalising the number of vendors, aggregating the purchases and managing the supply chain more effectively and efficiently.
- viii. The proposed amalgamation will enable the merged entity to compete and bid for new projects more competitively and effectively with the combined credentials, experience and track record of both the Companies.
- ix. As such the amalgamation of the Transferor Company with the Transferee Company will also enhance the financial profile with higher growth, margin expansion and increased cash flows which will provide further headroom for inorganic growth opportunities and result in the formation of a larger and more profitable and broad based company having greater capacity to raise and access funds for growth and expansion of its business.
- x. Additionally, the amalgamated entity will provide greater impetus to the paint business which has been recently acquired by the Transferee Company and result in unlocking greater value to the shareholders of the Transferor Company with access to the paint business.
- xi. The Scheme shall not in any manner be prejudicial to the interests of the concerned shareholders, creditors or general public at large.
- xii. The Scheme is in the best interests of the shareholders, employees and the creditors of each of the Parties (as defined hereinafter).

4. **BACKGROUND OF THE COMPANIES:**

A. **Particulars of the Transferee Company (Saurashtra Cement Limited)**

- i. Saurashtra Cement Limited (hereinafter referred to as the ("**Transferee Company**" or "**Company**") was incorporated on 11th June 1956 under the provisions of the Companies Act, 1956 as a Company limited by shares by the name and style of 'Saurashtra Cement & Chemical Industries Limited'. Subsequently with effect from 3rd June 1994, the name of the Transferee Company changed to its present one, viz, 'Saurashtra Cement Limited'. The Transferee Company is a public Company within the meaning of the Companies Act, 2013. The Transferee Company is registered with the



Registrar of Companies, Ahmedabad, Gujarat having Corporate Identification Number L26941GJ1956PLC000840 and having its registered office at Near Railway Station, Ranavav, Pin Code 360560 in the State of Gujarat. Its Permanent Account Number with the Income Tax Department is ABICS4135J. The email address of the Transferee Company is sclinvestorquery@mehtagroup.com and website is <http://scl.mehtagroup.com>. The equity shares of the Company are listed on the BSE Limited (BSE).

ii. Main objects of the Company have been reproduced as below:

"3. THE OBJECTS FOR WHICH THE COMPANY IS ESTABLISHED ARE:

- (a) To carry on all or any of the business of manufacturers and sellers of and dealers and workers in cement of all kinds, concrete, asbestos, gypsum, coal, jute hessian cloth, gunny bags, paper bags, lime, plasters, whiting, clay, bauxite, soapstone, ochres, paints, fixing materials, gravel, sand, bricks, tiles, pipes, pottery, earthen ware, artificial stone and manufacturer's builders and dyers' requisites and conveniences of all kinds.*
- (b) To carry on business as quarry masters and stone merchants, and to buy, sell, get, work, shape, hew, carve, polish, crush and prepare for market or use stone of market or use stone of all kinds.*
- (c) To carry on business as road and pavement makers and repairers and manufacturers of and dealers in lime, cement, mortar, concrete, and building materials of all kinds, and as builders and contractors for the execution of works and buildings of all kinds in the construction of which stone is required.*
- (d) To carry on the business of miners, metallurgists, builders, contractors, engineers, merchants, importers and exporters and to buy, sell and deal in property of all kinds.*
- (e) To carry on investigations to discover places where cement can be profitably made, or where materials for any manufacturing work the Company is entitled to carry on can be obtained and to obtain prospecting licences and do prospecting or research work in that behalf.*
- (f) To work mines or quarries and to prospect for, search for, find, win, get, work, crush, smelt, manufacture or otherwise deal in limestone, chalk, clay, ores, metals, minerals, oils, precious and other stones or deposits or products and generally to carry on the business of mining in all branches.*
- (g) To purchase, take on lease, or otherwise acquire, any mines, mining rights, and metalliferous land in India or elsewhere, and any interest therein, and to explore, work, exercise, develop, and turn to account the same.*
- (h) To search for ores and minerals, mine and grant licences for mining in or over any lands which may be acquired or held by the Company, and to lease any such lands for building or other use."*

During the last five years, there has been no change in the objects clause of the Company.

iii. The Transferee Company is engaged in the business of manufacture and sale of cement and clinker and markets cement under the renowned brand name "HATHI" and sale of paints under the brand name "SNOWCEM". As part of an overall strategy for diversification, growth and development, the Transferee Company acquired "Snowcem" Paint business through slump sale with effect from 1st May 2021. The said acquisition marks the Transferee Company's foray into acquiring and investing in the paint industry. In view of the aforesaid, Snowcem which has been one of the pioneers to introduce "Cement Paints" used in exteriors is now part of the Paint Division of the Transferee Company.

iv. The share capital of the Transferee Company as on 31st March 2022 is as follows:

Particulars	Amount in INR
Authorised Share Capital	
22,96,00,000 Equity Shares of INR 10 each	2,29,60,00,000.00
Issued and Subscribed Share Capital	
7,03,29,057 Equity shares of INR 10 each	70,32,90,570.00
Paid-up Share Capital	
7,03,13,788 Equity shares of INR 10 each, fully paid up	70,31,37,880.00
Add: Amount paid on forfeited shares not re-issued	30,538.00
Total	70,31,68,418.00

Subsequent to the aforesaid date, there has been no change in the authorised share capital of the Transferee Company. The Transferee Company has on 20th April 2022 and 1st July 2022 allotted 18,361 equity shares of ₹10 each aggregating to ₹1,83,610/- and 2,000 equity shares of ₹10 each aggregating to ₹20,000/- to its employees under its ESOP's Scheme.

The share capital of the Transferee Company as on 30th September 2022 is as follows:

Particulars	Amount in INR
Authorised Share Capital	
22,96,00,000 Equity Shares of INR 10 each	2,29,60,00,000.00
Issued and Subscribed Share Capital	
7,03,49,418 Equity shares of INR 10 each	70,34,94,180.00
Paid-up Share Capital	
7,03,34,149 Equity shares of INR 10 each, fully paid up	70,33,41,490.00
Add: Amount paid on forfeited shares not re-issued	30,538.00
Total	70,33,72,028.00

The Transferee Company holds 22,85,912 Equity Shares of ₹ 10 each fully paid-up Share Capital in the Transferor Company, representing about 2.56% of the total paid-up share Capital of the Transferor Company as on 30th September 2022.

Pursuant to and in terms of the Transferee Company ESOP Scheme, the Transferee Company has outstanding employee stock option schemes, the exercise of and allotment of which may result in an increase in the issued, subscribed and paid-up share capital of the Transferee Company.

- v. The latest audited annual accounts of the Company have been audited for the financial year ended on 31st March 2022, copy whereof can be viewed by clicking the link <http://scl.mehtagroup.com/investors/annual-report-2021-2022>. In accordance with the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company has also published its financial results for the quarter ended 30th June 2022 in the prescribed format. Copy of the said financial results for the quarter ended 30th June 2022 is appended as 'Annexure II'. Subsequent to the date of the aforesaid financial statements, i.e. 30th June 2022, there has been no substantial change in the financial position of the Company excepting those arising or resulting from the usual course of business.
- vi. The details of Promoters (including Promoter group) and Directors of the Company along with their addresses are mentioned herein below:

Details of Directors

Sr. No.	Name of Director	Category	Address
1	Mr. M. N. Mehta	Chairman, Non Executive Director, Non Independent,	C/o. Sugar Corporation of Uganda Limited, P. O. Box No.1, Lugazi, Uganda.
2	Mr. Jay Mahendra Mehta	Executive Vice Chairman, Executive Director, Non Independent	Veer Bhavan, 22 B. G. Kher Marg, Malabar Hill, Mumbai 400 006.
3	Mr. Hemang D. Mehta	Non Executive Director, Non Independent	80 W Westminster, Lake Forest, Illinois 600045, U.S.A.
4	Mr. Hemnabh Khatau	Non Executive Director, Non Independent	C/o. Sugar Corporation of Uganda Limited, P. O. Box No.1, Lugazi, Uganda.
5.	Mr. M. N. Rao	Non-Executive Independent Director	Prasanti Nilayam, 6-3-248/A/1, Road NO.1, Banjara Hills, Hyderabad 500 034.
6.	Mr. Bimal Thakkar	Non-Executive Independent Director	Ocean View, 4 th Floor, Flat No.10, 100, Bhulabhai Desai Road, Breach Candy, Near Tata Garden, Mumbai 400 026.
7.	Mr. B. P. Deshmukh	Non-Executive Independent Director	H-203, "The Trees", Tower H Pirojsha Nagar, next to Godrej One E. E. Highway, Vikhroli (East), Mumbai 400 079
8.	Mr. K. N. Bhandari	Non-Executive Independent Director	5, New Power House Road, Jodhpur 342 003, Rajasthan.
9.	Mrs. Bhagyam Ramani	Non-Executive Independent Director	501, Anand CHS, Juhu Versova Link Road, Andheri (West), Mumbai 400058
10.	Mr. Ashwani Kumar	Non-Executive Independent Director	22-B, Turf View, Seth Motilal Gi Sanghi Marg, Worli (Lotus), Mumbai 400018.
11.	Mr. M. S. Gilotra	Managing Director, Executive Director	Flat No.903, Maitri Heights, Plot No.74, Bhau Daji Road, Matunga (East), Mumbai 400 019.

Details of Promoter and Promoter Group

Sr. No.	Name of Promoters and Promoter Group of the Transferee Company	Address
1.	Mr. M. N. Mehta	C/o.Sugar Corporation of Uganda Limited, P. O. Box No.1, Lugazi, Uganda.
2.	Mr. Jay Mahendra Mehta	Veer Bhavan, 22 B. G. Kher Marg, Malabar Hill, Mumbai 400 006.
3.	Mrs. Sunayanaben M. Mehta	3, Connaught House, Mount Row, London W/Y SDB, England, UK
4.	Ms. Juhi Chawla Mehta	Veer Bhavan, 22 B. G. Kher Marg, Malabar Hill, Mumbai 400 006.
5.	Ms. Jahnvi Jay Mehta	Veer Bhavan, 22 B. G. Kher Marg, Malabar Hill, Mumbai 400 006.
6.	Mr. Arjun Jay Mehta	Veer Bhavan, 22 B. G. Kher Marg, Malabar Hill, Mumbai 400 006.
7.	Ms. Radha M. Mehta	Veer Bhavan, 22 B. G. Kher Marg, Malabar Hill, Mumbai 400 006.
8.	Mrs. Medhavini D. Mehta	C/o. Mehta Private Limited, N. K. Mehta International House, 178, Backbay Reclamation, Mumbai 400 020.
9.	Mr. Hemang D. Mehta	C/o. Mehta Private Limited, N. K. Mehta International House, 178, Backbay Reclamation, Mumbai 400 020.
10.	Ms. Umade D. Mehta	Veer Bhavan, 22 B. G. Kher Marg, Malabar Hill, Mumbai 400 006.
11.	Ms. Kamalakshi D. Mehta	62, Hollard Park, Flat NO.4, London W 11
12.	Ms. Anisha H. Mehta	C/o. Mehta Private Limited, N. K. Mehta International House, 178, Backbay Reclamation, Mumbai 400 020.
13.	Ms. Devika Kallergis	C/o. Mehta Private Limited, N. K. Mehta International House, 178, Backbay Reclamation, Mumbai 400 020.
14.	Ms. Anandita Sudhir Shah	Flat No.9, 4 th Floor, Breach Candy House, Bhulabhai Desai Road, Next to Breach Candy Club, Gamdevi, Cumballa Hills, Mumbai 400026.
15.	Ms. Nirmala R. Khatau	Konark Empress, Flat No.20, Dr. E. Moses Road, Worli, Mumbai 400018.
16.	Mr. Subash Chandra Khanna	7 Rockdale, L. D. Ruparel Marg, Mumbai 400 006.
17.	Mrs. Promilla Khanna	7 Rockdale, L. D. Ruparel Marg, Mumbai 400 006.
18.	Ms. Arja Shridhar	B-601, Nikita CHS, Military Road End, Marol, Andheri (East), Mumbai 400 072.
19.	Mr. Atul Khanna	12 East, 11 th Street, Apt. 1, NY-10003, USA.
20.	Ms. Trishala Vikas Tandon	Flat No. 3608, 36 th Floor, The Imperial, North Tower, B.B. Nakashe Marg, MP Mill Compound, Tardeo, Mumbai 400 034.
21.	Galaxy Technologies Private Limited	4 th Floor, N. K. Mehta International House, 178, Backbay Reclamation, Mumbai 400 020.
22.	Pallor Trading Company Private Limited	4 th Floor, N. K. Mehta International House, 178, Backbay Reclamation, Mumbai 400 020.
23.	Omna Enterprises LLP	4 th Floor, N. K. Mehta International House, 178, Backbay Reclamation, Mumbai 400 020.
24.	Gujarat Sidhee Cement Limited	Sidheegram, PO-Prashnawada Bo, Tal: Via Sutrapada, SO Taluka, Pin Code: 362 275, Dist. Gir Somnath, Gujarat.
25.	The Mehta International Mauritius Limited	C/o.DTOS Ltd, 10 th floor, Standard Chartered Tower, 19, Cybercity, Ebene, Mauritius.
26.	Mehta Investments Mauritius Limited	C/o.DTOS Ltd, 10 th floor, Standard Chartered Tower, 19, Cybercity, Ebene, Mauritius.
27.	The Mehta International Limited	Argonaut House, 5 Park Road, Hamilton, Bermuda

B. Particulars of the Transferor Company (Gujarat Sidhee Cement Limited)

- i. Gujarat Sidhee Cement Limited (hereinafter referred to as **“the Transferor Company”**) was incorporated on 29th March 1973 under the provisions of the Companies Act, 1956 as a Company limited by shares by the name and style of ‘Cement Corporation of Gujarat Limited’. Subsequently, with effect from 17th January 1994, the name of the Transferor Company changed to its present one, viz, ‘Gujarat Sidhee Cement Limited’. The Transferor Company is a public Company within the meaning of the Companies Act, 2013. The Transferor Company is registered with the Registrar of Companies, Ahmedabad, Gujarat having Corporate Identification Number L26940GJ1973PLC002245 and having its registered office at Sidheegram, PO Prashnawada BO, Via Sutrapada SO Taluka, District Gir Somnath, Pin Code 362275 in the State of Gujarat. Its Permanent Account Number with the Income Tax Department is AAACG8057G. The email address of the Transferor Company is gsclinvestorquery@mehtagroup.com and website is <http://gscl.mehtagroup.com>. The equity shares of the Transferor Company are listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE).

- ii. Main objects of the Transferor Company have been reproduced as below:

"III (A) THE MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION:

- (1) *To carry on all or any of the business of manufacturers, processors and sellers of and dealers and workers in cement of all kinds, concrete, asbestos, gypsum, coal, jute hessian cloth, gunny bags, paper bags, lime plasters, whiting, clay, bauxite, soapstone, ochres, paints, fixing materials, gravel, sand bricks, tiles, pipes, pottery, earthen ware, artificial stone, and manufactures, builders' and dyers' requisites and conveniences of all kinds.*
- (2) *To carry on the business of miners, metallurgists, builders, contractors, engineers, merchants, importers and exporters and to buy, sell and deal in property of all kinds.*
- (3) *To carry on investigations to discover places where Cement can be profitably made, or where materials for any manufacturing work the Company is entitled to carry on, can be obtained and to obtain prospecting licences and do prospecting or research work in that behalf.*
- (4) *To work mines or quarries and to prospects for search for, find, win, get work, crush, smelt, manufacture or otherwise deal with limestone, chalk, clay ores, metals, minerals, oils, precious and other stones or deposits or products and generally to carry on the business of mining in all branches.*
- (5) *To carry on the business of manufactures and dealers in glazed tiles, building tiles of all descriptions sanitaryware, porcelainware, earthenware, porcelain, electric insulators, pottery articles and other allied articles of all types.*
- (6) *To carry on the business of manufacturers of bricks, insulation and refractory bricks, tiles, pipes, pottery, earthenware, China and terracotta and ceramic wares of all kinds."*

During the last five years, there has been no change in the objects clause of the Transferor Company.

- iii. The Transferor Company is engaged in the business of manufacture and sale of cement and clinker and markets cement under the brand name "Sidhee".
- iv. The share capital of the Transferor Company as on 31st March 2022 is as follows:

Particulars	Amount in INR
Authorised Share Capital	
54,31,00,000 Equity Shares of INR 10 each	5,43,10,00,000.00
Issued and Subscribed Share Capital	
8,92,71,233 Equity shares of INR 10 each	89,27,12,330.00
Paid-up Share Capital	
892,18,153 Equity shares of INR 10 each, fully paid up	89,21,81,530.00
Add: Amount paid on forfeited shares not re-issued	5,29,938.00
Total	89,27,11,468.00

Subsequent to the aforesaid date, there has been no change in the authorised share capital of the Transferor Company. The Transferor Company has on 4th May 2022 and 1st July 2022, allotted 42,675 equity shares of ₹10 each aggregating to ₹4,26,750/- and 1,01,461 equity shares of ₹10 each aggregating to ₹10,14,160/- respectively to its employees under its ESOP's Scheme.

The share capital of the Transferor Company as on 30th September 2022 is as follows:

Particulars	Amount in INR
Authorised Share Capital	
54,31,00,000 Equity Shares of INR 10 each	5,43,10,00,000.00
Issued and Subscribed Share Capital	
8,94,15,369 Equity shares of INR 10 each	89,41,53,690.00
Paid-up Share Capital	
8,93,62,289 Equity shares of INR 10 each, fully paid up	89,36,22,890.00
Add: Amount paid on forfeited shares not re-issued	5,29,938.00
Total	89,41,52,828.00

The Transferor Company holds 1,36,58,267 Equity Shares of ₹10/- each fully paid in the Transferee Company representing about 19.42% of the total paid up share capital of the Transferee Company as on 30th September 2022.

Pursuant to and in terms of the Transferor Company ESOP Scheme, the Transferor Company has outstanding employee stock option schemes, the exercise of and allotment of which may result in an increase in the issued, subscribed and paid-up share capital of the Transferor Company.

- v. The latest audited annual accounts of the Transferor Company have been audited for the financial year ended on 31st March 2022, copy whereof can be viewed by clicking the link <http://gscl.mehtagroup.com/investors/annual-report-2021-2022>. In accordance with the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Transferor Company has also published its financial results for the quarter ended 30th June 2022 in the prescribed format. Copy of the said financial results for the quarter ended 30th June 2022 is appended as 'Annexure III'. Subsequent to the date of the aforesaid financial statements, i.e. 30th June 2022, there has been no substantial change in the financial position of the Transferor Company excepting those arising or resulting from the usual course of business.
- vi. The details of Promoters (including Promoter group) and Directors of the Transferor Company along with their addresses are mentioned herein below:

Details of Directors

Sl. No.	Name of Director	Category	Address
1.	Mr. M. N. Mehta	Chairman, Non Executive Non Independent Director	C/o. Sugar Corporation of Uganda Limited P.O. Box No.1, Lugazi, Uganda.
2.	Mr. Jay Mahendra Mehta	Executive Vice Chairman, Executive Director, Non Independent	Veer Bhavan, 22 B. G. Kher Marg, Malabar Hill, Mumbai 400 006.
3.	Mrs. Juhi Chawla Mehta	Non Executive Non Independent Director	Veer Bhavan, 22 B. G. Kher Marg, Malabar Hill, Mumbai 400 006.
4.	Mr. Hemnabh Khatau	Non Executive Non Independent Director	C/o. Sugar Corporation of Uganda Limited, P.O.Box No.1, Lugazi, Uganda.
5.	Mr. M. N. Rao	Non Executive Independent Director	Prasanti Nilayam, 6-3-248/A/1, Road No. 1, Banjara Hills, Hyderabad 500 034.
6.	Mr. Bimal Thakkar	Non Executive Independent Director	Ocean View, 4 th Floor, Flat No.10, 100, Bhulabhai Desai Road, Breach Candy, Near Tata Garden, Mumbai 400 026.
7.	Mr. M. L. Tandon	Non-Executive Independent Director	Unit 9, SDF-1 Seepz Andheri (East) Mumbai - 400096.
8.	Mr. Venkatesh Mysore	Non Executive Director, Non Independent,	The Imperial, North Tower, Apartment No.4305 B. B. Nakashe Marg, Tardeo Mumbai – 400034.
9.	Mr. K. N. Bhandari	Non Executive Independent Director	5, New Power House Road, Jodhpur 342 003, Rajasthan.
10.	Mrs. Bhagyam Ramani	Non Executive Independent Director	501, Anand CHS, Juhu Versova Link Road, Andheri (West), Mumbai 400058.
11.	Mr. Ashwani Kumar	Non Executive Independent Director	22-B, Turf View, Seth Motilal Gi Sanghi Marg, Worli (Lotus), Mumbai 400018.
12.	Mr. M. N. Sarma	Non Executive Independent Director	H. No. 1-30-57 Tirumala Nagar, M. D. Farm Road Secunderabad- 500015.
13.	Mr. M. S. Gilotra	Managing Director, Executive Director	Flat No. 903, Maitri Heights, Plot No.74, Bhau Daji Road, Matunga (East), Mumbai 400 019.

Details of Promoter and Promoter Group

Sl. No.	Name of Promoters and Promoter Group of the Transferor Company	Address
1.	Mr. Jay Mahendra Mehta	Veer Bhavan, 22 B. G. Kher Marg, Malabar Hill, Mumbai 400 006.
2.	Ms. Juhi Chawla Mehta	Veer Bhavan, 22 B. G. Kher Marg, Malabar Hill, Mumbai 400 006.
3.	Ms. Promilla Khanna	7, Rockdale, L.D. Ruparel Marg, Mumbai 400 006.
4.	Mr. Atul Khanna	12 East, 11 th Street, Apt. 1, NY-10003, USA.
5.	Galaxy Technologies Private Limited	4 th Floor, N. K. Mehta International House, 178, Backbay Reclamation, Mumbai 400 020.
6.	Shree Anandeya Investments Pvt. Ltd.	New India Centre, 5 th Floor, 17, Cooperage Road, Mumbai 400 039.
7.	Pallor Trading Company Private Limited	4 th Floor, N. K. Mehta International House, 178, Backbay Reclamation, Mumbai 400 020.
8.	Saurashtra Cement Limited	Near Railway Station Ranavav Dist. Porbandar.
9.	Mehta Investments Mauritius Limited	C/o. DTOS Ltd, 10 th floor, Standard Chartered Tower, 19, Cybercity, Ebene, Mauritius.
10.	The Mehta International Mauritius Limited	C/o. DTOS Ltd, 10 th floor, Standard Chartered Tower, 19, Cybercity, Ebene, Mauritius.
11.	Treasurers Trading Limited	P.O. Box HM 2001, Argonaut House, 5 Park Road, Hamilton HM 09, Bermuda.
12.	Gujarat Industrial Investment Corporation Ltd	GIIC Limited Udyog Bhavan, 6 th Floor, Block No. 11 & 12, Sector 11, Gandhinagar 382 011.

5. SALIENT FEATURES OF THE SCHEME

The salient features of the Scheme are, *inter-alia*, as stated below. The capitalized terms used herein shall have the same meaning as ascribed to them in Clause 1 of Part II of the Scheme:

- (a) The Scheme provides for
 - the transfer and vesting of all assets, rights, claims, intellectual properties, credentials, permits, contracts, liabilities, employees, loan, debentures, records, duties and obligations of the Transferor Company to the Company as a going concern without any further act, instrument or deed matter or thing; and
 - the amalgamation of the Transferor Company with the Company by way of merger and dissolution of the Transferor Company without winding up.
- (b) The Scheme shall be effective from **the Appointed Date**, i.e. 1st January 2022.
- (c) The Scheme is conditional upon and subject to the followings:
 - i. obtaining no-objection / observation letter from the Stock Exchanges in relation to the Scheme under Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015;
 - ii. approval of the Scheme by the requisite majority of each class of shareholders of the Parties and such other classes of persons of the said Companies, if any, as applicable or as may be required under the Act and as may be directed by the Tribunal;
 - iii. the Parties, as the case may be, complying with other provisions of the SEBI Circular, including seeking approval of the shareholders of the Transferor Company and the Transferee Company through e-voting, as applicable. The scheme is conditional upon scheme being approved by the public shareholders through e-voting in terms of Part –I (A)(10)(a) of SEBI Circular and the scheme shall be acted upon only if vote cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it. The term ‘public’ shall carry the same meaning as defined under Rule 2 of Securities Contracts (Regulation) Rules, 1957;
 - iv. the sanctions and orders of the Tribunals, under Sections 230 to 232 of the Act for approving the Scheme, being obtained by the Parties;
 - v. certified/ authenticated copies of the order of the Tribunal, sanctioning the Scheme, being filed with the concerned RoC having jurisdiction over the Parties by all the Parties.

On the approval of the said Scheme by the shareholders of the Parties and such other classes of Persons of the said companies, if any, pursuant to the provision of the Scheme, such shareholders and classes of Persons shall also be deemed to have resolved and accorded all relevant consents under the Act or otherwise to the same extent applicable in relation to the Part III set out in the said Scheme, related matters and the said Scheme itself.

(d) Transfer and Vesting

With effect from the Appointed Date and in accordance with the provisions of the said Scheme and pursuant to Sections 230 to 232 and other applicable provisions of the Act and Section 2(1B) of the Income Tax Act, the Transferor Company shall stand amalgamated with the Transferee Company and accordingly, all property, rights, powers, assets, Permits, contracts, debts, liabilities, loan, debentures, benefits, duties and obligations of the Transferor Company shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company on a going concern basis, so as to become as and from the Appointed Date, the property, rights, powers assets, Permits, contracts, debts, liabilities, loan, debentures, benefits, duties and obligations of the Transferee Company by virtue of operation of law, and in the manner provided in the said Scheme.

(e) Employees

With effect from the Effective Date, all employees of the Transferor Company shall become employees of the Transferee Company without any interruption in service and on terms and conditions no less favourable than those on which they are engaged by the Transferor Company, prior to the amalgamation of the Transferor Company with the Transferee Company. The Transferee Company undertakes to continue to abide by any agreement / settlement or arrangement, if any, entered into or deemed to have been entered into by the Transferor Company with any of the aforesaid employees or union representing them. The Transferee Company agrees that the services of all such employees with the Transferor Company prior to the transfer shall be taken into account for the purposes of all existing benefits to which the said employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other retiral / terminal benefits. Until the Effective Date, the Transferor Company shall make all contributions towards provident fund, employee state insurance in relation to its employees and workman as required under the Applicable Law. The accumulated balances, if any, standing to the credit of the aforesaid employees in the existing provident fund, gratuity fund and superannuation fund of which they are members, will be transferred respectively to such provident fund, gratuity fund and superannuation funds nominated by the Transferee Company and/ or such new provident fund, gratuity fund and superannuation fund to be established in accordance with Applicable Law and caused to be recognized by the Appropriate Authorities, by the Transferee Company.

(f) Employee stock benefits

The Transferor Company has formulated the Gujarat Sidhee Employee Stock Option Scheme 2017 framed under the provisions of SEBI (Share Based Employee Benefits) Regulations, 2014 (**Transferor Company ESOP Scheme**). In terms of the said Transferor Company ESOP Scheme, the Transferor Company has granted not exceeding 69,19,106 Options to its employees under the Transferor Company ESOP Scheme, in one or more tranches, exercisable into not more than 69,19,106 shares of INR 10 each fully paid up, with each such Option conferring a right upon the employee to apply for one share of the Company, in accordance with the terms and condition as decided under the Transferor Company ESOP Scheme (**Transferor Company Options**). Presently, as aforesaid, as on 31 December 2021, 5,29,100 outstanding employee stock options exists to be exercised.

Upon the Scheme coming into effect:

- i. In respect of the Transferor Company ESOP Scheme, upon the Scheme becoming effective, the Transferee Company shall issue stock options to the Eligible Employees (**Transferee Company ESOP Scheme – New**) taking into account the Share Exchange Ratio and on the terms and conditions not less favourable than those provided under the Transferor Company ESOP Scheme. Such Transferee Company ESOP Scheme – New may be issued by the Transferee Company either under a revised stock option plan for the employees of the Transferee Company and the Eligible Employees or under separate stock options created by the Transferee Company, *inter alia*, for the purpose of enabling continuity of benefits and granting stock options to the Eligible Employees of the Transferor Company pursuant to this Scheme which shall be effected and implemented in such manner as the Transferee Company may deem fit and proper;
- ii. It is hereby clarified that upon the Scheme becoming effective, options granted by the Transferor Company to the Eligible Employees under the Transferor Company ESOP Scheme shall automatically stand cancelled. Further, upon the Scheme becoming effective and after cancellation of the options granted to the Eligible Employees under the Transferor Company ESOP Scheme, ESOP shall be granted to the Eligible employees under the Transferee Company ESOP Scheme – New by the Transferee Company on the basis of the Share Exchange Ratio. Fractional entitlements, if any, arising pursuant to the applicability of the Share Exchange Ratio as above shall be rounded off to the nearest higher integer. The exercise price payable by the Eligible Employees for the options granted by the Transferor Company to the said Eligible Employees shall be based on the exercise price payable by such Eligible Employees under the Transferor Company ESOP Scheme as adjusted after taking into account the effect of the Share Exchange Ratio;

- iii. The grant of options to the Eligible Employees pursuant to clause 5.3.2 of the said Scheme shall be effected as an integral part of the Scheme and the approval granted to this Scheme by the Transferor Company, the Transferee Company and their respective shareholders, Stock Exchanges, SEBI, and, or, other Appropriate Authorities shall be deemed to be approval granted to the Transferor Company for undertaking the cancellation of the Transferor Company ESOP Scheme and to the Transferee Company in relation to all matters pertaining to Transferee Company ESOP Scheme – New and the Transferor Company ESOP Scheme, including without limitation, for the purposes of formulating the Transferee Company ESOP Scheme – New and/or modifying the existing Transferee Company ESOP Scheme and/or the Transferor Company ESOP Scheme, and all related matters and no further resolution or actions/ or approvals from any of the Regulatory authorities shall be required to be undertaken by the Transferor Company and/or the Transferee Company in this connection, under any Applicable Law, including, without limitation, Section 62 of the Act or the Companies (Share Capital and Debentures) Rules, 2014 or the SEBI Employment Benefit Regulations; and
 - iv. It is hereby clarified that in relation to the options granted by the Transferee Company under the Transferee Company ESOP Scheme – New to the Eligible Employees, the period during which the options granted by the Transferor Company were held by or deemed to have been held by the Eligible Employees shall be taken into account for determining the minimum vesting period required under Applicable Law or agreement or deed or stock options granted under the Transferee Company ESOP Scheme – New or the Transferor Company ESOP Scheme, as the case may be.
 - v. The Board of Directors of the Transferee Company or any of the committee(s) duly constituted by the Board, shall take such actions and execute such further documents as may be necessary or desirable for the purpose of giving effect to the provisions of the Scheme in accordance with Law
- g. Legal Proceedings
- Upon the coming into effect of the said Scheme, if any suit, cause of actions, appeal or other legal, quasi-judicial, arbitral or other administrative proceedings of whatever nature (hereinafter called the “**Proceedings of the Transferor Company**”) by or against the Transferor Company is pending on the Effective Date, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the amalgamation or of anything contained in the said Scheme, but the Proceedings of the Transferor Company may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if the said Scheme had not been made. On and from the Effective Date, the Transferee Company may initiate any legal proceeding for and on behalf of the Transferor Company.
- h. Consideration
- Upon the Scheme coming into effect and in consideration of the transfer and vesting of Transferor Company in the Transferee Company pursuant to Part III of the said Scheme and subject to the provisions of the said Scheme, the Transferee Company shall, without any further application, act, deed, consent, acts, instrument or deed, issue and allot, on a proportionate basis to each shareholder of the Transferor Company, whose name is recorded in the register of members as member of the Transferor Company as on the Record Date, as under:
- 62 (Sixty Two) fully paid up equity shares of INR 10 (Rupees Ten only) each of the Transferee Company, credited as fully paid up, for every 100 (One Hundred) equity shares fully paid up of INR 10 (Rupees Ten only) each of the Transferor Company held by such shareholder.*
- The equity shares of the Transferee Company to be allotted pursuant to the provisions of the Scheme shall hereinafter together be referred to as “**Transferee Company New Equity Shares**”.
- i. Further, no shares shall be issued by the Transferee Company in respect of the shares held by the Transferor Company and the Transferee Company *inter-se*, and all such shares shall stand cancelled.
 - j. Without prejudice to the generality of the foregoing, it is clarified and provided that cancellation of the equity share capital of the Transferee Company in terms of the Scheme, shall be effected as an integral part of the said Scheme. Such cancellation of the equity share capital of the Transferee Company in terms of the Scheme, does not involve either diminution of liability in respect of unpaid share capital or payment of paid-up share capital of the Transferee Company. Further, since the aforesaid cancellation is an integral part of the Scheme, the provisions of Section 66 of the Act are not applicable. The aforesaid reduction would not involve either a diminution of liability in respect of the unpaid share capital or payment of paid-up share capital. Notwithstanding the reduction in terms of the Scheme, the Transferee Company shall not be required to add ‘And Reduced’ as a suffix to its name.
 - k. The Transferee Company New Equity Shares to be issued and allotted pursuant to amalgamation of the Transferor Company with the Transferee Company under the said Scheme shall be subject to the provisions of the memorandum of association and articles of association of Transferee Company and shall rank *pari passu* in all respects with any existing equity shares of the Transferee Company after the Effective Date including with respect to dividend, bonus, right shares, voting rights and other corporate benefits attached to the equity shares of the Transferee Company.

- l. The issue and allotment of the Transferee Company New Equity Shares is an integral part hereof and shall be deemed to have been carried out under the orders passed by the Tribunal without requiring any further act on the part of the Transferee Company or the Transferor Company or their shareholders and as if the procedure laid down under the Act and such other Applicable Law as may be applicable, were duly complied with. It is clarified that the approval of the members of the Transferee Company to the said Scheme, shall be deemed to be their consent/approval for the issue and allotment of the Transferee Company New Equity Shares.
- m. Subject to Applicable Laws, the Transferee Company New Equity Shares that are to be issued in terms of the said Scheme shall be issued in dematerialised form. The register of members maintained by the Transferee Company and/or, other relevant records, whether in physical or electronic form, maintained by the Transferee Company, the relevant depository and registrar and transfer agent in terms of Applicable Laws shall (as deemed necessary by the Board of the Transferee Company) be updated to reflect the issue of Transferee Company New Equity Shares in terms of the said Scheme. The shareholders of the Transferor Company who hold equity shares in physical form, should provide the requisite details relating to his/ her/ its account with a depository participant or other confirmations as may be required, to the Transferee Company, prior to the Record Date to enable it to issue the Transferee Company New Equity Shares.
- n. However, if no such details have been provided to the Transferee Company by the equity shareholders holding equity shares in physical share certificates on or before the Record Date, the Transferee Company shall deal with the relevant equity shares in such manner as may be permissible under the Applicable Law, including by way of issuing the corresponding equity shares in dematerialised form to a trustee nominated by the Board of Transferee Company ("**Trustee of Transferee Company**") who shall hold these equity shares in trust for the benefit of such shareholder. The equity shares of Transferee Company held by the Trustee of Transferee Company for the benefit of the shareholder shall be transferred to the respective shareholder once such shareholder provides details of his/her/its demat account to the Trustee of Transferee Company, along with such other documents as may be required by the Trustee of Transferee Company. The respective shareholders shall have all the rights of the shareholders of the Transferee Company, including the right to receive dividend, voting rights and other corporate benefits, pending the transfer of equity shares from the Trustee of Transferee Company. All costs and expenses incurred in this respect shall be borne by Transferee Company.
- o. For the purpose of the allotment of the Transferee Company New Equity Shares, pursuant to the said Scheme, in case any shareholder's holding in the Transferor Company is such that the shareholder becomes entitled to a fraction of a share of the Transferee Company, the Transferee Company shall not issue fractional shares to such shareholder and shall consolidate all such fractions and round up the aggregate of such fractions to the next whole number and issue consolidated Transferee Company New Equity Shares to a trustee (nominated by the Transferee Company in that behalf) in dematerialised form, who shall hold such shares, with all additions or accretions thereto, in trust for the benefit of the respective shareholders to whom they belong for the specific purpose of selling such shares in the market at such price or prices and at such time or times as the trustee may, in its sole discretion, decide and distribute the net sale proceeds (after deduction of the expenses incurred and applicable income tax) to the respective shareholders in the same proportion of their fractional entitlements. Any fractional entitlements from such net proceeds shall be rounded off to the next Indian Rupee. It is clarified that any such distribution shall take place only on the sale of all the fractional shares of the Transferee Company pertaining to the fractional entitlements.
- p. In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company, the Board of the Transferee Company/ committee of the Board shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer as if such changes in the registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor or transferee of equity shares in the Transferor Company, after the effectiveness of the said Scheme.
- q. The Transferee Company New Equity Shares to be issued pursuant to the said Scheme in respect of any equity shares of the Transferor Company which are held in abeyance under the provisions of Section 126 of the Act or otherwise shall pending allotment or settlement of dispute by order of Tribunal/Court or otherwise, be held in abeyance.
- r. The Transferee Company New Equity Shares to be issued by the Transferee Company in lieu of the shares of the Transferor Company held in the respective unclaimed suspense account of the Transferor Company shall be issued to a new unclaimed suspense account created for shareholders of the Transferor Company.
- s. In the event, any or all of the Parties restructure their share capital by way of share split / consolidation / issue of bonus shares during the pendency of the Scheme, the share exchange ratio stated in Clause 8.1 of the Scheme shall be adjusted (including stock options) accordingly, to consider the effect of any such corporate actions undertaken by such Party.
- t. The Transferee Company shall apply for listing of the Transferee Company New Equity Shares on BSE Limited (being the Stock Exchange where the equity shares of the Transferee Company is listed) in terms of and in compliance of SEBI Circular and other relevant provisions as may be applicable. The Transferee Company New Equity Shares allotted by the Transferee Company, pursuant to the Scheme, shall remain frozen in the depository system till listing/ trading permission is given by the designated Stock Exchange.

- u. The Transferee Company shall enter into such arrangements and give such confirmations and/ or undertakings as may be necessary in accordance with Applicable Law for complying with the formalities of the Stock Exchanges.

- v. Combination of authorised share capital

Upon this Part III of the Scheme becoming effective, the authorised share capital of the Transferee Company shall stand increased without any further act, instrument or deed on the part of the Transferee Company and without payment of stamp duty and fees to RoC, by the authorised share capital of the Transferor Company amounting to INR 5,43,10,00,000 (Indian Rupees Five Hundred Forty Three crores Ten Lakhs only). Consequent to transfer of the existing authorised share capital of the Transferor Company as mentioned above, the authorised share capital of the Transferee Company shall be INR 7,72,70,00,000 (Indian Rupees Seven Hundred Seventy Two crore and Seventy Lakhs only) divided into 77,27,00,000 (Seventy Seven Crore and Twenty Seven Lakhs) equity shares of INR 10 each (Indian Rupees Ten) each, and the memorandum of association and articles of association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders of the Transferee Company to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under the applicable provisions of the Act would be required to be separately passed, as the case may be, and for this purpose the stamp duty and fees paid on the authorized capital of the Transferor Company shall be utilized and applied to the increased authorized share capital of the Transferee Company and there would be no requirement for any further payment of stamp duty and/or fee by the Transferee Company for increase in the authorised share capital to that extent. Consequentially, Clause V of the memorandum of association of the Transferee Company shall without any act, instrument or deed be and stand altered, modified and amended, to reflect the increased combined authorised share capital as per the Scheme, pursuant to Sections 13, 14, 61, 64 and other applicable provisions of the Act. It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent/ approval also to the alteration of the memorandum and articles of association of the Transferee Company as may be required under the Act.

- w. Dissolution

On the Scheme becoming effective, the Transferor Company shall stand dissolved without winding up and the Board and any committees thereof of the Transferor Company shall without any further act, instrument or deed be and stand discharged. On and from the Effective Date, the name of the Transferor Company shall be struck off from the records of the concerned RoC.

- x. Modification or Amendments to the Scheme

On behalf of the Parties, the Boards of the respective Parties, may consent jointly but not individually, to any modifications or amendments of the Scheme and without prejudice to the generality of the foregoing, any modification to the Scheme involving withdrawal of any Party to the Scheme at any time and for any reason whatsoever, or to any conditions or limitations that the Tribunal may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by both of them (i.e. the Boards of the Parties) and solve all difficulties that may arise for carrying out the Scheme and do all acts, deeds and things necessary for putting the Scheme into effect.

- y. For the purpose of giving effect to the said Scheme or to any modification thereof, the Boards of the Parties may jointly but not individually, give and are jointly authorised to give such directions including directions for settling any question of doubt or difficulty that may arise under the said Scheme or implementation hereof or in any matter whatsoever connected therewith, or to review the position relating to satisfaction of various conditions to the said Scheme and if necessary, to waive any of those (to the extent permissible under law) and such determination or directions, as the case may be, shall be binding on Parties, in the same manner as if the same were specifically incorporated in the said Scheme.

- z. Accounting Treatment

The amalgamation shall be accounted for in the books of account of the Transferee Company pursuant to the pooling of interest method prescribed for business combinations of entities under common control in Appendix C of Indian Accounting Standard (Ind AS) 103 notified under the Companies (Indian Accounting Standards) Rules, 2015, to the extent applicable. Accordingly on and from the Appointed Date and subject to the provisions hereof and such other corrections and adjustments as may, in the opinion of the Board of Directors of the Transferee Company, be required and except to the extent required otherwise by law, all assets and liabilities of the Transferor Company transferred to the Transferee Company under the Scheme shall be recorded in the books of account of the Transferee Company at the book values as recorded in the Transferor Company's books of account. All reserves of the Transferor Company shall be incorporated in the books of account of the Transferee Company in the same form in which they appear in the books of the Transferor Company. To the extent there are inter-company loans, advances and any other balances whatsoever between the Transferor Company and Transferee Company, the same shall stand cancelled without any further act or deed, upon the Scheme becoming operative. The corresponding assets and liabilities in the books of account shall be reduced accordingly. The difference between the amount recorded as share capital issued by the Transferee Company

and the amount of Share Capital of the Transferor Company shall be adjusted in capital reserves in the books of the Transferee Company. The identity of the reserves shall be preserved and shall appear in the financial statements of the Transferee Company in the same form in which they appeared in the financial statements of the Transferor Company. In case of any difference in accounting policy between the Transferor Company and the Transferee Company, the impact of the same till the Appointed Date will be quantified and adjusted in the Capital Reserves of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy. The Board of Directors may adopt any other accounting treatment for the Amalgamation which is in accordance with accounting standards notified under the 2013 Act read with Companies (Indian Accounting Standards) Rules, 2015. Since the Transferor company shall stand dissolved without being wound up upon the scheme becoming effective and all such assets and liabilities of the Transferor Company shall be transferred to the Transferee Company in terms of the Scheme, no accounting treatment is prescribed under the said Scheme with regard to the Transferor Company.

Note: The above details are the salient features of the Scheme. The shareholders are requested to read the entire text of the Scheme annexed hereto to get fully acquainted with the provisions thereof.

6. RELATIONSHIP SUBSISTING BETWEEN PARTIES TO THE SCHEME

The Transferor Company and the Transferee Company are part of the same promoter group.

7. BOARD APPROVALS

- i. The Board of Directors of the Transferee Company at its Board Meeting held on 5th February 2022, by resolution passed unanimously approved the Scheme, as detailed below:

Name of Director	Voted in favour/ against/ did not participate or vote
Mr. M.N. Mehta	Did not participate
Mr. Jay Mahendra Mehta	Did not participate
Mr. Hemang D. Mehta	Voted in favour
Mr. Hemnabh Khatau	Voted in favour
Mr. M.N. Rao	Voted in favour
Mr. Bimal Thakkar	Voted in favour
Mr. B.P. Deshmukh	Voted in favour
Mr. K.N. Bhandari	Voted in favour
Mrs. Bhagyam Ramani	Voted in favour
Mr. Ashwani Kumar	Voted in favour
Mr. M.S. Gilotra	Did not participate

- ii. The Board of Directors of the Transferor Company at its Board Meeting held on 5th February 2022 by resolution passed unanimously approved the Scheme, as detailed below:

Name of Director	Voted in favour/ against/ did not participate or vote
Mr. M. N. Mehta	Did not participate
Mr. Jay Mahendra Mehta	Did not participate
Mr. Hemnabh Khatau	Voted in favour
Mr. M. N. Rao	Voted in favour
Mr. M.L. Tandon	Voted in favour
Mr. Bimal Thakkar	Voted in favour
Mr. K.N. Bhandari	Voted in favour
Mr. Ashwani Kumar	Voted in favour
Mrs. Bhagyam Ramani	Voted in favour
Mr. Venkatesh Mysore	Voted in favour
Mr. M.S. Gilotra	Did not participate

Note:

Leave of Absence was granted to Mr. M. N. Sarma, Non-Executive Independent Director, Mrs. Juhi Chawla Mehta, Non- Executive Non-Independent Promoter Director and Dr. Rahul Gupta IAS, Nominee Director of GILC Limited for the above Board Meeting.

8. INTEREST OF DIRECTORS, KEY MANAGERIAL PERSONNEL (KMPs) AND THEIR RELATIVES

Details of shares held by the present Directors and KMPs of the Transferee Company and the Transferor Company, either individually or jointly, as a first holder or second holder or as a nominee and by their relatives, in the respective companies, are as under:

i. Transferee Company:

Name of Directors, KMP and their Relatives	Designation / Relationships	No. of Equity shares held as on 30.9.2022
Directors		
Mr. M. N. Mehta	Non-Executive, Non Independent Director	-
Mr. Jay Mahendra Mehta	Executive Director, Executive Vice Chairman	43110
Mr. Hemang D. Mehta	Non Executive Non Independent Director	95584
Mr. Hemnabh Khatau	Non Executive Non Independent Director	-
Mr. M. N. Rao	Non-Executive Independent Director	-
Mr. Bimal Thakkar	Non-Executive Independent Director	-
Mr. K. N. Bhandari	Non-Executive Independent Director	-
Mr. B. P. Deshmukh	Non-Executive Independent Director	-
Mr. Ashwani Kumar	Non-Executive Independent Director	-
Mrs. Bhagyam Ramani	Non- Executive Independent Director	-
Mr. M. S. Gilotra	Executive Director, Managing Director	149252*
Relatives of Directors		
Mrs. Sunayanaben M. Mehta	Wife of Mr. M. N. Mehta	6000
Ms. Radha Mehta	Daughter of Mr. M. N.Mehta	5100
Mrs. Juhi Chawla Mehta	Wife of Mr.Jay Mahendra Mehta	24650
Ms. Jahnvi Jay Mehta	Daughter of Mr. Jay Mahendra Mehta	1656713
Mr. Arjun Jay Mehta	Son of Mr. Jay Mahendra Mehta	1656712
Ms. Anisha Hemang Mehta	Daughter of Mr. Hemang D. Mehta	100
Ms. Devika Kallergis	Daughter of Mr. Hemang D. Mehta	100
Mrs. Medhavini D.Mehta	Mother of Mr. Hemang D.Mehta	90634
Ms. Umade D. Mehta	Sister of Mr. Hemang D. Mehta	26000
Ms. Kamalakshi D.Mehta	Sister of Mr. Hemang D. Mehta	18400
Key Managerial Personnel (KMP)		
Mr. Rakesh Mehta	Chief Financial Officer	75324*
Ms. Sonali Sanas	President (CS, Legal & Strategy)	16529*
Mr. Narendra Singh	Director (Works)	58746*

*Allotted in accordance with the ESOP Scheme

ii. Transferor Company

Name of Directors, KMP & their relatives	Designation /Relationships	No. of Equity shares held as on 30.9.2022
Directors		
Mr. M. N. Mehta	Non-Executive, Non Independent Director, Chairman (Promoter Director)	-
Mr. Jay Mahendra Mehta	Executive Director, Executive Vice Chairman (Promoter Director)	1000
Mrs. Juhi Chawla Mehta	Non-Executive, Non Independent Director, Wife of Mr. Jay Mahendra Mehta	78600

Name of Directors, KMP & their relatives	Designation /Relationships	No. of Equity shares held as on 30.9.2022
Mr. Hemnabh Khatau	Non Executive Non Independent Director (Promoter Director)	-
Mr. Venkatesh Mysore	Non Executive, Non Independent Director	-
Mr. M. N. Rao	Non- Executive Independent Director	-
Mr. Bimal Thakkar	Non- Executive Independent Director	-
Mr. K. N. Bhandari	Non- Executive Independent Director	-
Mr. M.L. Tandon	Non- Executive Independent Director	-
Mr. M. N. Sarma	Non- Executive Independent Director	-
Mr. Ashwani Kumar	Non- Executive Independent Director	-
Mrs. Bhagyam Ramani	Non- Executive Independent Director	-
Mr. M. S. Gilotra	Executive Director, Managing Director	243615*
Key Managerial Personnel (KMP)		
Mr. V.R. Mohnot	CFO & Company Secretary	678442*
Mr.Dinesh Randad	Director (Works)	210086*

***Allotted in accordance with the ESOP Scheme**

Save as aforesaid, none of the Directors and KMPs of the said companies and their relatives have any concern or interest in the Scheme.

9. EFFECT OF SCHEME ON STAKEHOLDERS.

The effect of the Scheme on various stakeholders is summarised below:

i. Shareholders, Promoter and Non-Promoter Shareholders

The effect of the Scheme on the Shareholders, promoter and non-promoter shareholders of the Company and the Transferor Company are appended in the attached reports i.e. '**Annexure IV and V**', adopted by the respective Board of Directors of the Company and the Transferor Company, respectively, at their meeting held on 5th February 2022, pursuant to the provisions of Section 232(2)(c) of the Act.

ii. Directors and KMP

- The Scheme will have no effect on the office of existing Directors of the Company. The Directors of the Company will continue to be Directors of the Company, as before. Pursuant to the Scheme, the Transferor Company, will be dissolved without winding up.
- The KMPs concerned of the Transferor Company, shall become employees of the Company without any interruption in their service.
- It is clarified that the composition of the Board of Directors of the companies may change by appointments, retirements or resignations in accordance with the provisions of the Act, SEBI Listing Regulations and Memorandum and Articles of Association of such companies but the Scheme itself does not affect the office of Directors of such companies.
- The effect of the Scheme on Directors of the respective companies in their capacity as shareholders of such companies are the same as in case of other shareholders of such company, as mentioned in the aforesaid report, appended as '**Annexure IV and V**'.

iii. Employees

Employees engaged in the Transferee Company will continue to be employees of the Transferee Company on the same terms and conditions, as before. Further, all employees of the Transferor Company shall become employees of the Transferee Company, without any interruption in service, on terms and conditions no less favourable than those on which they are engaged by the Transferor Company.

iv. Creditors

The creditors of the Transferee Company will continue to be creditors of the Transferee Company, on the same terms and conditions, post the Scheme becoming effective. Further, all creditors of the Transferor Company will become creditors of the Transferee Company, on the same terms and conditions as were applicable to the Transferor Company, post the Scheme becoming effective.

v. Debenture holders and Debenture Trustees

As on the date of the Notice, there are no Debenture holders or Debenture Trustees in case of the Company and the Transferor Company.

vi. Depositors and Deposit Trustees

The Company and the Transferor Company have not taken term deposits from depositors. Further, no deposit trustees have been appointed by the said companies.

There will be no adverse effect on account of the Scheme on the aforesaid stakeholders. The Scheme is proposed to the advantage of all concerned, including the said stakeholders.

10. **NO INVESTIGATION PROCEEDINGS**

There are no proceedings pending under Sections 210 to 227 of the Act against the Company and the Transferor Company. There are no winding up proceedings pending against the Transferee Company as on date.

11. **AMOUNTS DUE TO UNSECURED CREDITORS**

i. The amount due to unsecured creditors by the respective companies, as on 30th September, 2022 is as follows

Sl. No.	Particulars	Amount in INR
1.	Saurashtra Cement Limited	81,28,33,617
2.	Gujarat Sidhee Cement Limited	45,50,46,913

ii. The Scheme embodies the arrangement between the Company and the Transferor Company, and its shareholders. No change in value or terms or any compromise or arrangement is proposed under the Scheme with any of the creditors of the Company and the Transferor Company. The Scheme does not involve any debt restructuring and therefore the requirement to disclose details of debt restructuring is not applicable.

12. **VALUATION REPORT AND FAIRNESS OPINION**

i. A copy of the joint share entitlement ratio report dated 5th February 2022 issued by Messrs. Ernst & Young Merchant Banking Services LLP (Registration No. IBBI/RV-E/05/2021/155), Registered Valuer and Messrs. SSPA & Co (Registration No. IBBI/RV-E/06/2020/126), Registered Valuer ("**Valuation Report**"), including addendum(s) issued thereto, in connection with the Scheme is appended as '**Annexure VI**'.

ii. A copy of the fairness opinion report dated 5th February 2022 issued by JM Financial Limited (Corporate Identification No.L67120MH1986PLC038784), an Independent SEBI registered Merchant Banker, have also confirmed that the Valuation Report is fair and proper by presenting their fairness opinion appended as '**Annexure VII**'.

13. SHAREHOLDING PATTERN

A. The pre/post-amalgamation shareholding pattern of the parties to the Scheme:

i. Transferee Company

The pre-amalgamation shareholding pattern of the Transferee Company is as follows (based on shareholding data as on 30th September, 2022):

Category (I)	Category of shareholder (II)	Nos. of shareh olders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								Class eg: X	Class eg: Y	Total	Total as a % of (A+B+ C)			No(a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
(A)	Promoter & Promoter Group	24	50998106	0	0	50998106	72.5083	50998106	0	50998106	72.5083	72.5083	0	10000000	19.6085		50997906	
(B)	Public	16067	19336043	0	0	19336043	27.4917	19336043	0	19336043	20.4917	27.4917	0	0	N.A.		19012645	
(C)	Non Promoter-Non Public	0	0	0	0	0	0	0	0	0	0	0	0	0	N.A.		0	
(C1)	Shares underlying DRs	0	0	0	0	0	0	0	0	0	0	0	0	0	N.A.		0	
(C2)	Shares held by Employee Trusts	0	0	0	0	0	0	0	0	0	0	0	0	0	N.A.		0	
	Total	16091	70334149	0	0	70334149	100	70334149	0	70334149	100	100	0	10000000	14.2178		70010551	

The post-amalgamation shareholding pattern of the Transferee Company is as follows (based on shareholding data as on 30th September, 2022):

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights			Total as a % of (A+B+C)			No(a)	As a % of total Shares held (b)	No. (a)	As a % of total Share s held (b)	
								Class egr. X	Class egr. y	Total								
(A)	Promoter & Promoter Group	26	74381864	0	0	74381864	67.21	74381864	0	74381864	67.21	0	67.21	26	10000000	13.44	74381864	
(B)	Public	72991	36281372	0	0	36281372	32.79	36281372	0	36281372	32.79	0	32.79	72991		N.A.	36281372	
(C)	Non Promoter-Non Public	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N.A.	0	
(C1)	Shares underlying DRs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N.A.	0	
(C2)	Shares held by Employee Trusts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N.A.	0	
	Total	73017	110663236	0	0	110663236	100	110663236	0	110663236	100	0	100	0	10000000	9.04	110085462	

ii. **Transferor Company**

The pre-amalgamation shareholding pattern of the Transferor Company is as follows (based on shareholding data as on 30th September, 2022):

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights			Total as a % of (A+B+ C)			No(a)	As a % of total Shares held (b)	No. (a)	As a % of total Share s held (b)	
								Class eg: X	Class eg:Y	Total								
(A)	Promoter & Promoter Group	10	62031113	0	0	62031113	69.4153	62031113	0	62031113	69.4153	69.4153	0	0	0	0	62031113	
(B)	Public	56924	27331176	0	0	27331176	30.5847	27331176	0	27331176	30.5857	30.5847	0	0	0	N.A.	26921214	
(C)	Non Promoter-Non Public	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N.A.	0	
(C1)	Shares underlying DRs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N.A.	0	
(C2)	Shares held by Employee Trusts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N.A.	0	
	Total	56934	89362289	0	0	89362289	100	89362289	0	89362289	100	100	0	0	0	0	88952327	

Post-arrangement, Transferor Company will be dissolved without winding up.

B. Pre/ post Amalgamation capital structure of the Company.

i. Transferee Company

The pre-amalgamation capital structure of the Transferee Company is given in paragraph 4.A(iv) above.

The post amalgamation capital structure of the Transferee Company will be as follows:

Class of Shares (Equity Shares)	Authorised Capital	Issued Capital	Subscribed Capital	Paid up Capital
Number of equity shares	77,27,00,000	11,07,11,415	11,06,96,145	11,06,63,236
Nominal value per share (in rupees)	10	10	10	10
Total amount of equity shares (in rupees)	7,72,70,00,000	1,10,71,14,150	1,10,69,61,450	1,10,66,32,360

The above is after considering the allotments made under the ESOP Scheme upto 30th September, 2022

ii. Transferor Company

The pre-amalgamation capital structure of the Transferor Company is given in paragraph 4.B(iv) above. Post-arrangement, the Transferor Company will be dissolved without winding up.

14. AUDITORS CERTIFICATE OF CONFORMITY OF ACCOUNTING TREATMENT IN THE SCHEME WITH ACCOUNTING STANDARDS

The Auditor of the Transferee Company and the Transferor Company, respectively, have confirmed that the accounting treatment in the said Scheme is in conformity with the accounting standards prescribed under Section 133 of the Companies Act, 2013.

15. APPROVALS AND INTIMATIONS IN RELATION TO THE SCHEME

- i. The shares of the Transferee Company are listed on BSE Limited (BSE) . The Company had filed the Scheme with BSE in terms of Regulation 37 of the SEBI Listing Regulations read with SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated 23rd November 2021 ("**SEBI Master Circular**") for its observation letter. Apart from the same, the Company also submitted the Report of its Audit Committee on the Scheme and various other documents to BSE and also displayed the same on their website in terms of the SEBI Master Circular and addressed all queries on the said documents. The Complaints Report required to be filed in terms of the said SEBI Master Circular was also duly filed by the said Company. BSE by its letter dated 31st May 2022, issued to the Company have since confirmed that there is no adverse observation on the Scheme pursuant to the said SEBI Master Circular.

The shares of the Transferor Company are listed on BSE Limited (**BSE**) and National Stock Exchange of India Ltd (NSE). The Transferor Company had filed the Scheme with BSE and NSE in terms of Regulation 37 of the SEBI Listing Regulations read with SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated 23 November 2021 ("**SEBI Master Circular**") for their respective observation letters. Apart from the same, the Transferor Company also submitted the Report of its Audit Committee on the Scheme and various other documents to BSE and NSE and also displayed the same on their website in terms of the SEBI Master Circular and addressed all queries on the said documents. The Complaints Report required to be filed in terms of the said SEBI Master Circular was also duly filed by the said Transferor Company. BSE and NSE by their respective letter dated 31 May 2022 and 1 June 2022, issued to the Company have since confirmed that there is no adverse observation on the Scheme pursuant to the said SEBI Master Circular.

A copy of the complaint report dated 15th March 2022 submitted by the Company is appended as '**Annexure VIII**'. Observation letters dated 31st May 2022 issued by BSE to the Transferee Company and the Transferor Company respectively and Observation letter dated 1st June 2022 issued by the NSE to the Transferor Company are appended as '**Annexure IX**'.

- ii. The notice of the Meeting along with the copy of the Scheme in the prescribed form, will be served on all concerned authorities in terms of the Tribunal Order.
- iii. All approvals as stated in clause 17 (Conditions Precedent) of the Scheme, in order to give effect to the Scheme will be obtained.

16. DISCLOSURES IN TERMS OF THE OBSERVATION LETTERS OF THE STOCK EXCHANGES

Details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors are appended as '**Annexure X**'.



17. INSPECTION OF DOCUMENTS

In addition to the documents appended hereto, the electronic copy of following documents will be available for inspection in the investor section of the website of the Company at <http://scl.mehtagroup.com/investors/scheme-of-amalgamation-of-gscl-with-scl>. Further, the following documents will also be open for inspection by the Unsecured Creditors of the Transferee Company at its Registered Office of the Company, Near Railway Station, Ranavav-350560, Gujarat, India between 10.30 a.m. and 5.30 p.m. on all working days upto the date of the meeting.

- a. Copy of the Tribunal Order dated 12th October, 2022;
- b. Memorandum and Articles of Association of the Transferee Company and the Transferor Company;
- c. Audited financial statements of the Company and the Transferor Company, respectively, for the year ended 31st March, 2022;
- d. Copy of the Scheme;
- e. Certificate of the Statutory Auditor of the Company and the Transferor Company, respectively, confirming that the accounting treatment prescribed under the Scheme is in compliance with Section 133 of the Act and applicable accounting standards; and
- f. Unaudited financial results for the quarter ended 30th June 2022.
- g. Copy of the Resolution passed by the Board of Directors on 5th February 2022 approving the Scheme by respective companies.
- h. Copy of the report adopted by the Board of Directors under Section 232(2)(c) of the Companies Act, 2013 by respective companies.
- i. Copy of Joint Valuation Report dated 5th February 2022 issued by Messrs. Ernst & Young Merchant Banking Services LLP (Registration No. IBBI/RV-E/05/2021/155), Registered Valuer and Messrs. SSPA & Co (Registration No. IBBI/RV-E/06/2020/126), Registered Valuer.
- j. Copy of Fairness Opinion Report dated 5th February 2022 issued by JM Financial Limited (Corporate Identification No.L67120MH1986PLC038784), an Independent SEBI registered Merchant Banker.
- k. Copy of Observation Letter dated 31st May, 2022 issued by BSE Limited ("**BSE**").

A copy of the Scheme of Amalgamation, Explanatory Statement, may also be obtained from the Registered Office of the Company and/or at the office of the Advocate Mr. Nikunt Raval at 337, Atmasantulan, B/H Royal Crescent Bungalows, Thaltej, Ahmedabad-380054, Gujarat, India.

Sd/-

Dipak Rachchha

Chairperson appointed by
Tribunal for the Meeting

Ahmedabad, dated 14th October 2022

CIN: L26941GJ1956PLC000840

Registered Office: Near Railway Station, Ranavav 360560 (Gujarat)

E-Mail: sclinvestorquery@mehtagroup.com

Website: <http://scl.mehtagroup.com>

Phone: 02801-234200 | **Corporate Office Phone:** 022-66365444

DRAFT

SCHEME OF AMALGAMATION

OF

GUJARAT SIDHEE CEMENT LIMITED: **TRANSFEROR COMPANY**

WITH

SAURASHTRA CEMENT LIMITED: **TRANSFeree COMPANY**

AND

THEIR RESPECTIVE SHAREHOLDERS

UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

PARTS OF THE SCHEME

The Scheme (*as defined hereinafter*) is divided into the following parts:

1. **PART I** deals with the overview, description of Parties (*as defined hereinafter*) and rationale for this Scheme;
2. **PART II** deals with the definitions, share capital and date of taking effect and implementation of this Scheme;
3. **PART III** deals with the amalgamation of the Transferor Company (*as defined hereinafter*) with the Transferee Company (*as defined hereinafter*); and
4. **PART IV** deals with the general terms and conditions applicable to this Scheme.

PART I

OVERVIEW, DESCRIPTION OF COMPANIES AND RATIONALE FOR THIS SCHEME

(A) OVERVIEW OF THE SCHEME

1. The Transferor Company and the Transferee Company are part of the same promoter group.
2. This Scheme provides for amalgamation of the Transferor Company with the Transferee Company. This Scheme is presented under Sections 230 to 232 and other applicable provisions of the Act (*as defined hereinafter*) read with Sections 2(1B), 2(42C) and other applicable provisions of the Income Tax Act (*as defined hereinafter*). This Scheme also provides for various other matters consequent and incidental thereto.

(B) DESCRIPTION OF COMPANIES

1. **Gujarat Sidhee Cement Limited**, the Transferor Company (*as defined hereinafter*) is a company incorporated under the provisions of the Companies Act, 1956 and being a company within the meaning of the Companies Act, 2013 under corporate identification number L26940GJ1973PLC002245 and having its registered office at Sidheegram, PO Prashnawada BO, Via Sutrapada SO Taluka, Dist Gir Somnath, Pin Code 362275 in the State of Gujarat. The Transferor Company is engaged in the business of manufacture and sale of cement and clinker and markets cement under the brand name "Sidhee". The equity shares of the Transferor Company are listed on the BSE Limited and the National Stock Exchange of India Limited.
2. **Saurashtra Cement Limited**, the Transferee Company (*as defined hereinafter*) is a company incorporated under the provisions of the Companies Act, 1956 and being a company within the meaning of the Companies Act, 2013 under corporate identification number L26941GJ1956PLC000840 and having its registered office at Near Railway Station, Ranavav, Pin Code 360560 in the State of Gujarat. The Transferee Company is engaged in the business of manufacture and sale of cement and clinker and markets cement under the renowned brand name "HATHI". As part of an overall strategy for diversification, growth and development, the Transferee Company acquired "Snowcem" Paint business through slump sale with effect from 1 May 2021. The said acquisition marks the Transferee Company's foray into acquiring and investing in the paint industry. In view of the aforesaid, Snowcem which has been one of the pioneers to introduce "Cement Paints" used in exteriors is now part of the Paint Division of the Transferee Company. Under the aegis of the Snowcem brand, the Transferee Company is looking to offer attractive range of quality products for a wide

spectrum of consumers. The Transferee Company which currently has presence primarily in the State of Gujarat, will now have diversified businesses at the PAN India level. The equity shares of the Transferee Company are listed on BSE Limited.

(C) RATIONALE

- i. The Transferor Company and the Transferee Company have similar businesses of cement and clinker and operating under their respective brand names in the State of Gujarat. Further, the Transferee Company has recently ventured into the paint business including cement paints which complements the existing business of the Transferee Company. As such the businesses of the Transferor Company and the Transferee Company can be combined conveniently and carried on in conjunction more advantageously and no useful purpose is being served in continuing with two separate legal entities. Amalgamation of the two companies is proposed accordingly.
- ii. In such circumstances, for the optimum running, cost optimising, growth and development of the restructured businesses and undertakings of the Transferor Company and the Transferee Company with their combined resources and a larger capital and asset base, it is considered desirable and expedient to amalgamate the Transferor Company with the Transferee Company in the manner and the terms and conditions stated in this Scheme of Amalgamation.
- iii. The proposed amalgamation will help pooling of resources of the Transferor Company and the Transferee Company, streamlining the corporate structure and consolidation of investments within the Transferee Company and act as a gateway for growth and expansion of business operations and presence in India and abroad.
- iv. The infrastructure resources of the Companies complement each other and as such the proposed amalgamation will enable appropriate consolidation and integration of operations and activities of the Transferor Company and the Transferee Company thereby ensuring better management and enable the merged entity to offer a comprehensive package of solutions from one entity as opposed to multiple entities.
- v. The business of the amalgamated entity will be carried on more efficiently and economically as a result, inter alia, of pooling and usage of common resources in manufacturing, engineering, manpower and other infrastructure, thus leading to optimum utilisation and elimination of duplication of administrative expenses and responsibilities which will be facilitated by and follow the amalgamation.
- vi. The proposed amalgamation will create better opportunities and improvement in competitive position of the Transferee Company as a combined entity and achieving economies of scale including enhanced access to marketing resources/networks/ customers. The amalgamated Transferee Company will have increased capability for offering products and services by virtue of its enhanced resource base and deeper client relationship, resulting in better and greater realisation of the potential of the business and prospects of the Transferor Company and the Transferee Company in the merged entity.
- vii. The consolidation of business would lead to development of long term internal and core competencies, augment the manufacturing footprint and capabilities of the amalgamated entity by increasing the scale of manufacturing operations, thereby helping in rationalising the number of vendors, aggregating the purchases and managing the supply chain more effectively and efficiently.

- viii. The proposed amalgamation will enable the merged entity to compete and bid for new projects more competitively and effectively with the combined credentials, experience and track record of both the Companies.
- ix. As such the amalgamation of the Transferor Company with the Transferee Company will also enhance the financial profile with higher growth, margin expansion and increased cash flows which will provide further headroom for inorganic growth opportunities and result in the formation of a larger and more profitable and broad based company having greater capacity to raise and access funds for growth and expansion of its business.
- x. Additionally, the amalgamated entity will provide greater impetus to the paint business which has been recently acquired by the Transferee Company and result in unlocking greater value to the shareholders of the Transferor Company with access to the paint business.
- xi. The Scheme shall not in any manner be prejudicial to the interests of the concerned shareholders, creditors or general public at large.

The Scheme is in the best interests of the shareholders, employees and the creditors of each of the Parties (*as defined hereinafter*).

PART II

DEFINITIONS, SHARE CAPITAL AND DATE OF TAKING EFFECT AND IMPLEMENTATION OF THIS SCHEME

1. DEFINITIONS

- 1.1 In this Scheme, (i) capitalised terms defined by inclusion in quotations and/ or parenthesis shall have the meanings so ascribed; and (ii) the following expressions shall have the meanings ascribed hereunder:

“Act” means the Companies Act, 2013;

“Applicable Law” or **“Law”** means any applicable national, foreign, provincial, local or other law including applicable provisions of all (a) constitutions, decrees, treaties, statutes, laws (including the common law), codes, notifications, rules, regulations, policies, guidelines, circulars, directions, directives, ordinances or orders of any Appropriate Authority, statutory authority, court, tribunal having jurisdiction over the Company; and (b) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any Appropriate Authority having jurisdiction over the Company as may be in force from time to time;

“Appointed Date” means 1 January 2022 or such other date as may be approved by the Board of the Parties;

“Appropriate Authority” means:

- (a) the government of any jurisdiction (including any national, state, municipal or local government or any political or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, Tribunal, central bank, commission or other authority thereof;
- (b) any governmental, quasi-governmental or private body or agency lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory,

statutory, licensing, competition, Tax, importing, exporting or other governmental or quasi-governmental authority including without limitation, CCI (*as defined hereinafter*), SEBI (*as defined hereinafter*), and the Tribunal (*as defined hereinafter*); and

(c) any Stock Exchange.

“Board” in relation to a Party (*as defined hereinafter*), means the board of directors of such Party, and shall include a committee of directors or any person authorized by such board of directors or such committee of directors duly constituted and authorized for the matters pertaining to this Scheme or any other matter relating hereto;

“Effective Date” means the day on which last of the conditions specified in Clause 17 (Conditions Precedent) of this Scheme are complied with or otherwise duly waived.

Reference in this Scheme to the date of **“coming into effect of this Scheme”** or **“effectiveness of this Scheme”** shall mean the Effective Date;

“Eligible Employees” means all such employees to whom the Employee Stock Options have been granted by the Transferor company in accordance with the Transferor Company ESOP Scheme;

“Encumbrance” means (a) any charge, lien (statutory or other), or mortgage, any easement, encroachment, right of way, right of first refusal or other encumbrance or security interest securing any obligation of any Person; (b) pre-emption right, option, right to acquire, right to set off or other third party right or claim of any kind, including any restriction on use, voting, transfer, receipt of income or exercise; or (c) any hypothecation, title retention, restriction, power of sale or other preferential arrangement; or (d) any agreement to create any of the above; and the term **“Encumber”** shall be construed accordingly;

“INR” means Indian Rupee, the lawful currency of the Republic of India;

“Income Tax Act” means the Income-tax Act, 1961;

“Parties” means collectively the Transferor Company, the Transferee Company, and **“Party”** means each of them, individually;

“Permits” means all consents, licenses, permits, grants orders, certificates, permissions, authorisations, clarifications, approvals, letter of intent, land awards, clearances, confirmations, declarations, waivers, exemptions, registrations, filings, no objections, whether governmental, statutory, regulatory or otherwise as required under Applicable Law;

“Person” means an individual, a partnership, a corporation, a limited liability partnership, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization or an Appropriate Authority;

“Long Stop Date” means 24 (Twenty Four) months from 5 February 2022 (being the date of approval of the Scheme by the respective Boards of the Parties) or such other date which is mutually agreed in writing between the Transferor Company and the Transferee Company;



“Record Date” means the date to be fixed by the Board of the Transferee Company, in relation to Part III of the Scheme for the purpose of determining the shareholders of the Transferor Company for issue of the shares of the Transferee Company, pursuant to Part III of this Scheme;

“Regulatory Approvals” shall have the meaning as set forth in Clause 17;

“RoC” means the relevant jurisdictional Registrar of Companies having jurisdiction over the Parties;

“Scheme” or **“this Scheme”** means this Scheme of Amalgamation as modified from time to time;

“SEBI” means the Securities and Exchange Board of India;

“SEBI LODR Regulations” means SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, and any amendments thereof;

“SEBI Employment Benefit Regulations” means SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, and any amendments thereof;

“SEBI Circular” means the circular issued by the Securities and Exchange Board of India, being Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020 read with Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, SEBI/HO/CFD/SSEP/CIR/P/2022/003 dated January 03, 2022 and SEBI/HO/CFD/DIL2/CIR/P/2022/11 dated February 01, 2022, and any amendments thereof issued pursuant to Regulations 11, 37 and 94 of the SEBI LODR or any other circulars issued by SEBI applicable to schemes of amalgamation from time to time;

“Stock Exchanges” means BSE Limited and National Stock Exchange of India Limited collectively for the purpose of the Transferor Company and BSE Limited for the Transferee Company;

“Tax Laws” means all Applicable Laws dealing with Taxes including but not limited to income-tax, wealth tax, sales tax / value added tax, service tax, goods and service tax, excise duty, customs duty or any other levy of similar nature;

“Taxation” or **“Tax”** or **“Taxes”** means all forms of taxes and statutory, governmental, state, provincial, local governmental or municipal impositions, duties, contributions and levies, whether levied by reference to income, profits, book profits, gains, net wealth, asset values, turnover, added value, goods and services or otherwise and shall further include payments in respect of or on account of Tax, whether by way of deduction at source, collection at source, dividend distribution tax, advance tax, minimum alternate tax, royalty/contributions made towards National Mineral Exploration Trusts (NMET) and District Mineral Foundation (DMF) and input tax credit, and all other taxes, duties and fees, goods and services tax or otherwise or attributable directly or primarily to any of the Parties or any other Person and all penalties, charges, costs and interest relating thereto;

“Transferee Company” means Saurashtra Cement Limited, a company incorporated under the provisions of the Companies Act, 1956 and being a company within the meaning of the Companies Act, 2013 under corporate identification number L26941GJ1956PLC000840 and having its registered office at Near Railway Station, Ranavav, Pin Code 360560 in the State of Gujarat;

“Transferor Company” means Gujarat Sidhee Cement Limited, a company incorporated under the provisions of the Companies Act, 1956 and being a company within the meaning of the Companies Act, 2013 under corporate identification number L26940GJ1973PLC002245 and having its registered office at Sidheegram, PO Prashnawada BO, Via Sutrapada SO Taluka, Dist Gir Somnath, Pin Code 362275 in the State of Gujarat;

“Transferor Company ESOP Scheme” means the Gujarat Sidhee Employee Stock Option Scheme 2017 framed under the provisions of SEBI (Share Based Employee Benefits) Regulations, 2014;

“Transferee Company ESOP Scheme” means the Saurashtra Employee Stock Option Scheme 2017 framed under the provisions of SEBI (Share Based Employee Benefits) Regulations, 2014 and;

“Tribunal” means the Ahmedabad Bench of the National Company Law Tribunal having jurisdiction over the Parties.

1.2 In this Scheme, unless the context otherwise requires:

- 1.2.1 words denoting the singular shall include the plural and *vice versa*;
- 1.2.2 reference to any legislation, statute, regulation, rule, notification or any other provision of law means and includes references to such legal provisions as amended, supplemented or re-enacted from time to time, and any reference to a legal provision shall include any subordinate legislation made from time to time under such a statutory provision;
- 1.2.3 any Person includes that Person’s legal heirs, administrators, executors, liquidators, successors, successors-in-interest and permitted assigns, as the case may be;
- 1.2.4 headings, sub-headings, titles, sub-titles to clauses, sub-clauses and paragraphs are for information and convenience only and shall be ignored in construing the same; and
- 1.2.5 the words “include” and “including” are to be construed without limitation.

2. SHARE CAPITAL

2.1 The share capital structure of the Transferor Company as on 31 December 2021 is as follows:

Particulars	Amount in Rs.
Authorised share capital	
54,31,00,000 Equity Shares of INR 10 each	5,43,10,00,000
Total	5,43,10,00,000
Issued and subscribed share capital:	
8,91,80,393 Equity Shares of INR 10 each	89,18,03,930

Paid up share capital:	
8,91,27,313 Equity Shares of INR 10 each fully paid up	89,12,73,130
Add: Amount paid on forfeited shares not re-issued	5,29,938
Total	89,18,03,068

Subsequent to the aforesaid date, there has been no change in the authorised, issued, subscribed and paid-up share capital of the Transferor Company until the date of approval of the Scheme by the Board of the Transferor Company. At present, the Transferee Company holds 22,85,912 Equity Shares of INR 10 each in the aforesaid capital of the Transferor Company.

Pursuant to and in terms of the Transferor Company ESOP Scheme, the Transferor Company has outstanding employee stock option schemes, the exercise of and allotment of which may result in an increase in the issued, subscribed and paid-up share capital of the Transferor Company.

2.2 The share capital structure of the Transferee Company as on 31 December 2021 is as follows:

Particulars	Amount in Rs.
Authorised share capital	
22,96,00,000 Equity Shares of INR 10 each	2,29,60,00,000
Total	2,29,60,00,000
Issued and subscribed share capital:	
7,02,46,862 Equity Shares of INR 10 each	70,24,68,620
Paid up share capital:	
7,02,31,593 Equity Shares of INR 10 each	70,23,15,930
Add: Amount paid on forfeited shares not re-issued	30,538
Total	70,23,46,468

Subsequent to the aforesaid date, there has been no change in the authorised, issued, subscribed and paid-up share capital of the Transferee Company until the date of approval of the Scheme by the Board of the Transferee Company. At present, the Transferor Company holds 1,36,58,267 Equity Shares of INR 10 each in the aforesaid capital of the Transferee Company.

Pursuant to and in terms of the Transferee Company ESOP Scheme, the Transferee Company has outstanding employee stock option schemes, the exercise of and allotment of which may result in an increase in the issued, subscribed and paid-up share capital of the Transferee Company.

3. DATE OF TAKING EFFECT AND IMPLEMENTATION OF THIS SCHEME

This Scheme in its present form or with any modification(s) made as per Clause 18 of this Scheme, shall become operative and effective from the Appointed Date.

PART III

AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE TRANSFEE COMPANY

4. AMALGAMATION AND VESTING OF ASSETS AND LIABILITIES OF THE TRANSFEROR COMPANY

4.1 With effect from the Appointed Date and in accordance with the provisions of this Scheme and pursuant to Sections 230 to 232 and other applicable provisions of the Act and Section 2(1B) of the Income Tax Act, the Transferor Company shall stand amalgamated with the Transferee Company and accordingly, all property, rights, powers, assets, Permits, contracts, debts, liabilities, loan, debentures, benefits, duties and obligations of the Transferor Company shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company on a going concern basis, so as to become as and from the Appointed Date, the property, rights, powers assets, Permits, contracts, debts, liabilities, loan, debentures, benefits, duties and obligations of the Transferee Company by virtue of operation of law, and in the manner provided in this Scheme.

4.2 Upon effectiveness of this Scheme and with effect from the Appointed Date, without prejudice to the generality of the provisions of Clause 4.1 above, the manner of transfer and vesting of assets and liabilities of the Transferor Company under this Scheme, is as follows:

4.2.1 In respect of such of the assets and properties of the Transferor Company which are movable in nature (including but not limited to all intangible assets, brands, trademarks of the Transferor Company, whether registered or unregistered trademarks along with all rights of commercial nature including attached goodwill, title, interest, labels and brand registrations, copyrights trademarks and all such other industrial and intellectual property rights of whatsoever nature) or are otherwise capable of transfer by delivery or possession or by endorsement, shall stand transferred upon the Part III of the Scheme coming into effect and shall, ipso facto and without any other act to this effect, become the assets and properties of the Transferee Company without requiring any deed or instrument of conveyance for transfer of the same. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal, pursuant to this Scheme, as appropriate to the property being vested, and title to the property shall be deemed to have been transferred accordingly;

4.2.2 Subject to Clause 4.2.4 below, with respect to the assets of the Transferor Company other than those referred to in Clause 4.2.1 above, including all rights, title and interests in the agreements, investments in shares, mutual funds, bonds and any other securities, sundry debts, receivables, bills, credits, loans, advances, claims from customers or otherwise, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with any

Appropriate Authority, customers and other Persons, whether or not the same is held in the name of the Transferor Company, the same shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in the Transferee Company, with effect from the Appointed Date by operation of law as transmission in favour of Transferee Company and that appropriate modification should be made in the respective books/records to reflect the aforesaid changes. The Transferee Company shall, at its sole discretion but without being obliged, give notice in such form as it may deem fit and proper, to such Person, as the case may be, for recovery and realisation of the same.

- 4.2.3 Without prejudice to the generality of the foregoing, upon the coming into effect of the Scheme, all the rights, title, interest and claims of the Transferor Company in any leasehold properties, land allotted by the state government for the Industrial use, including the mining leases, transfer of mining lease applications (if any pending), grant order and the Letter of Intent for the mining leases and the prospective licenses (including in each case, any applications made therefor) of the Transferor Company, shall, pursuant to Sections 230 and 232 of the Act, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company.
- 4.2.4 In respect of such of the assets and properties of the Transferor Company which are immovable in nature (including land awarded to the Transferor Company pursuant to the provisions of the Land Acquisition Act, 1894), whether or not included in the books of the Transferor Company, including rights, interest and easements in relation thereto, the same shall stand transferred to the Transferee Company with effect from the Appointed Date, without any act or deed or conveyance being required to be done or executed by the Transferor Company and/or the Transferee Company;
- 4.2.5 For the avoidance of doubt and without prejudice to the generality of Clause 4.2.4 above and Clause 4.2.6 below, it is clarified that, with respect to the immovable properties of the Transferor Company in the nature of land and buildings, the Transferee Company situated in the state of Gujarat shall register the true copy of the order of the Tribunal approving the Scheme with the offices of the relevant Sub-registrar of Assurances or similar registering authority having jurisdiction over the location of such immovable property and shall also execute and register, as required, such other documents as may be necessary in this regard. For the avoidance of doubt, it is clarified that any document executed pursuant to this Clause 4.2.5 or Clause 4.2.6 below will be for the limited purpose of meeting regulatory requirements and shall not be deemed to be a document under which the transfer of any property of the respective Transferor Company takes place and the assets and liabilities of the Transferor Company shall be transferred solely pursuant to and in terms of this Scheme and the order of the Tribunal sanctioning this Scheme;
- 4.2.6 Notwithstanding anything contained in this Scheme, with respect to the immovable properties of the Transferor Company in the nature of land and buildings situated in states other than the State of Gujarat, whether owned or leased, for the purpose of, *inter alia*, payment of stamp duty and vesting in the Transferee Company, if the Transferee Company so decides, the respective Parties may execute and register or cause to be executed and registered, separate deeds of conveyance or deeds of assignment of lease, as the case may be, in favour of the Transferee Company in respect of such immovable properties. Each of the immovable properties, only for the purposes of the payment of stamp duty (if required under Applicable Law), shall be

deemed to be conveyed without any consideration. The transfer of such immovable properties shall form an integral part of this Scheme;

- 4.2.7 all debts, liabilities, duties and obligations of the Transferor Company shall, without any further act, instrument or deed be transferred to, and vested in, and/ or deemed to have been transferred to, and vested in, the Transferee Company, so as to become on and from the Appointed Date, the debts, liabilities, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company, and it shall not be necessary to obtain the consent of any Person who is a party to contract or arrangement by virtue of which such liabilities have arisen in order to give effect to the provisions of this Clause 4;
- 4.2.8 Unless otherwise agreed to between the Transferor Company and the Transferee Company, the vesting of all the assets of the Transferor Company, as aforesaid, shall be along with the Encumbrances, if any, over or in respect of any of the assets or any part thereof, provided however that such Encumbrances shall be confined only to the relevant assets of the Transferor Company or part thereof on or over which they are subsisting prior to the amalgamation of the Transferor Company with and into the Transferee Company, and no such Encumbrances shall extend over or apply to any other asset(s) of the Transferee Company;
- 4.2.9 Subject to the other provisions of this Scheme, all licenses, approvals, permissions, consents, registrations, eligibility certificates and no-objection certificates obtained by the Transferor Company for its operations and/or to which the Transferor Company is entitled to in terms of the various Statutes, Schemes, Policies etcetera of Union and State Governments, shall be available to and vest in the Transferee Company, without any further act or deed and shall be appropriately mutated by the statutory authorities concerned therewith in favour of the Transferee Company. Since the Undertaking of the Transferor Company will be transferred to and vested in the Transferee Company as a going concern without any break or interruption in the operations thereof, the Transferee Company shall be entitled to the benefit of all such licenses, approvals, permissions, consents, registrations, eligibility certificates and no-objection certificates as enjoyed by the Transferor Company and to carry on and continue the operations of the Undertaking of the Transferor Company on the basis of the same upon this Scheme becoming effective. Further, all benefits to which the Transferor Company is entitled in terms of the various Statutes and / or Schemes of Union and State Governments, including credit for MAT, Advance tax and tax deducted at source and other benefits under Income Tax Act, tax credits and benefits relating to Excise (including Modvat/Cenvat), Sales Tax, Service Tax and Goods and Services Tax, subsidies, grants etcetera shall be available to the Transferee Company upon this Scheme becoming effective;
- 4.2.10 Permits, including the benefits attached thereto, of the Transferor Company shall be transferred to the Transferee Company from the Appointed Date, without any further act, instrument or deed and shall be appropriately mutated or endorsed by the Appropriate Authorities concerned therewith in favour of the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company and the Transferee Company shall be bound by the terms, obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company to carry on the operations of the Transferor Company without any hindrance, whatsoever; and

- 4.2.11 All contracts where the Transferor Company is a party, shall stand transferred to, novated and vested in the Transferee Company pursuant to Part III of the Scheme becoming effective. The absence of any formal amendment or agreement, which may be required by a third party to effect such transfer, novation and vesting shall not affect the operation of the foregoing sentence. The Transferee Company shall, wherever necessary, enter into and/or execute deeds, writings, confirmations or novations to all such contracts, if necessary, in order to give formal effect to the provisions of this Clause. With regard to the licenses of the properties, the Transferee Company will enter into novation agreements, if it is so required.

Provided that, upon this Scheme coming into effect, all inter-company transactions including balances, loans, investments, contracts under whatsoever nomenclature executed or entered into by or *inter-se* between the Transferor Company and/or Transferee Company shall stand cancelled with effect from the Effective Date, without any further deed or action and without any further liability or claim against one another.

- 4.3 Without prejudice to the provisions of the foregoing sub-clauses of this Clause, the Transferor Company and the Transferee Company may execute any and all instruments or documents and do all the acts, deeds and things as may be required, including executing necessary confirmatory deeds for filing with the trademark registry and Appropriate Authorities, filing of necessary particulars and/ or modification(s) of charge, necessary applications, notices, intimations or letters with any Appropriate Authority or Person to give effect to the Scheme. Any procedural requirements required to be fulfilled solely by any of the Transferor Company upon the Scheme becoming effective, shall be fulfilled by the Transferee Company as if it were the duly constituted attorney of the Transferor Company. The Transferee Company shall take such actions as may be necessary and permissible to get the assets, Permits and contracts of the Transferor Company transferred and/ or registered in its name.

5. EMPLOYEES

- 5.1 With effect from the Effective Date, all employees of the Transferor Company shall become employees of the Transferee Company without any interruption in service and on terms and conditions no less favourable than those on which they are engaged by the Transferor Company, prior to the amalgamation of the Transferor Company with the Transferee Company. The Transferee Company undertakes to continue to abide by any agreement/ settlement or arrangement, if any, entered into or deemed to have been entered into by the Transferor Company with any of the aforesaid employees or union representing them. The Transferee Company agrees that the services of all such employees with the Transferor Company prior to the transfer shall be taken into account for the purposes of all existing benefits to which the said employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other retiral/ terminal benefits. Until the Effective Date, the Transferor Company shall make all contributions towards provident fund, employee state insurance in relation to its employees and workman as required under the Applicable Law.
- 5.2 The accumulated balances, if any, standing to the credit of the aforesaid employees in the existing provident fund, gratuity fund and superannuation fund of which they are members, will be transferred respectively to such provident fund, gratuity fund and superannuation funds nominated by the Transferee Company and/ or such new provident fund, gratuity fund and superannuation fund to be established in accordance with Applicable Law and caused to be recognized by the Appropriate Authorities, by the Transferee Company.

5.3 Employee stock benefits

The Transferor Company has formulated the Gujarat Sidhee Employee Stock Option Scheme 2017 framed under the provisions of SEBI (Share Based Employee Benefits) Regulations, 2014 (**Transferor Company ESOP Scheme**). In terms of the said Transferor Company ESOP Scheme, the Transferor Company has granted not exceeding 69,19,106 Options to its employees under the Transferor Company ESOP Scheme, in one or more tranches, exercisable into not more than 69,19,106 shares of INR 10 each fully paid up, with each such Option conferring a right upon the employee to apply for one share of the Company, in accordance with the terms and condition as decided under the Transferor Company ESOP Scheme (**Transferor Company Options**). Presently, as aforesaid, as on 31 December 2021, 5,29,100 outstanding employee stock options exists to be exercised. Upon the Scheme coming into effect:

- 5.3.1 In respect of the Transferor Company ESOP Scheme, upon the Scheme becoming effective, the Transferee Company shall issue stock options to the Eligible Employees (**Transferee Company ESOP Scheme – New**) taking into account the Share Exchange Ratio and on the terms and conditions not less favourable than those provided under the Transferor Company ESOP Scheme. Such Transferee Company ESOP Scheme – New may be issued by the Transferee Company either under a revised stock option plan for the employees of the Transferee Company and the Eligible Employees or under separate stock options created by the Transferee Company, inter alia, for the purpose of enabling continuity of benefits and granting stock options to the Eligible Employees of the Transferor Company pursuant to this Scheme which shall be effected and implemented in such manner as the Transferee Company may deem fit and proper;
- 5.3.2 It is hereby clarified that upon the Scheme becoming effective, options granted by the Transferor Company to the Eligible Employees under the Transferor Company ESOP Scheme shall automatically stand cancelled. Further, upon the Scheme becoming effective and after cancellation of the options granted to the Eligible Employees under the Transferor Company ESOP Scheme, ESOP shall be granted to the Eligible employees under the Transferee Company ESOP Scheme – New by the Transferee Company on the basis of the Share Exchange Ratio. Fractional entitlements, if any, arising pursuant to the applicability of the Share Exchange Ratio as above shall be rounded off to the nearest higher integer. The exercise price payable by the Eligible Employees for the options granted by the Transferor Company to the said Eligible Employees shall be based on the exercise price payable by such Eligible Employees under the Transferor Company ESOP Scheme as adjusted after taking into account the effect of the Share Exchange Ratio;
- 5.3.3 The grant of options to the Eligible Employees pursuant to clause 5.3.2 above shall be effected as an integral part of the Scheme and the approval granted to this Scheme by the Transferor Company, the Transferee Company and their respective shareholders, Stock Exchanges, SEBI, and, or, other Appropriate Authorities shall be deemed to be approval granted to the Transferor Company for undertaking the cancellation of the Transferor Company ESOP Scheme and to the Transferee Company in relation to all matters pertaining to Transferee Company ESOP Scheme – New and the Transferor Company ESOP Scheme, including without limitation, for the purposes of formulating the Transferee Company ESOP Scheme – New and/or modifying the existing Transferee Company ESOP Scheme and/or the Transferor Company ESOP Scheme, and all related matters and no further resolution or actions/ or approvals from any of the Regulatory authorities shall be required to be undertaken by the

Transferor Company and/or the Transferee Company in this connection, under any Applicable Law, including, without limitation, Section 62 of the Act or the Companies (Share Capital and Debentures) Rules, 2014 or the SEBI Employment Benefit Regulations; and

- 5.3.4 It is hereby clarified that in relation to the options granted by the Transferee Company under the Transferee Company ESOP Scheme – New to the Eligible Employees, the period during which the options granted by the Transferor Company were held by or deemed to have been held by the Eligible Employees shall be taken into account for determining the minimum vesting period required under Applicable Law or agreement or deed or stock options granted under the Transferee Company ESOP Scheme – New or the Transferor Company ESOP Scheme, as the case may be.
- 5.3.5 The Board of Directors of the Transferee Company or any of the committee(s) duly constituted by the Board, shall take such actions and execute such further documents as may be necessary or desirable for the purpose of giving effect to the provisions of this clause of the Scheme in accordance with Law

6. LEGAL PROCEEDINGS

Upon the coming into effect of this Scheme, if any suit, cause of actions, appeal or other legal, quasi-judicial, arbitral or other administrative proceedings of whatever nature (hereinafter called the **“Proceedings of the Transferor Company”**) by or against the Transferor Company is pending on the Effective Date, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the amalgamation or of anything contained in this Scheme, but the Proceedings of the Transferor Company may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made. On and from the Effective Date, the Transferee Company may initiate any legal proceeding for and on behalf of the Transferor Company.

7. TAXES/ DUTIES/ CESS

Upon the effectiveness of the Scheme, by operation of law pursuant to the order of the Tribunal:

- 7.1 Taxes of whatsoever nature including advance tax, self-assessment tax, regular assessment taxes, tax deducted at source, dividend distribution tax, minimum alternative tax, if any, paid by the Transferor Company shall be treated as paid by the Transferee Company and it shall be entitled to claim the credit, refund, adjustment for the same as may be applicable.
- 7.2 If the Transferor Company is entitled to any unutilized credits (including accumulated losses and unabsorbed depreciation, book loss and book depreciation, minimum alternate tax credit), benefits under the state or central fiscal / investment incentive schemes and policies or concessions under any Tax Law or Applicable Law, the Transferee Company shall be entitled, as an integral part of the Scheme, to claim such benefit or incentives or unutilised credits as the case may be without any specific approval or permission. Without prejudice to the generality of the foregoing, in respect of unutilized input credits of goods and service tax of the Transferor Company, the same shall be transferred to the Transferee Company in accordance with the Applicable Law.

- 7.3 If the Transferor Company is entitled to any benefits under incentive schemes and policies under Tax Laws, all such benefits under all such incentive schemes and policies shall be and stand vested in the Transferee Company.
- 7.4 Upon the Scheme becoming effective, the Transferee Company shall have the right to revise its financial statements and returns along with prescribed forms, filings and annexures under the Tax Laws and to claim refunds and/or credit for Taxes paid and for matters incidental thereto, if required, to give effect to the provisions of the Scheme. The Transferee Company is expressly permitted to revise and file its income tax returns and other statutory returns, even beyond the due date, if required, including tax deducted / collected at source returns, service tax returns, excise tax returns, sales tax / value added tax / goods and service tax returns, as may be applicable and has expressly reserved the right to make such provision in its returns and to claim refunds, advance tax credits, credit of tax deducted at source, credit of foreign Taxes paid/withheld, etc. if any, as may be required for the purposes of/consequent to implementation of the Scheme.
- 7.5 It is hereby clarified that in case of any refunds, benefits, incentives, grants, subsidies, etc., the Transferee Company may issue notices in such form as it may deem fit and proper stating that pursuant to the Tribunal having sanctioned this Scheme under Sections 230 to 232 of the Act, the relevant refund, benefit, incentive, grant, subsidies, be paid or made good or held on account of the Transferee Company, as the Person entitled thereto, to the end and intent that the right of the Transferor Company, to recover or realise the same, stands transferred to the Transferee Company.

8. CONSIDERATION

- 8.1 Upon the Scheme coming into effect and in consideration of the transfer and vesting of Transferor Company in the Transferee Company pursuant to Part III of this Scheme and subject to the provisions of this Scheme, the Transferee Company shall, without any further application, act, deed, consent, acts, instrument or deed, issue and allot, on a proportionate basis to each shareholder of the Transferor Company, whose name is recorded in the register of members as member of the Transferor Company as on the Record Date, as under:

62 (Sixty Two) fully paid up equity shares of INR 10 (Rupees Ten only) each of the Transferee Company, credited as fully paid up, for every 100 (One Hundred) equity shares fully paid up of INR 10 (Rupees Ten only) each of the Transferor Company held by such shareholder.

The equity shares of the Transferee Company to be allotted pursuant to this Clause shall hereinafter together be referred to as “**Transferee Company New Equity Shares**”.

- 8.2 Further, no shares shall be issued by the Transferee Company in respect of the shares held by the Transferor Company and the Transferee Company *inter-se*, and all such shares shall stand cancelled.
- 8.3 Without prejudice to the generality of the foregoing, it is clarified and provided that cancellation of the equity share capital of the Transferee Company in terms of Clause 8.2 above, shall be effected as an integral part of this Scheme. Such cancellation of the equity share capital of the Transferee Company in terms of Clause 8.2, does not involve either diminution of liability in respect of unpaid share capital or payment of paid-up share capital of the Transferee Company. Further, since the aforesaid cancellation is an integral part of the Scheme, the provisions of Section 66 of the Act are not applicable. The aforesaid reduction

would not involve either a diminution of liability in respect of the unpaid share capital or payment of paid-up share capital. Notwithstanding the reduction in this Clause, the Transferee Company shall not be required to add 'And Reduced' as a suffix to its name.

- 8.4 The Transferee Company New Equity Shares to be issued and allotted pursuant to amalgamation of the Transferor Company with the Transferee Company under this Scheme shall be subject to the provisions of the memorandum of association and articles of association of Transferee Company and shall rank *pari passu* in all respects with any existing equity shares of the Transferee Company after the Effective Date including with respect to dividend, bonus, right shares, voting rights and other corporate benefits attached to the equity shares of the Transferee Company.
- 8.5 The issue and allotment of the Transferee Company New Equity Shares is an integral part hereof and shall be deemed to have been carried out under the orders passed by the Tribunal without requiring any further act on the part of the Transferee Company or the Transferor Company or their shareholders and as if the procedure laid down under the Act and such other Applicable Law as may be applicable, were duly complied with. It is clarified that the approval of the members of the Transferee Company to this Scheme, shall be deemed to be their consent/approval for the issue and allotment of the Transferee Company New Equity Shares.
- 8.6 Subject to Applicable Laws, the Transferee Company New Equity Shares that are to be issued in terms of this Scheme shall be issued in dematerialised form. The register of members maintained by the Transferee Company and/ or, other relevant records, whether in physical or electronic form, maintained by the Transferee Company, the relevant depository and registrar and transfer agent in terms of Applicable Laws shall (as deemed necessary by the Board of the Transferee Company) be updated to reflect the issue of Transferee Company New Equity Shares in terms of this Scheme. The shareholders of the Transferor Company who hold equity shares in physical form, should provide the requisite details relating to his/ her/ its account with a depository participant or other confirmations as may be required, to the Transferee Company, prior to the Record Date to enable it to issue the Transferee Company New Equity Shares.
- 8.7 However, if no such details have been provided to the Transferee Company by the equity shareholders holding equity shares in physical share certificates on or before the Record Date, the Transferee Company shall deal with the relevant equity shares in such manner as may be permissible under the Applicable Law, including by way of issuing the corresponding equity shares in dematerialised form to a trustee nominated by the Board of Transferee Company ("**Trustee of Transferee Company**") who shall hold these equity shares in trust for the benefit of such shareholder. The equity shares of Transferee Company held by the Trustee of Transferee Company for the benefit of the shareholder shall be transferred to the respective shareholder once such shareholder provides details of his/her/its demat account to the Trustee of Transferee Company, along with such other documents as may be required by the Trustee of Transferee Company. The respective shareholders shall have all the rights of the shareholders of the Transferee Company, including the right to receive dividend, voting rights and other corporate benefits, pending the transfer of equity shares from the Trustee of Transferee Company. All costs and expenses incurred in this respect shall be borne by Transferee Company.
- 8.8 For the purpose of the allotment of the Transferee Company New Equity Shares, pursuant to this Scheme, in case any shareholder's holding in the Transferor Company is such that the shareholder becomes entitled to a fraction of a share of the Transferee Company, the Transferee Company shall not issue fractional shares to such shareholder and shall consolidate

all such fractions and round up the aggregate of such fractions to the next whole number and issue consolidated Transferee Company New Equity Shares to a trustee (nominated by the Transferee Company in that behalf) in dematerialised form, who shall hold such shares, with all additions or accretions thereto, in trust for the benefit of the respective shareholders to whom they belong for the specific purpose of selling such shares in the market at such price or prices and at such time or times as the trustee may, in its sole discretion, decide and distribute the net sale proceeds (after deduction of the expenses incurred and applicable income tax) to the respective shareholders in the same proportion of their fractional entitlements. Any fractional entitlements from such net proceeds shall be rounded off to the next Indian Rupee. It is clarified that any such distribution shall take place only on the sale of all the fractional shares of the Transferee Company pertaining to the fractional entitlements.

- 8.9 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company, the Board of the Transferee Company/ committee of the Board shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer as if such changes in the registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor or transferee of equity shares in the Transferor Company, after the effectiveness of this Scheme.
- 8.10 The Transferee Company New Equity Shares to be issued pursuant to this Scheme in respect of any equity shares of the Transferor Company which are held in abeyance under the provisions of Section 126 of the Act or otherwise shall pending allotment or settlement of dispute by order of Tribunal/Court or otherwise, be held in abeyance.
- 8.11 The Transferee Company New Equity Shares to be issued by the Transferee Company *in lieu* of the shares of the Transferor Company held in the respective unclaimed suspense account of the Transferor Company shall be issued to a new unclaimed suspense account created for shareholders of the Transferor Company.
- 8.12 In the event, any or all of the Parties restructure their share capital by way of share split / consolidation / issue of bonus shares during the pendency of the Scheme, the share exchange ratio stated in Clause 8.1 above shall be adjusted (including stock options) accordingly, to consider the effect of any such corporate actions undertaken by such Party.
- 8.13 The Transferee Company shall apply for listing of the Transferee Company New Equity Shares on BSE Limited (being the Stock Exchange where the equity shares of the Transferee Company is listed) in terms of and in compliance of SEBI Circular and other relevant provisions as may be applicable. The Transferee Company New Equity Shares allotted by the Transferee Company, pursuant to the Scheme, shall remain frozen in the depository system till listing/ trading permission is given by the designated Stock Exchange.
- 8.14 The Transferee Company shall enter into such arrangements and give such confirmations and/ or undertakings as may be necessary in accordance with Applicable Law for complying with the formalities of the Stock Exchanges.

9. ACCOUNTING TREATMENT

- 9.1 The amalgamation shall be accounted for in the books of account of the Transferee Company pursuant to the pooling of interest method prescribed for business combinations of entities under common control in Appendix C of Indian Accounting Standard (Ind AS) 103 notified under the Companies (Indian Accounting Standards) Rules, 2015, to the extent applicable.

- 9.2 Accordingly on and from the Appointed Date and subject to the provisions hereof and such other corrections and adjustments as may, in the opinion of the Board of Directors of the Transferee Company, be required and except to the extent required otherwise by law, all assets and liabilities of the Transferor Company transferred to the Transferee Company under the Scheme shall be recorded in the books of account of the Transferee Company at the book values as recorded in the Transferor Company's books of account.
- 9.3 All reserves of the Transferor Company shall be incorporated in the books of account of the Transferee Company in the same form in which they appear in the books of the Transferor Company.
- 9.4 To the extent there are inter-company loans, advances and any other balances whatsoever between the Transferor Company and Transferee Company, the same shall stand cancelled without any further act or deed, upon the Scheme becoming operative. The corresponding assets and liabilities in the books of account shall be reduced accordingly.
- 9.5 The difference between the amount recorded as share capital issued by the Transferee Company and the amount of Share Capital of the Transferor Company shall be adjusted in capital reserves in the books of the Transferee Company.
- 9.6 The identity of the reserves shall be preserved and shall appear in the financial statements of the Transferee Company in the same form in which they appeared in the financial statements of the Transferor Company.
- 9.7 In case of any difference in accounting policy between the Transferor Company and the Transferee Company, the impact of the same till the Appointed Date will be quantified and adjusted in the Capital Reserves of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.
- 9.8 The Board of Directors may adopt any other accounting treatment for the Amalgamation which is in accordance with accounting standards notified under the 2013 Act read with Companies (Indian Accounting Standards) Rules, 2015.
- 9.9 Since the Transferor company shall stand dissolved without being wound up upon the scheme becoming effective and all such assets and liabilities of the Transferor Company shall be transferred to the Transferee Company in terms of the Scheme, no accounting treatment is prescribed under this scheme with regard to the Transferor Company.

10. DISSOLUTION OF THE TRANSFEROR COMPANY

On the Scheme becoming effective, the Transferor Company shall stand dissolved without winding up and the Board and any committees thereof of the Transferor Company shall without any further act, instrument or deed be and stand discharged. On and from the Effective Date, the name of the Transferor Company shall be struck off from the records of the concerned RoC.

11. COMBINATION OF AUTHORISED SHARE CAPITAL

- 11.1 Upon this Part III of the Scheme becoming effective, the authorised share capital of the Transferee Company shall stand increased without any further act, instrument or deed on the part of the Transferee Company and without payment of stamp duty and fees to RoC, by the authorised share capital of the Transferor Company amounting to INR 5,43,10,00,000 (Indian

- Rupees Five Hundred Forty three crores and Ten Lakhs only). Consequent to transfer of the existing authorised share capital of the Transferor Company as mentioned above, the authorised share capital of the Transferee Company shall be INR 7,72,70,00,000 (Indian Rupees Seven Hundred Seventy Two crore and Seventy Lakhs only) divided into 77,27,00,000 (Seventy Seven Crore and Twenty Seven Lakhs) equity shares of INR 10 each (Indian Rupees Ten) each, and the memorandum of association and articles of association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders of the Transferee Company to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under the applicable provisions of the Act would be required to be separately passed, as the case may be, and for this purpose the stamp duty and fees paid on the authorized capital of the Transferor Company shall be utilized and applied to the increased authorized share capital of the Transferee Company and there would be no requirement for any further payment of stamp duty and/or fee by the Transferee Company for increase in the authorised share capital to that extent.
- 11.2 Consequentially, Clause V of the memorandum of association of the Transferee Company shall without any act, instrument or deed be and stand altered, modified and amended, to reflect the increased combined authorised share capital as per Clause 11.1 above, pursuant to Sections 13, 14, 61, 64 and other applicable provisions of the Act.
- 11.3 It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent/ approval also to the alteration of the memorandum and articles of association of the Transferee Company as may be required under the Act.

PART IV

GENERAL TERMS & CONDITIONS

12. DIVIDENDS

- 12.1 The Transferor Company and the Transferee Company shall be entitled to declare and pay dividends, whether interim or final, to their respective shareholders in the ordinary course of business, as per past practices, until the condition as specified in Clause 17 below is satisfied. Any other dividend paid by the Transferor Company shall be recommended/ declared by obtaining the consent of the Transferee Company.
- 12.2 The shareholders of the Transferor Company eligible to receive Transferee Company New Equity Shares shall be entitled to such dividend, rights and other benefits of the Transferee Company as and from the 'Record Date' to be fixed by the Board of Transferee Company upon scheme becoming effective. In the event of any dividend being declared by the Transferee Company pursuant to the Record Date, before the shares are allotted to and credited in the dematerialised account of the shareholders of the Transferor company, payment of such dividend to these shareholders shall be effected forthwith pursuant to listing and transfer of the Transferee Company New Equity Shares in their respective accounts in accordance with law.
- 12.3 It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on any member of the Transferor Company or Transferee Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the Board of the Transferor Company or Transferee Company and subject, wherever necessary, to the approval of the shareholders of the Transferor Company or Transferee Company.

13. VALIDITY OF EXISTING RESOLUTIONS, ETC.

Upon this Scheme coming into effect, the resolutions/ power of attorneys executed by the Transferor Company, as are considered necessary by the Board of the Transferee Company, and that are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions and power of attorney passed/ executed by the Transferee Company, and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then such limits as are considered necessary by the Board of the Transferee Company shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the new aggregate limits for each of the subject matters covered under such resolutions/power of attorneys for the purpose of the Transferee Company.

14. SAVING OF CONCLUDED TRANSACTIONS

The vesting of the undertaking of the Transferor Company as above and the continuance of proceedings by or against the Transferor Company shall not affect any transaction or proceedings already concluded on or after the Appointed Date till the Effective Date in accordance with this Scheme, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of the Transferee Company.

15. BUSINESS UNTIL EFFECTIVE DATE

15.1 With effect from the date of approval of the Scheme by the respective Boards of the Parties and up to and including the Effective Date:

15.1.1 The Transferor Company shall carry on its business with reasonable diligence and business prudence and in the same manner as the Transferor Company had been doing hitherto; and

15.1.2 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Appropriate Authorities concerned as necessary under Applicable Law for such consents, approvals and sanctions which the Transferee Company may require to carry on the business of the Transferor Company, and to give effect to the Scheme.

15.2 The Transferor Company with effect from the Appointed Date and up to and including the Effective Date:

15.2.1 shall be deemed to have been carrying on and shall carry on its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of the assets for and on account of, and in trust for the Transferee Company;

15.2.2 all profits or income arising or accruing to the Transferor Company and all Taxes paid thereon (including but not limited to advance tax, tax deducted at source, minimum alternate tax, dividend distribution tax, securities transaction tax, taxes withheld/paid in a foreign country, etc.) or losses arising or incurred by the Transferor Company shall, for all purposes, be treated as and deemed to be the profits or income, Taxes or losses, as the case may be, of the Transferee Company;

- 15.2.3 all loans raised and all liabilities and obligations incurred by the Transferor Company after the Appointed Date and prior to the Effective Date, shall, subject to the terms of this Scheme, be deemed to have been raised, used or incurred for and on behalf of the Transferee Company in which the undertaking of the Transferor Company shall vest in terms of this Scheme and to the extent they are outstanding on the Effective Date, shall also, without any further act or deed be and be deemed to become the debts, liabilities, duties and obligations of the Transferee Company;
- 15.3 From the Effective Date, the Transferee Company shall carry on and shall be entitled to carry on the business of the Transferor Company.
- 15.4 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Appropriate Authority and all other agencies, departments and authorities concerned as are necessary under any Law for such consents, approvals and sanctions which the Transferee Company may require to carry on the business of the Transferor Company and to give effect to the Scheme.
- 15.5 The Transferee Company shall be entitled to credit the Tax paid including credit of the tax deducted at source and tax collection at source in relation to the Transferor Company and all other duties, cess, premium and fees paid for the period between the Appointed Date and the Effective Date and permitted to revise their tax returns and claim refund, set off etcetera on the basis of the accounts of the Transferor Company upon the Scheme coming into effect in accordance with law.
- 15.6 For the purpose of giving effect to the amalgamation order passed under Sections 230 to 232 and other applicable provisions of the Act in respect of this Scheme by the Appropriate Authority, the Transferee Company shall, at any time pursuant to the orders approving this Scheme, be entitled to get the recordal of the change in the legal right(s) upon the amalgamation of the Transferor Company, in accordance with the provisions of Sections 230 to 232 of the Act. The Transferee Company is and shall always be deemed to have been authorized to execute any pleadings, applications, forms, etc, as may be required to remove any difficulties and facilitate and carry out any formalities or compliances as are necessary for the implementation of this Scheme.
- 16. APPLICATIONS/PETITIONS TO THE TRIBUNAL**
- The Parties shall make and file all applications and petitions under Sections 230 to 232 and other applicable provisions of the Act before the Tribunal, for sanction of this Scheme under the provisions of the Act and all matters ancillary or incidental thereto.
- 17. CONDITIONS PRECEDENT**
- 17.1 Unless otherwise decided (or waived) by the relevant Parties, the Scheme is conditional upon and subject to the following conditions precedent and following approvals being granted by relevant authorities ("**Regulatory Approvals**"):
- 17.1.1 obtaining no-objection/ observation letter from the Stock Exchanges in relation to the Scheme under Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015;
- 17.1.2 approval of the Scheme by the requisite majority of each class of shareholders of the Parties and such other classes of persons of the said Companies, if any, as applicable or as may be required under the Act and as may be directed by the Tribunal;

- 17.1.3 the Parties, as the case may be, complying with other provisions of the SEBI Circular, including seeking approval of the shareholders of the Transferor Company and the Transferee Company through e-voting, as applicable. The scheme is conditional upon scheme being approved by the public shareholders through e-voting in terms of Part –I (A)(10)(a) of SEBI Circular and the scheme shall be acted upon only if vote cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it. The term 'public' shall carry the same meaning as defined under Rule 2 of Securities Contracts (Regulation) Rules, 1957;
 - 17.1.4 the sanctions and orders of the Tribunals, under Sections 230 to 232 of the Act for approving the Scheme, being obtained by the Parties;
 - 17.1.5 certified/ authenticated copies of the order of the Tribunal, sanctioning the Scheme, being filed with the concerned RoC having jurisdiction over the Parties by all the Parties.
- 17.2 On the approval of this Scheme by the shareholders of the Parties and such other classes of Persons of the said companies, if any, pursuant to Clause 17.1, such shareholders and classes of Persons shall also be deemed to have resolved and accorded all relevant consents under the Act or otherwise to the same extent applicable in relation to the Part III set out in this Scheme, related matters and this Scheme itself.

18. MODIFICATION OR AMENDMENTS TO THIS SCHEME

- 18.1 On behalf of the Parties, the Boards of the respective Parties, may consent jointly but not individually, to any modifications or amendments of the Scheme and without prejudice to the generality of the foregoing, any modification to the Scheme involving withdrawal of any Party to the Scheme at any time and for any reason whatsoever, or to any conditions or limitations that the Tribunal may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by both of them (i.e. the Boards of the Parties) and solve all difficulties that may arise for carrying out the Scheme and do all acts, deeds and things necessary for putting the Scheme into effect.
- 18.2 For the purpose of giving effect to this Scheme or to any modification thereof, the Boards of the Parties may jointly but not individually, give and are jointly authorised to give such directions including directions for settling any question of doubt or difficulty that may arise under this Scheme or implementation hereof or in any matter whatsoever connected therewith, or to review the position relating to satisfaction of various conditions to this Scheme and if necessary, to waive any of those (to the extent permissible under law) and such determination or directions, as the case may be, shall be binding on Parties, in the same manner as if the same were specifically incorporated in this Scheme.

19. NON-RECEIPT OF APPROVALS AND REVOCATION/ WITHDRAWAL OF THIS SCHEME

- 19.1 Without prejudice to the generality of the foregoing Parties (by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorise) shall each be at liberty to withdraw from this Scheme at any time any time before the Scheme is effective at their discretion for any reason whatsoever as they deem fit, including in case any condition or alteration imposed by any authority is unacceptable to them or as may otherwise be deemed expedient or necessary.

- 19.2 In the event any of the Regulatory Approvals are not received prior to the Long Stop Date, this Scheme shall stand revoked, cancelled and be of no effect save and except in respect of any act or deed done prior thereto or as is contemplated hereunder or as to any rights and/or liabilities which may have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as may be mutually agreed upon by the by the Boards of Directors of the Transferor Company and the Transferee Company.
- 19.3 In the event of revocation/ withdrawal of the Scheme under Clause 19.1, no rights and liabilities whatsoever shall accrue to or be incurred *inter se* amongst Parties or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or in accordance with the Applicable Law and as agreed between the Parties and in such case, each Party shall bear its own costs, unless otherwise mutually agreed.

20. MISCELLANEOUS

- 20.1 The relevant registrar/ sub-registrar of assurances, tehsildar/ collector, municipal corporation, panchayat and other land authorities, where the immovable properties of the relevant companies are located, shall, post effectiveness of this Scheme, cause the record of title to be mutated in the land records so as to give effect to this Scheme and to vest such immovable properties in the successor entities in accordance with the provisions of this Scheme. For this purpose, the relevant Parties shall file appropriate applications/ documents with relevant Appropriate Authorities concerned for information and record purposes and undertake other procedural compliances.
- 20.2 The Transferee Company, including in its capacity as the successor of the Transferor Company, undertakes to execute and perform all such deeds, documents, assurances, acts and things and to exercise all powers and rights available to them, including obtaining consents from all third parties, the giving of all waivers and consents and passing of all resolutions reasonably required and providing reasonable support, as may be necessary, to give effect to the terms of this Scheme.
- 20.3 On the approval of the Scheme by the members of the Transferor Company and the members of the Transferee Company pursuant to Section 230 of the Act, it shall be deemed that the said members have also accorded all relevant consents under any other provisions of the Act, including Sections 13, 14, 61, 62(1)(c) and 64 of the Act, to the extent the same may be considered applicable.
- 20.4 The consent/ approval given by the members and/ or the creditors of the Parties to this Scheme pursuant to Section 230 to 232 of the Act and any other applicable provisions of the Act shall be deemed to be their approval for their respective obligations under this Scheme.

21. COSTS AND EXPENSES

All costs, charges, Taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto, (including stamp duty) shall be borne by the Transferee Company.

Saurashtra Cement Limited

Corporate Office

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178 Backbay Reclamation, Mumbai 400 020
T : +91 22 6636 5444
F : +91 22 6636 5445
E : scl-mum@mehtagroup.com
CIN : L26941GJ1956PLC000840

Ref: B/SCL/SE/SS/34/2022-23

August 12, 2022

Corporate Relationship Manager,
BSE Limited,
1st Floor, New Trading Ring,
Rotunda Bldg, P.J. Tower,
Dalal Street,
Mumbai 400001

Stock Code No: 502175

Dear Sir, Madam,

Sub: Unaudited Financial Results for the first quarter ended 30th June 2022

Further to our letter dated July 29, 2022; Ref: B/SCL/SE/SS/32/2022-23, we are enclosing herewith Unaudited Financial Results for the first quarter ended 30th June 2022 which were approved by the Board of Directors at their meeting held today at Mumbai along with Limited Review Report issued by the Statutory Auditors pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The said results are also placed on the website of the Company at www.saurashtracementlimited.com.

The meeting commenced at 6.30 p.m. and ended at 7.27 p.m.

Please acknowledge receipt.

Thanking you,

Yours faithfully

For Saurashtra Cement Limited

SONALI Digitally signed by
SONALI SANAS

SANAS Date: 2022.08.12
19:33:24 +05'30'

Sonali Sanas

President (CS, Legal & Strategy)



Regd. Office & Works
Near Railway Station, Ranavav 360 560
Gujarat, India

Manubhai & Shah LLP

Chartered Accountants

LIMITED REVIEW REPORT ON UNAUDITED STANDALONE QUARTERLY FINANCIAL RESULTS**TO THE BOARD OF DIRECTORS OF
SAURASHTRA CEMENT LIMITED**

1. We have reviewed the accompanying statement of Unaudited Standalone Financial Results ("statement") of Saurashtra Cement Limited ("the Company") for the quarter ended June 30, 2022 being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Regulations').
2. The preparation of the statement in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34, (IND AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, is the responsibility of Company's Management and has been approved by the Board of Directors. Our responsibility is to express conclusion on statement based on our review.
3. We conducted our review of the statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement, prepared in accordance with applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 as amended read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognized accounting practices and policies have not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: Ahmedabad
Date: August 12, 2022



For Manubhai & Shah LLP
Chartered Accountants
Firm Registration No.: 106041W/W100136



(K C Patel)
Partner
Membership No.: 030083
UDIN : 22030083AOXLZY3229

Manubhai & Shah LLP, a Limited Liability Partnership with LLP identity No.AAG-0878
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Manubhai & Shah LLP

Chartered Accountants

LIMITED REVIEW REPORT ON UNAUDITED CONSOLIDATED QUARTERLY FINANCIAL RESULTS

**TO THE BOARD OF DIRECTORS OF
SAURASHTRA CEMENT LIMITED**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of **Saurashtra Cement Limited** ("the Parent") and its subsidiary (the Parent and its subsidiary together referred to as "the Group"), for the quarter ended June 30, 2022 ("the statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Regulation").
2. This statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the statement based on our review.
3. We conducted our review of the statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of Parent's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD 1/44/2019 dated March 29, 2019, issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The statement includes the results of Agrima Consultants International Limited (a wholly owned subsidiary)
5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Manubhai & Shah LLP, a Limited Liability Partnership with LLP identity No.AAG-0878
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6. The consolidated unaudited financial results include the interim financial results of a subsidiary which have not been reviewed by its auditors, and whose interim financial statement reflects total revenues (before consolidation adjustments) of Rs. 13.86 lakhs; total net profit after tax (before consolidation adjustments) of Rs. 6.26 lakhs and total comprehensive income (before consolidation adjustments) of Rs.6.26 lakhs for the quarter ended on June 30, 2022 respectively. These interim financial results have been furnished to us by the management and our conclusion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on such interim financial results certified by the management. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matter.

Place: Ahmedabad
Date: August 12, 2022



For Manubhai & Shah LLP
Chartered Accountants
Firm Registration No.: 106041W/W100136



(K C Patel)
Partner
Membership No.: 030083
UDIN : 22030083AOXMGV8849

SAURASHTRA CEMENT LIMITED

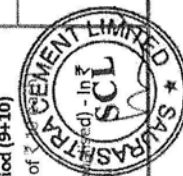
CIN : L26941GJ1956PLC000840

Registered Office : Near Railway Station, Ranavav 360 560 (Gujarat)

Phone : 02801-234200 Fax : 02801-234376 Email : cfo@mehtagroup.com Website : www.mehtagroup.com

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2022

Particulars	Standalone				Consolidated			
	30.06.2022 (Unaudited) ₹ in lakhs	31.03.2022 (Audited) ₹ in lakhs	30.06.2021 (Unaudited) ₹ in lakhs	31.03.2022 (Audited) ₹ in lakhs	30.06.2022 (Unaudited) ₹ in lakhs	31.03.2022 (Audited) ₹ in lakhs	30.06.2021 (Unaudited) ₹ in lakhs	Year ended 31.03.2022 (Audited) ₹ in lakhs
1 Revenue from Operations	21,453.83	22,650.08	16,499.18	76,129.41	21,453.83	22,650.08	16,499.18	76,129.41
2 Other Income	204.86	263.13	316.72	1,137.07	210.14	277.00	317.01	1,156.20
3 Total Income (1+2)	21,658.69	22,913.21	16,815.90	77,266.48	21,663.97	22,927.08	16,816.19	77,285.61
4 Expenses :								
a Cost of Materials Consumed	2,800.37	3,519.05	2,023.73	11,672.00	2,800.37	3,519.05	2,023.73	11,672.00
b Purchase of Stock-in-trade	24.55	76.00	114.61	223.28	24.55	76.00	114.61	223.28
c Changes in Inventories of Finished Goods, Stock-in-trade and Work-in-progress	(245.77)	578.77	(1,247.58)	(2,167.16)	(245.77)	578.77	(1,247.58)	(2,167.16)
d Employee Benefit Expenses	1,142.93	1,153.04	1,154.64	4,819.64	1,142.93	1,153.04	1,154.64	4,819.64
e Finance Costs	122.73	142.01	98.87	493.00	122.73	142.01	98.87	493.00
f Depreciation and Amortisation Expenses	642.53	579.92	555.25	2,272.28	642.53	579.92	555.25	2,272.28
g Other Expenses								
-Stores and Repairs	1,103.72	1,712.51	1,417.90	7,084.20	1,103.72	1,712.51	1,417.90	7,084.20
-Freight and Forwarding	3,917.27	4,687.24	3,478.84	15,730.55	3,917.27	4,687.24	3,478.84	15,730.55
-Power and Fuel	10,274.71	8,881.69	5,719.46	28,394.86	10,274.71	8,881.69	5,719.46	28,394.86
-Others	2,012.93	2,422.63	1,482.50	8,007.55	2,009.85	2,419.41	1,484.88	8,000.32
Total Expenses (a to g)	21,795.97	23,752.86	14,798.22	76,530.20	21,792.89	23,749.64	14,800.60	76,522.97
5 Profit / (Loss) before Exceptional Items (3-4)	(137.28)	(839.65)	2,017.68	736.28	(128.92)	(822.56)	2,015.59	762.64
6 Exceptional Item (See Note no. 5)	-	(141.66)	-	(141.66)	-	-	-	-
7 Profit / (Loss) after Exceptional Items and before Tax (5+6)	(137.28)	(981.31)	2,017.68	594.62	(128.92)	(822.56)	2,015.59	762.64
8 Tax Expense								
a Current Tax	-	(253.60)	506.45	110.40	2.10	(251.15)	506.45	112.85
b Adjustment relating to Previous Years' Taxes	-	(3.20)	-	(3.20)	-	(3.20)	-	(3.20)
c Deferred Tax	(28.59)	19.89	220.51	256.26	(28.59)	19.89	220.51	256.26
Net Profit / (Loss) for the period (7-8)	(108.69)	(744.40)	1,290.72	231.16	(102.43)	(588.10)	1,288.63	396.73
9 Other Comprehensive Income (net of tax)								
Items that will not be reclassified to profit or loss								
- Remeasurement of defined benefit plan	38.46	12.02	(3.09)	16.29	38.46	12.02	(3.09)	16.29
- Income tax relating to above items	(13.44)	(4.20)	1.08	(5.69)	(13.44)	(4.20)	1.08	(5.69)
- Effect of measuring Equity Instruments on Fair Value	(156.60)	(49.15)	305.18	153.17	(156.60)	(49.15)	305.18	153.17
Total Other Comprehensive Income	(131.58)	(41.33)	303.17	163.77	(131.58)	(41.33)	303.17	163.77
10 Total Comprehensive Income for the period (9+10)	(240.27)	(785.73)	1,593.89	394.93	(234.01)	(629.43)	1,591.80	560.50
11 Paid up Equity Share Capital (Face value of ₹ 10 each)	7,033.52	7,031.69	6,989.30	7,031.69	7,033.52	7,031.69	6,989.30	7,031.69
12 Other Equity				45,298.72				45,298.72
13 Earnings per Share of ₹ 10 each (not annualised)	(0.15)	(1.06)	1.85	0.33	(0.15)	(0.84)	1.84	0.57
14 Basic	(0.15)	(1.05)	1.83	0.33	(0.14)	(0.83)	1.82	0.57
ii Diluted								



**Segment wise Revenue, Results and Segment Assets and Liabilities
for the quarter ended June 30, 2022**

S.No.	Particulars	Standalone				Consolidated			
		Quarter ended 30.06.2022 (Unaudited) ₹ in lakhs	Quarter ended 31.03.2022 (Audited) ₹ in lakhs	Quarter ended 30.06.2021 (Unaudited) ₹ in lakhs	Year ended 31.03.2022 (Audited) ₹ in lakhs	Quarter ended 30.06.2022 (Unaudited) ₹ in lakhs	Quarter ended 31.03.2022 (Audited) ₹ in lakhs	Quarter ended 30.06.2021 (Unaudited) ₹ in lakhs	Year ended 31.03.2022 (Audited) ₹ in lakhs
1	Segment Revenue :								
	a Revenue from Operations :								
	Cement & Clinker	20,876.13	21,990.32	16,386.55	74,323.95	20,876.13	21,990.32	16,386.55	74,323.95
2	b Paints	577.70	659.76	112.63	1,805.46	577.70	659.76	112.63	1,805.46
	Total Revenue from Operations	21,453.83	22,650.08	16,499.18	76,129.41	21,453.83	22,650.08	16,499.18	76,129.41
	Segment Results :								
3	Profit / (Loss) after depreciation but before finance cost :								
	a Cement & Clinker	100.29	(556.77)	2,234.86	1,728.29	108.87	(398.04)	2,232.77	1,898.69
	b Paints	(114.84)	(282.53)	(118.31)	(640.67)	(114.84)	(282.53)	(118.31)	(640.67)
4	c Others - Subsidiary Company	-	-	-	-	(0.22)	0.02	-	(2.38)
	Less : Finance Cost	(14.55)	(839.30)	2,116.55	1,087.62	(6.19)	(680.55)	2,114.46	1,255.64
	Net Profit / (Loss) before Tax	122.73	142.01	98.87	493.00	122.73	142.01	98.87	493.00
5	Segment Assets :								
	Cement & Clinker	69,192.44	71,262.34	71,579.73	71,262.34	69,192.44	71,262.34	71,449.79	71,262.34
	Paints	6,731.03	6,839.89	6,020.86	6,839.89	6,731.03	6,839.89	6,020.86	6,839.89
6	Others - Subsidiary Company	-	-	-	-	41.46	35.39	-	35.39
	Total Assets	75,923.47	78,102.23	77,600.59	78,102.23	75,964.93	78,137.62	77,470.65	78,137.62
7	Segment Liabilities :								
	Cement & Clinker	22,996.26	24,851.51	23,018.47	24,851.51	22,996.15	24,851.51	23,021.03	24,851.51
	Paints	836.88	920.31	571.42	920.31	836.88	920.31	571.42	920.31
8	Others - Subsidiary Company	-	-	-	-	0.16	0.23	-	0.23
	Total Liabilities	23,833.14	25,771.82	23,589.89	25,771.82	23,833.19	25,772.05	23,592.45	25,772.05



Notes :

1. The above unaudited Financial Results for the quarter ended June 30, 2022 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on August 12, 2022.
 2. Consolidated Financial Results include results of Agrima Consultants International Limited (a wholly owned subsidiary).
 3. The Company operates in two reportable segment i.e. (i) manufacture of cement and clinker and (ii) paints as per Ind AS 108 - Operating Segment.
 4. The figures for the quarter ended March 31, 2022 as reported in these financial results are balancing figures between the audited figures in respect of the Financial Year and published year to date figures upto the end of the third quarter of the Financial Year, which were subjected to limited review by the Statutory Auditors.
 5. Exceptional Item during the quarter and year ended March 31, 2022 is write off of amount of Loan given to subsidiary company and accrued interest thereon.
 6. The company has allotted 18361 Equity Shares of ₹ 10 each during the quarter ended June 30, 2022 under Saurashtra Employee Stock Option Scheme 2017.
 7. The financial results of the quarter ended June 30, 2021 include financial results of Paint business covering the period from May 1, 2021 to June 30, 2021. Hence figures for the quarter ended June 30, 2022 are strictly not comparable with the figures of quarter ended June 30, 2021.
 8. The Board of Directors of the Company at its meeting held on February 5, 2022 approved the scheme of amalgamation of Gujarat Sidhee Cement Limited (GSCL) with the Company, subject to necessary regulatory approvals, with effect from January 1, 2022, being the appointed date. On amalgamation of GSCL with the Company
 - i. the shares held by GSCL in the Company will be cancelled and the shares held by the Company in GSCL will be cancelled,
 - ii. all the assets and liabilities of GSCL will be transferred to the Company,
 - iii. the shareholders of GSCL will get 62 Equity Shares of the Company in exchange of 100 Equity Shares of GSCL in proportion of their holdings.
- The Company has received No Observation Letter from Stock Exchange. The Company has made application to National Company Law Tribunal (NCLT) for convening the meetings of stakeholders. The Scheme shall be effective from the last date on which the order approving the Scheme by NCLT is filed with the Registrar of Companies (ROC).

Place : Mumbai

Dated : August 12, 2022

SIGNED FOR IDENTIFICATION BY

Manubhai & Shah LLP

**MANUBHAI & SHAH LLP
CHARTERED ACCOUNTANTS**



By the Order of the Board
For Saurashtra Cement Limited

(Signature)

(M. S. Gilotra)
Managing Director
DIN : 00152190

Gujarat Sidhee Cement Limited

Corporate Office

N K Mehta International House, 2nd Floor,
178 Backbay Reclamation, Mumbai 400 020
T +91 22 6636 5444
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E sidhee-mum@mehtagroup.com
CIN : L26940GJ1973PLC002245

Ref: B/GSCL/SE/VRM/33/2022-23

August 13, 2022

Corporate Relationship Manager, BSE Limited, 1 st Floor, New Trading Ring, Rotunda Bldg, P.J. Tower, Dalal Street, Mumbai - 400001. Stock Code No: 518029	National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra East, Mumbai - 400051 Stock Symbol: GSCLCEMENT
--	--

Dear Sir / Madam,

Sub: Unaudited Financial Results for the first quarter ended June 30, 2022

Further to our letter dated 3rd August 2022; Ref B/GSCL/SE/VRM/30/2022-23, we are enclosing herewith Unaudited Financial Results for the first quarter ended 30th June 2022 which were approved by the Board of Directors at their meeting held today at Mumbai along with Limited Review Report issued by the Statutory Auditors pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The said results are also placed on the website of the Company www.gujaratsidheecementlimited.com.

The meeting commenced at 6.30 p.m. and ended at 7.22 p.m.

Please acknowledge receipt.

Thanking you,

Yours faithfully

For Gujarat Sidhee Cement Limited

VIRENDRA
RAJ MOHNOT

Digitally signed by
VIRENDRA RAJ MOHNOT
Date: 2022.08.13
19:30:07 +05'30'

V. R. Mohnot

CFO & Company Secretary

BANSI S. MEHTA & CO. CHARTERED ACCOUNTANTS

Bansi S. Mehta
(Chief Mentor)

A. A. DESAI	A. A. AGRAWAL (Ms.)
K. R. GANDHI (Ms.)	A. B. AGRAWAL
D. R. DESAI (Ms.)	U. A. SHAH (Ms.)
Y. A. THAR	M. M. PADHIAR (Ms.)
P. H. CLERK	M. B. PADMANI
R. G. DOSHI	

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Website : www.bsmco.net

Independent Auditor's Review Report on Unaudited Quarterly Financial Results of Gujarat Sidhee Cement Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**To the Board of Directors,
Gujarat Sidhee Cement Limited**

1. We have reviewed the accompanying Statement of Unaudited Financial Results of **Gujarat Sidhee Cement Limited** ("the Company") for the quarter ended June 30, 2022 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards (Ind AS) 34, "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



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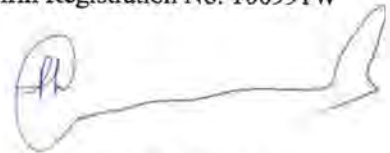
Surat :
Mob.: 099785 23838
E-mail : bsmco.srt@bansimehta.com

BANSI S. MEHTA & CO.
CHARTERED ACCOUNTANTS

Continuation Sheet

4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Ind AS and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, as amended from time to time, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No. 100991W



PARESH H. CLERK
Partner
Membership No. 036148
UDIN : 22036148AOZFUJ6884

PLACE : Mumbai
DATED : August 13, 2022

GUJARAT SIDHEE CEMENT LIMITED

CIN : L26940GJ1973PLC002245

At Sidheegram, PO Prashnavada BO, Via Sutrapada SO - 362275, Off Veraval Kodinar Highway, District ; Gir Somnath (Gujarat)

Phone : 02876-268200 Fax : 02876-286540 Email : cfo@mehtagroup.com Website : www.mehtagroup.com

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2022

Particulars	Quarter ended			Year ended
	June 30, 2022 (Unaudited)	Mar. 31, 2022 (Audited)	June 30, 2021 (Unaudited)	Mar. 31, 2022 (Audited)
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
I Revenue from Operations	18,838.93	20,298.88	15,593.49	70,344.32
II Other Income	111.46	198.69	109.97	702.23
III Total Income (I+II)	18,950.39	20,497.57	15,703.46	71,046.55
IV Expenses :				
a. Cost of Materials Consumed	3,049.48	3,543.36	3,539.51	12,721.52
b. Changes in inventories of Finished Goods and Work-in-progress	25.81	50.14	(1,912.08)	(3,562.57)
c. Employee Benefits Expense	1,000.52	1,149.70	1,128.32	4,510.77
d. Finance Costs	79.41	87.95	125.86	429.75
e. Depreciation and Amortisation Expense	298.12	251.58	264.22	1,044.26
f. Other Expenses	13,713.38	14,885.49	10,784.94	52,816.25
Total Expenses (a to f)	18,166.72	19,968.22	13,930.77	67,959.98
V Profit / (Loss) before Exceptional Items and Tax (III-IV)	783.67	529.35	1,772.69	3,086.57
VI Exceptional Items	-	-	-	-
VII Profit / (Loss) before tax (V+VI)	783.67	529.35	1,772.69	3,086.57
VIII Tax Expense (See Note No. 4)				
a. Current Tax	300.32	50.26	630.90	942.47
b. (Excess) / Short Provision for Tax	-	22.42	-	22.42
c. Deferred Tax	(66.03)	135.17	(44.52)	105.06
Total Tax Expense	234.29	207.85	586.38	1,069.95
IX Profit / (Loss) for the period (VII-VIII)	549.38	321.50	1,186.31	2,016.62
X Other Comprehensive Income (net of tax) Items that will not be reclassified to profit or loss				
i. Remeasurement gain / (loss) on Defined Benefit Plan	38.55	9.75	(36.55)	3.66
ii. Effect of measuring Equity Instruments at Fair value	(1,331.68)	(1,181.43)	3,885.78	(102.43)
iii. Income Tax on above	(13.47)	(3.41)	3.22	(1.28)
Total Other Comprehensive Income	(1,306.60)	(1,175.09)	3,852.45	(100.05)
XI Total Comprehensive Income for the period (IX+X)	(757.22)	(853.59)	5,038.76	1,916.57
XII Paid up Equity Share Capital (Face value of ₹ 10 each)	8,931.38	8,927.12	8,895.72	8,927.12
XIII Other Equity				38,594.17
XIV Earnings per share of ₹ 10 each (not annualised)				
Basic - in ₹	0.62	0.36	1.34	2.27
Diluted - in ₹	0.61	0.36	1.33	2.26



Notes :

1. The above unaudited Financial Results for the quarter ended June 30, 2022 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on August 13, 2022. The Financial Results of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.
 2. The Company is engaged in the business of manufacturing of cement and clinker, which is the only Operating Segment as per Ind AS 108.
 3. During the quarter ended June 30, 2022, 42,675 Equity Shares of ₹ 10 each, have been allotted pursuant to the exercise of options under Gujarat Sidhee Employees Stock Option Scheme, 2017.
 4. Income tax expense for the interim period is recognised based on the best estimate of the weighted average annual income tax rate expected for the full financial year. Amounts accrued for income tax expense in one interim period may have to be adjusted in a subsequent interim period of that financial year, if the estimate of the annual income tax rate changes.
 5. The figures for the quarter ended March 31, 2022 as reported in these financial results are balancing figures between the audited figures in respect of the Financial Year and published year to date figures upto the end of the third quarter of the Financial Year, which were subjected to limited review.
 6. The Board of Directors of Gujarat Sidhee Cement Limited ("GSCL" or "the Company") at its meeting held on February 5, 2022 has decided to amalgamate Gujarat Sidhee Cement Limited with Saurashtra Cement Limited ("SCL"), the appointed date being January 1, 2022 and accordingly, has approved the Scheme of Amalgamation, subject to approval of the Scheme by shareholders, stock exchanges and National Company Law Tribunal ("NCLT"). On amalgamation of GSCL with SCL,
 - i. the shares held by the Company in SCL will be cancelled and the shares held by SCL in the Company will be cancelled;
 - ii. the shareholders of the Company will get 62 Equity Shares of SCL in exchange of 100 Equity Shares of the Company in proportion of their holdings.
 - iii. the assets and liabilities of GSCL will be transferred to SCL.
- The Company has received No Observation Letters from Stock Exchanges. The Company has made application to National Company Law Tribunal (NCLT) for convening meetings of stakeholders. The Scheme shall be effective from the last date on which the order approving the Scheme by NCLT is filed with the Registrar of Companies (ROC).

Place : Mumbai
Dated : August 13, 2022



By the Order of the Board
For Gujarat Sidhee Cement Limited


(M.S. Gilotra)
Managing Director
DIN : 00152190

Saurashtra Cement Limited

Corporate Office
N K Mehta International House, 2nd Floor,
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CIN : L26941GJ1956PLC000840

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF SAURASHTRA CEMENT LIMITED AT ITS MEETING HELD ON 5TH FEBRUARY 2022 EXPLAINING THE EFFECT OF THE COMPOSITE SCHEME OF AMALGAMATION ON EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS

1. BACKGROUND

- 1.1. The Board of Directors ("**Board**") of Saurashtra Cement Limited ("**Transferee Company**" or the "**Company**") at its meeting held on 5th February 2022 has approved the proposed Scheme of Amalgamation of Gujarat Sidhee Cement Limited ("**Transferor Company**") with the Company and their respective shareholders ("**Scheme**").
- 1.2. Provisions of Section 232(2)(c) of the Companies Act, 2013 require the directors of the Company to adopt a report explaining the effect of the arrangement on each class of shareholders, key managerial personnel ("**KMPs**"), promoters and non-promoter shareholders of the Company laying out in particular the share entitlement ratio and specifying any special valuation difficulties and the same is required to be circulated as part of the notice of the meeting(s) to be held for the purpose of approving the Scheme.
- 1.3. This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Companies Act, 2013.
- 1.4. Under the Scheme it is proposed to amalgamate the Transferor Company with the Transferee Company and issue consideration thereof, as per the share exchange ratio determined in the joint valuation report dated 5th February 2022 issued by SSPA & Co., Chartered Accountants and Ernst & Young Merchant Banking Services LLP, ("**Valuation Report**").
- 1.5. The following documents were, *inter alia*, placed before the Board:
 - (a) Draft Scheme of Amalgamation initialed by the Managing Director for identification;
 - (b) Certificate dated 5th February 2022, obtained from the Statutory Auditors of the Company viz., M/s. Manubhai & Shah LLP, Chartered Accountants (ICAI Firm Registration No. 106041W/W100136), specifying that the accounting treatment mentioned in the Scheme is in accordance with Section 133 of the Act;
 - (c) Valuation Report describing the methodology adopted by the valuers in arriving at the share exchange ratio;
 - (d) Fairness Opinion dated 5th February 2022 issued by M/s. J. M. Financial Limited, Category I Merchant Banker ("**Fairness Opinion**") on the share exchange ratio determined in the Valuation Report; and
 - (e) Report of the audit committee of the Company dated 5th February 2022.



2. VALUATION REPORT | EXCHANGE RATIO | ISSUE OF CONSIDERATION PURSUANT TO THE SCHEME

- 2.1. The following share exchange ratio for the issue of consideration in terms of the Scheme is summarised as below:

For amalgamation of the Transferor Company with the Company:

- “8.1 Upon the Scheme coming into effect and in consideration of the transfer and vesting of Transferor Company in the Transferee Company pursuant to Part III of this Scheme and subject to the provisions of this Scheme, the Transferee Company shall, without any further application, act, deed, consent, acts, instrument or deed, issue and allot, on a proportionate basis to each shareholder of the Transferor Company, whose name is recorded in the register of members as member of the Transferor Company as on the Record Date, as under:

62 (Sixty Two) fully paid up equity shares of INR 10 (Rupees Ten only) each of the Transferee Company, credited as fully paid up, for every 100 (One Hundred) equity shares fully paid up of INR 10 (Rupees Ten only) each of the Transferor Company held by such shareholder.

The equity shares of the Transferee Company to be allotted pursuant to this Clause shall hereinafter together be referred to as “**Transferee Company New Equity Shares.**”

- 8.2 Further, no shares shall be issued by the Transferee Company in respect of the shares held by the Transferor Company and the Transferee Company *inter-se*, and all such shares shall stand cancelled.”

- 2.2 The aforesaid share exchange ratio is based on the Valuation Report and the Fairness Opinion.
- 2.3 The aforesaid Valuation Report and Fairness Opinion have been duly considered by the Board and have come to the conclusion that share entitlement ratio is fair and reasonable.
- 2.4 No special valuation difficulties were reported.

3. Effect of the Scheme on the equity shareholders (promoter and non-promoter) of the Company

- 3.1. In consideration for the amalgamation of the Company with the Transferee Company, the current shareholders of the Company as on the Record Date (defined in the Scheme) shall receive equity shares of the Transferee Company. Further, the rights and interests of the shareholders of the Company will not be prejudicially affected by the Scheme, and there will be no change in economic interest of the shareholders of the Company, pre and post scheme.

- 3.2. Further, no shares shall be issued by the Transferee Company in respect of the shares held by the Transferor Company and the Transferee Company *inter-se*, and all such shares shall stand cancelled.
- 3.3. The Transferor Company and the Transferee Company are under common management and control. There will be no change in management and control of the Transferor Company or the amalgamated Transferee Company consequent to the Scheme. In so far as shares held by promoters/promoter group are concerned, the effect of the scheme is the same as stated in 3.1 above.
- 3.4. The effect of the Scheme on the non-promoter shareholders is the same as stated in 3.1 above.
- 3.5. Post the Scheme becoming effective, the Company shall be dissolved without being wound up and the current shareholders of the Company shall become shareholders in the Transferee Company.
- 3.6. Post the Scheme becoming effective and subject to the receipt of the requisite regulatory approvals, the equity shares issued by the Transferee Company as consideration for the proposed Scheme shall be listed on the Stock Exchanges.

4. Effect of the Scheme on the KMPs of the Company

Effect of the Scheme on the KMPs pursuant to amalgamation of the Transferor Company with the Company

- 4.1 KMPs of the Transferee Company will continue to be KMPs of the Transferor Company.
- 4.2 Further none of the KMPs of the Company have any interest in the Scheme except to the extent of the equity shares held by them, if any in the Company. There will be no impact of the Scheme on the KMPs of the Company.
- 4.3 In the opinion of the Board, the Scheme will be of advantage and beneficial to the Company, its shareholders and other stakeholders and the terms thereof are fair and reasonable.

For and on behalf of the Board



Name: Mr. Jay M Mehta
Designation: Executive Vice Chairman
DIN – 00152072
Place: Mumbai
Date: 5th February 2022



Name: Mrs. Bhagyam Ramani
Designation: Independent Director
DIN – 00107097
Place: Mumbai
Date: 5th February 2022

Gujarat Sidhee Cement Limited

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CIN : L26940GJ1973PLC002245

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF GUJARAT SIDHEE CEMENT LIMITED AT ITS MEETING HELD ON 5TH FEBRUARY 2022 EXPLAINING THE EFFECT OF THE SCHEME OF AMALGAMATION ON EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS

1. BACKGROUND

- 1.1. The Board of Directors ("**Board**") of Gujarat Sidhee Cement Limited ("**Transferor Company**" or the "**Company**") at its meeting held on 5th February 2022 has approved the proposed Scheme of Amalgamation of the Company with Saurashtra Cement Limited ("**Transferee Company**") and their respective shareholders ("**Scheme**").
- 1.2. Provisions of Section 232(2)(c) of the Companies Act, 2013 require the directors of the Company to adopt a report explaining the effect of the arrangement on each class of shareholders, key managerial personnel ("**KMPs**"), promoters and non-promoter shareholders of the Company laying out in particular the share entitlement ratio and specifying any special valuation difficulties and the same is required to be circulated as part of the notice of the meeting(s) to be held for the purpose of approving the Scheme.
- 1.3. This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Companies Act, 2013.
- 1.4. Under the Scheme it is proposed to amalgamate the Transferor Company with the Transferee Company and issue consideration thereof, as per the share exchange ratio determined in the joint valuation report dated 5th February 2022 issued by SSPA & Co., Chartered Accountants and Ernst & Young Merchant Banking Services LLP, ("**Valuation Report**").
- 1.5. The following documents were, *inter alia*, placed before the Board:
 - (a) Draft Scheme of Amalgamation initialled by the Managing Director identification;
 - (b) Certificate dated 5th February 2022, obtained from the Statutory Auditors of the Company viz., M/s. Bansi S. Mehta & Co, Chartered Accountants (ICAI Firm Registration No. 100991W), specifying that the accounting treatment mentioned in the Scheme is in accordance with Section 133 of the Act;
 - (c) Valuation Report describing the methodology adopted by the valuers in arriving at the share exchange ratio;
 - (d) Fairness Opinion dated 5th February 2022 issued by M/s. Edelweiss Financial Services Limited, Category I Merchant Banker ("**Fairness Opinion**") on the share exchange ratio determined in the Valuation Report; and
 - (e) Report of the audit committee of the Company dated 5th February 2022.

2. VALUATION REPORT | EXCHANGE RATIO | ISSUE OF CONSIDERATION PURSUANT TO THE SCHEME

- 2.1. The following share exchange ratio for the issue of consideration in terms of the Scheme is summarised as below:

For amalgamation of the Company with the Transferee Company:

- “8.1 Upon the Scheme coming into effect and in consideration of the transfer and vesting of Transferor Company in the Transferee Company pursuant to Part III of this Scheme and subject to the provisions of this Scheme, the Transferee Company shall, without any further application, act, deed, consent, acts, instrument or deed, issue and allot, on a proportionate basis to each shareholder of the Transferor Company, whose name is recorded in the register of members as member of the Transferor Company as on the Record Date, as under:

62 (Sixty Two) fully paid up equity shares of INR 10 (Rupees Ten only) each of the Transferee Company, credited as fully paid up, for every 100 (One Hundred) equity shares fully paid up of INR 10 (Rupees Ten only) each of the Transferor Company held by such shareholder.

The equity shares of the Transferee Company to be allotted pursuant to this Clause shall hereinafter together be referred to as “**Transferee Company New Equity Shares**.”

- 8.2 Further, no shares shall be issued by the Transferee Company in respect of the shares held by the Transferor Company and the Transferee Company *inter-se*, and all such shares shall stand cancelled.”

- 2.2 The aforesaid share exchange ratio is based on the Valuation Report and the Fairness Opinion.
- 2.3 The aforesaid Valuation Report and Fairness Opinion have been duly considered by the Board and have come to the conclusion that share entitlement ratio is fair and reasonable.
- 2.4 No special valuation difficulties were reported.

3. Effect of the Scheme on the equity shareholders (promoter and non-promoter) of the Company

- 3.1. In consideration for the amalgamation of the Company with the Transferee Company, the current shareholders of the Company as on the Record Date (defined in the Scheme) shall receive equity shares of the Transferee Company.
- 3.2. Further, no shares shall be issued by the Transferee Company in respect of the shares held by the Transferor Company and the Transferee Company *inter-se*, and all such shares shall stand cancelled.



- 3.3. The Transferor Company and the Transferee Company are under common management and control. There will be no change in management and control of the Transferor Company or the amalgamated Transferee Company consequent to the Scheme. In so far as shares held by promoters/promoter group are concerned, the effect of the scheme is the same as stated in 3.1 above.
- 3.4. The effect of the Scheme on the non-promoter shareholders is the same as stated in 3.1 above.
- 3.5. Post the Scheme becoming effective, the Company shall be dissolved without being wound up and the current shareholders of the Company shall become shareholders in the Transferee Company.
- 3.6. Post the Scheme becoming effective and subject to the receipt of the requisite regulatory approvals, the equity shares issued by the Transferee Company as consideration for the proposed Scheme shall be listed on the Stock Exchanges.
4. **Effect of the Scheme on the KMPs of the Company**

Effect of the Scheme on the KMPs pursuant to amalgamation of the Company with the Transferee Company

- 4.1. The KMPs of, if any, of the Company shall become employees of the Transferee Company on effectiveness of the Scheme;
- 4.2. Further none of the KMPs have any interest in the Scheme except to the extent of the equity shares held by them, if any in the Company or the Transferee Company; and
- 4.3. In the opinion of the Board, the Scheme will be of advantage and beneficial to the Company, its shareholders and other stakeholders and the terms thereof are fair and reasonable.

For and on behalf of the Board

Name: Mr. Jay M Mehta
Designation: Executive Vice Chairman
DIN – 00152072
Place: Mumbai
Date: 5th February 2022

Name: Mrs. Bhagyam Ramani
Designation: Independent Director
DIN – 00107097
Place: Mumbai
Date: 5th February 2022

SSPA & Co., Chartered Accountants Registered Valuer Registration No. IBBI/RV-E/06/2020/126 1st Floor, 'Arjun', Plot No. 6A, V.P. Road, Andheri (West), Mumbai – 400058.	Ernst & Young Merchant Banking Services LLP Registered Valuer Registration No. IBBI/RV-E/05/2021/155 14th Floor, The Ruby, 29, Senapati Bapat Marg, Dadar (West), Mumbai - 400028.
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Dated: 05 February 2022

To,

The Audit Committee, Saurashtra Cement Limited 2nd Floor, N. K. Mehta International House, 178, Backbay Reclamation, Mumbai 400 020.	The Audit Committee, Gujarat Sidhee Cement Limited 2nd Floor, N. K. Mehta International House, 178, Backbay Reclamation, Mumbai – 400 020.
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Sub: Recommendation of fair equity share exchange ratio for the proposed merger of Gujarat Sidhee Cement Limited into Saurashtra Cement Limited

Dear Sir / Madam,

We refer to our engagement letter's dated 08 January 2022 of SSPA & Co., Chartered Accountants ("SSPA") and dated 13 January 2022 of Ernst & Young Merchant Banking Services LLP ("EY"), whereby SSPA is appointed by Saurashtra Cement Limited ("SCL") and EY is appointed by Gujarat Sidhee Cement Limited ("GSCL") for recommendation of fair equity share exchange ratio for the proposed merger of GSCL into SCL.

GSCL and SCL are hereinafter jointly referred to as "Companies" or "Clients" or "Valuation Subjects".

SSPA and EY are hereinafter jointly referred to as "Valuers" or "Registered Valuers" or "we" or "us" in this report.

The fair equity share exchange ratio for this report refers to number of equity shares of SCL which would be issued to the equity shareholders of GSCL pursuant to the proposed merger of GSCL into SCL.

For the purpose of this Report, we have considered the Valuation Date as 4 February 2022 ("Valuation Date"), being the last working day prior to the date of the Board Meeting for considering the proposed merger.

For the purpose of this valuation, the bases of value is 'Relative Value' and the valuation is based on 'Going Concern' premise.

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For Saurashtra Cement Limited

Sonal Sanas
President (CS, Legal & Strategy)



Recommendation of fair equity share exchange ratio for the Proposed Merger of Gujarat Sidhee Cement Limited into Saurashtra Cement Limited

SCOPE AND PURPOSE OF THIS REPORT

SCL is engaged in the business of manufacturing and selling of Cement and Clinker. It is a public limited company incorporated in India, under the provisions of the Companies Act, 1956, having its registered office at Ranavav, Gujarat, India. The equity shares of SCL are listed on BSE Limited ("BSE"). For the year ended 31 March 2021, SCL reported total income of INR 6,860.16 mn and profit after tax of INR 722.92 mn on a consolidated basis.

GSCL is engaged in the business of manufacturing and selling of Cement and Clinker. It is a public limited company incorporated in India, under the provisions of the Companies Act, 1956, having its registered office at Sidheegram, Gujarat, India. The equity shares of GSCL are listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"). For the year ended 31 March 2021, GSCL reported total income of INR 5,744.51 mn and profit after tax of INR 305.45 mn on a consolidated basis.

We understand that the management of the Companies (hereinafter referred to as "the Management") are contemplating a merger of GSCL into SCL (hereinafter referred to as "Proposed Merger").

The aforesaid is proposed under a Scheme of Amalgamation under the provisions of Sections 230-232 and the other applicable provisions of the Companies Act, 2013 ("Scheme"). Subject to necessary approvals, GSCL would be merged with SCL, with effect from the appointed date as mentioned in the Scheme ("Appointed Date"). In consideration for the proposed merger of GSCL into SCL, equity shares of SCL would be issued to the equity shareholders of GSCL.

In this connection, the Board of Directors of SCL have appointed SSPA, and the Board of Directors of GSCL have appointed EY to recommend a Fair Equity Share Exchange Ratio, for issue of SCL's equity shares to the equity shareholders of GSCL for the Proposed Merger.

We understand that the appointed date for the Proposed Merger as per the Scheme shall be 1 January 2022 or such other date as may be approved by the National Company Law Tribunal.

The scope of our services is to conduct a relative (and not absolute) valuation of equity shares of the Valuation Subjects and to issue a report recommending a Fair Equity Share Exchange Ratio for the Proposed Merger, in accordance with internationally accepted valuation standards / ICAI Valuation Standards 2018 ("ICAI VS 2018") issued by the Institute of Chartered Accountants of India ("ICAI") as applicable.

The Valuers have been appointed severally and not jointly and have worked independently in their analysis. The Valuers have received information and clarifications from the Valuation Subjects. The Valuers have independently arrived at different values per share of the Valuation Subjects. However, to arrive at the consensus on the Fair Equity Share Exchange Ratio for the Proposed Merger, appropriate minor adjustments, rounding off has been done in the values arrived at by the Valuers.

We have been provided with the Unaudited financials of GSCL and SCL for the nine months ended 31 December 2021. We have taken into consideration the current market parameters in our analysis and have made adjustments for additional facts made known to us till the date of our Report. The Management has informed us that there are no unusual/abnormal events in the Companies materially impacting their



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For Saurashtra Cement Limited

Sopali Sanas
President (CS, Legal & Strategy)



Page 2 of 16

Recommendation of fair equity share exchange ratio for the Proposed Merger of Gujarat Sidhee Cement Limited into Saurashtra Cement Limited

operating/financial performance after 31 December 2021 till the Report date. Further, we have been informed that all material information impacting the Valuation Subjects have been disclosed to us.

We have relied on the above while arriving at the fair equity share exchange ratio for the Proposed Merger.

We have been informed that till the Proposed Merger becomes effective, neither Companies would declare any substantial dividends having materially different yields as compared to past few years.

We have been informed that, in the event that either of the Companies restructure their equity share capital by way of share split / consolidation / issue of bonus shares before the Proposed Merger becomes effective, the issue of shares pursuant to the fair equity share exchange ratio recommended in this Report shall be adjusted accordingly to take into account the effect of any such corporate actions.

This Report is our deliverable for the above engagement.

This Report is subject to the scope, assumptions, qualifications, exclusions, limitations and disclaimers detailed hereinafter. As such, the Report is to be read in totality and not in parts.

SOURCES OF INFORMATION

In connection with this exercise, we have received/obtained the following information about the Valuation Subjects from the Management:

- Annual Reports for the year ended 31 March 2021 and earlier years for GSCL and SCL.
- Unaudited financials for 9 months ended 31 December 2021 for GSCL and SCL.
- Financial forecasts of the cement division (comprising of profit and loss statement and balance sheet) of the Companies for 3 months period ending 31 March 2022 and from financial year ('FY') 2022-23 to FY 2023-24.
- Other relevant information and documents for the purpose of this engagement.

During the discussions with the Management, we have also obtained explanations, information and representations, which we believed were reasonably necessary and relevant for our exercise. The Clients have been provided with the opportunity to review the draft report (excluding the recommended fair equity share exchange ratio) as part of our standard practice to make sure that factual inaccuracy/omissions are avoided in our Report.

PROCEDURES ADOPTED AND VALUATION METHODS FOLLOWED

In connection with this exercise, we have adopted the following procedures to carry out the valuation:

- Requested and received financial and qualitative information
- Used data available in public domain related to the Companies and its peers
- Discussions (physical/over call) with the Management to:
 - Understand the business and fundamental factors that affect its earning-generating capability including strengths, weaknesses, opportunity and threats analysis and historical financial performance.



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For Saurashtra Cement Limited
Sonal Sanas
Sonal Sanas
President (CS, Legal & Strategy)



SSPA & Co.

Ernst & Young Merchant Banking Services LLP

Recommendation of fair equity share exchange ratio for the Proposed Merger of Gujarat Sidhee Cement Limited into Saurashtra Cement Limited

- Understand the assumptions and the basis of key assumption used by the Management in developing projections.
- Undertook Industry Analysis:
 - Research publicly available market data including economic factors and industry trends that may impact the valuation
 - Analysis of key trends and valuation multiples of comparable companies/comparable transactions using: Proprietary databases subscribed by us or our network firms
- Selection of well accepted valuation methodology/(ies) as considered appropriate by us.
- Arriving at valuation of Valuation Subjects in order to determine the fair equity share exchange ratio for the Proposed Merger

SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

This Report is subject to the limitations detailed in respective engagement letters. As such, the Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein and in the context of the purpose for which it is made.

This Report, its contents and the results herein are specific to (i) the purpose of valuation agreed as per the terms of our engagement; (ii) the Report Date; (iii) Unaudited balance sheet of GSCL and SCL as of 31 December 2021; (iv) other information obtained by us from time to time. We have been informed that the business activities of the Valuation Subjects have been carried out in the normal and ordinary course between 31 December 2021 and the Report date, and that no material changes have occurred in their respective operations between 31 December 2021 and the Report date.

Valuation analysis and results are specific to the purpose of valuation and as per the agreed terms of the respective engagements. It may not be valid for any other purpose or as of any other date. Also, it may not be valid if done on behalf of any other entity.

A valuation of this nature is necessarily based on the prevailing stock market, financial, economic and other conditions in general and industry trends in particular as in effect on and the information made available to us as of, the date hereof. This Report is issued on the understanding that the Management has drawn our attention to all the matters, which they are aware of concerning the financial position of the Companies and any other matter, which may have an impact on our opinion, on the fair equity share exchange ratio for the Proposed Merger. Events occurring after the date hereof may affect this report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this report.

The recommendation rendered in this Report only represent our recommendation based upon information furnished by the Companies and gathered from public domain (and analysis thereon) and the said recommendation shall be considered to be in the nature of non-binding advice. Our recommendation should not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors.



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Sonal Sanas
President (CS, Legal & Strategy)



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Recommendation of fair equity share exchange ratio for the Proposed Merger of Gujarat Sidhee Cement Limited into Saurashtra Cement Limited

In the course of the valuation, we were provided with both written and verbal information, including market, financial and operating data. In accordance with the terms of our respective engagements, we have carried out relevant analyses and evaluations through discussions, calculations and such other means, as may be applicable and available, we have assumed and relied upon, without independently verifying (i) the accuracy of the information that was publicly available, sourced from subscribed databases and formed a substantial basis for this Report and (ii) the accuracy of information made available to us by the Companies. While information obtained from the public domain or external sources have not been verified for authenticity, accuracy or completeness, we have obtained information, as far as possible, from sources generally considered to be reliable. We assume no responsibility for such information. Our valuation does not constitute as an audit or review in accordance with the auditing standards applicable in India, accounting / financial / commercial / legal / tax / environmental due diligence or forensic / investigation services and does not include verification or validation work. In accordance with the terms of our engagement / appointment letters and in accordance with the customary approach adopted in valuation exercises, we have not audited, reviewed, certified, carried out a due diligence, or otherwise investigated the historical financials / financial information or individual assets or liabilities, provided to us regarding the Companies / subsidiary / associates / joint ventures / investee companies. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in such historical financials / financial statements. Also, with respect to explanations and information sought from the Companies, we have been given to understand by the Companies that they have not omitted any relevant and material factors and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt. Our conclusion is based on the assumptions and information given by / on behalf of the Companies. The Management has indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our valuation analysis / results.

The Report assumes that the Companies comply fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that the Companies will be managed in a competent and responsible manner. This Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not disclosed in the audited / unaudited financials of the Companies / subsidiary / associates / joint ventures / investee companies, if any. No investigation of Companies' (or their investee companies) claim to title of assets has been made for the purpose of this Report and Companies' (or their investee companies) claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature. Our conclusion of value assumes that the assets and liabilities of the Valuation Subjects, reflected in their respective latest balance sheets remain intact as of the Report date.

This Report has been prepared for the purposes stated herein and should not be relied upon for any other purpose. Clients are the only authorized user of this report and is restricted for the purpose indicated in the engagement letter. This restriction does not preclude the Clients from providing a copy of the report to third-party advisors whose review would be consistent with the intended use. We do not take any responsibility for the unauthorized use of this report. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the Clients or Companies, their directors, employees or agents. The Report should not be copied or reproduced without obtaining our prior written approval for any purpose other than the purpose for which it is prepared.



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Sonal Sanas
Sonal Sanas
President (CS, Legal & Strategy)



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Recommendation of fair equity share exchange ratio for the Proposed Merger of Gujarat Sidhee Cement Limited into Saurashtra Cement Limited

We have not carried out any physical verification of the assets and liabilities of the Valuation Subjects and take no responsibility for the identification of such assets and liabilities.

This Report does not look into the business/commercial reasons behind the Proposed Merger nor the likely benefits arising out of it. Similarly, it does not address the relative merits of the Proposed Merger as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.

The valuation analysis and result are governed by concept of materiality.

The fee for the engagement is not contingent upon the results reported.

We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions of or advice given by any other to the Companies. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the Companies, their directors, employees or agents.

It is understood that this analysis does not represent a fairness opinion. This report is not a substitute for the third party's own due diligence/ appraisal/ enquiries/ independent advice that the third party should undertake for his purpose.

This Report is subject to the laws of India.

Neither the Report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, other than in connection with the proposed Scheme of Amalgamation, without our prior written consent. In addition, this report does not in any manner address the prices at which equity shares of the Companies will trade following announcement of the Proposed Merger and we express no opinion or recommendation as to how the shareholders of either company should vote at any shareholders' meeting(s) to be held in connection with the Proposed Merger.

Though the Valuers are issuing a joint report, EY will owe the responsibility to only to the Board of Directors of GSCL and SSPA will owe the responsibility to only the Board of Directors of SCL who have been appointed under the terms of their respective engagement letters.

Disclosure of Registered Valuer's Interest or Conflict, if any and other affirmative statements

We do not have any financial interest in the Clients, nor do we have any conflict of interest in carrying out this valuation.

Further, the information provided by the Management have been appropriately reviewed in carrying out the valuation. Sufficient time and information was provided to us to carry out the valuation.

CAPITAL STRUCTURE

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Sonali Sarfas
President (CS, Legal & Strategy)



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Recommendation of fair equity share exchange ratio for the Proposed Merger of Gujarat Sidhee Cement Limited into Saurashtra Cement Limited

GSCL

The paid-up equity share capital of GSCL as of 31 December 2021 is INR 891.80 million consisting of 8,91,27,313 equity shares of face value of INR 10 each. Further, 5,840 equity shares are yet to be allotted against share application money outstanding as on 31 December 2021.

In addition to above, GSCL has 5,23,260 Employee Stock Options ("ESOPs") outstanding as at 31 December 2021.

SCL

The paid-up equity share capital of SCL as of 31 December 2021 is INR 702.35 million consisting of 7,02,31,593 equity shares of face value of INR 10 each. Further, 6,448 equity shares are yet to be allotted against share application money outstanding as on 31 December 2021.

In addition to above, SCL has 5,37,797 ESOPs outstanding as at 31 December 2021.

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For Saurashtra Cement Limited

Sonali Sanas
Sonali Sanas
President (CS, Legal & Strategy)



SSPA & Co.

Ernst & Young Merchant Banking Services LLP

Recommendation of fair equity share exchange ratio for the Proposed Merger of Gujarat Sidhee Cement Limited into Saurashtra Cement Limited

APPROACH FOR RECOMMENDATION OF FAIR EQUITY SHARE EXCHANGE RATIO

The Proposed Merger contemplates the merger of GSCL into SCL. Arriving at the fair equity share exchange ratio for the Proposed Merger of GSCL into SCL would require determining the relative value per equity share of GSCL and SCL. These values are to be determined independently, but on a relative basis for the Valuation Subjects, without considering the effect of the Proposed Merger.

Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for mergers and our reasonable judgment, in an independent and bona fide manner.

The Valuation Approach adopted by SSPA and EY is given in Annexure 1A and 1B respectively (Annexure 1A and 1B together referred to as "Annexures").

BASIS OF FAIR EQUITY SHARE EXCHANGE RATIO

The basis of the merger of GSCL into SCL would have to be determined after taking into consideration all the factors and methods mentioned hereinabove. Though different values have been arrived at under each of the approaches / methods as mentioned in the Annexures, for the purposes of recommending the fair equity share exchange ratio of equity shares it is necessary to arrive at a final value for each Valuation Subject. It is however important to note that in doing so, we are not attempting to arrive at the absolute equity values of the Valuation Subjects, but at their relative values to facilitate the determination of the fair equity share exchange ratio. For this purpose, it is necessary to give appropriate weights to the values arrived at under each approaches / methods.

The fair equity share exchange ratio has been arrived at on the basis of a relative equity valuation of Valuation Subjects based on the various approaches / methods explained in the Annexures and various qualitative factors relevant to each company and the business dynamics and growth potentials of the businesses of the Valuation Subjects, having regard to information base, key underlying assumptions and limitations.

While we have provided our recommendation of the Fair Equity Share Exchange Ratio based on the information available to us and within the scope and constraints of our engagement, others may have a different opinion as to the Fair Equity Share Exchange Ratio. The final responsibility for the determination of the exchange ratio at which the Proposed Merger shall take place will be with the Board of Directors of the respective Companies who should take into account other factors such as their own assessment of the Proposed Merger and input of other advisors.

We have independently applied approaches / methods discussed in the Annexures, as considered appropriate, and arrived at the relative value per equity share of the Companies. To arrive at the consensus on the fair equity share exchange ratio for the Proposed Merger, suitable minor adjustments / rounding off have been done.



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President (CS, Legal & Strategy)



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Recommendation of fair equity share exchange ratio for the Proposed Merger of Gujarat Sidhee Cement Limited into Saurashtra Cement Limited

In light of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, we recommend the following fair equity share exchange ratio for the Proposed Merger of GSCL into SCL:

62 (Sixty Two) equity shares of SCL of INR 10/- each fully paid up for every 100 (One Hundred) equity shares of GSCL of INR 10/- each fully paid up.

It should be noted that we have not examined any other matter including economic rationale for the Proposed Merger per se or accounting, legal or tax matters involved in the Proposed Merger.

Respectfully submitted,
SSPA & Co., Chartered Accountants
 Registered Valuer
 ICAI Firm Registration Number: 128851W
 IBBI Registered Valuer No.: IBBI/RV-E/06/2020/126

S.A. Shah



Sujal Shah, Partner
 ICAI Membership No. 045816
 Registered Valuer No.: IBBI/RV/06/2018/10140
 UDIN: 22045816AALYTE7294
 Place: Mumbai
 Date: 05 February 2022

Respectfully submitted,
Ernst & Young Merchant Banking Services LLP
 Registered Valuer
 Registration No. IBBI/RV-E/05/2021/155

Navin Vohra



Navin Vohra
 Partner
 EYMBS/RV/2022/008
 Place: Mumbai
 Date: 05 February 2022

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Sonal Sanas
Sonal Sanas
 President (CS, Legal & Strategy)



Recommendation of fair equity share exchange ratio for the Proposed Merger of Gujarat Sidhee Cement Limited into Saurashtra Cement Limited

Annexure 1A- Approach to Valuation – SSPA

1. VALUATION APPROACH AND METHODOLOGIES

1.1. For the purpose of valuation, generally following approaches can be considered, viz.

- the 'Cost' approach;
- the 'Market' approach; and
- the 'Income' approach

Each of the aforesaid approaches proceeds on different fundamental assumptions which have greater or lesser relevance and at times even no relevance, to a given situation. Thus, the approach to be adopted for a particular valuation exercise must be judiciously chosen.

1.2. COST APPROACH

The Cost Approach reflects the amount that would be required currently to replace the service capacity of an asset; often referred to as current replacement cost.

In the present case, the business of GSCL and of SCL are intended to be continued on a 'going concern basis' and there is no intention to dispose-off the assets, therefore the Cost Approach is not adopted for the present valuation exercise.

1.3. MARKET APPROACH

1.3.1. In the present case, as mentioned earlier, the equity shares of GSCL are listed on NSE and BSE and the equity shares of SCL are listed on BSE. The equity shares of both the Companies are frequently traded on the recognized stock exchanges. Therefore, we have thought fit to use Market Price ('MP') Method and Comparable Companies' Multiple ('CCM') Method for valuation of equity shares of GSCL and SCL under Market Approach.

1.3.2. MARKET PRICE METHOD

The market price of an equity share, as quoted on a stock exchange, is normally considered as the fair value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares.

The value of equity shares of GSCL under this method is determined considering the share prices of GSCL on NSE and of SCL on BSE over an appropriate period.

1.3.3. COMPARABLE COMPANIES' MULTIPLE METHOD

Under CCM Method, the value of equity shares of GSCL and of SCL is determined by using multiples derived from valuations of listed comparable companies. This valuation is based on the



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Sonal Sanas
President (CS, Legal & Strategy)



Recommendation of fair equity share exchange ratio for the Proposed Merger of Gujarat Sidhee Cement Limited into Saurashtra Cement Limited

principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for material differences, if any.

In the present case, Enterprise Value ('EV') to Earnings before Interest, Tax, Depreciation and Amortisation ('EBITDA') multiple of comparable listed companies are considered to arrive at EV of the Companies.

To the value so arrived, appropriate adjustments have been made (as may be applicable) for contingent liabilities, loan funds, value of investments, cash and cash equivalents, cash inflow on account of ESOPs, value of surplus assets, value of Paint Division of SCL, and capital work-in-progress to arrive at the equity value of the respective Companies.

The value as arrived above is divided by the diluted number of equity shares to arrive at the value per equity share of GSCL and of SCL.

1.4. INCOME APPROACH

Under Income Approach, equity shares of GSCL and of SCL are valued using Discounted Cash Flow ('DCF') Method.

- 1.4.1. Under DCF method, the projected free cash flows from business operations, after considering fund requirements for projected capital expenditure and incremental working capital, are discounted at the Weighted Average Cost of Capital ("WACC"). The sum of the discounted value of such free cash flows and discounted value of perpetuity is the value of the business.
- 1.4.2. The free cash flows represent the cash available for distribution to both the owners and the creditors of the business. The free cash flows are determined by adding back to earnings before interest and tax (i) depreciation and amortizations (non-cash charge), and (ii) any non-operating item. The cash flow is adjusted for outflows on account of (i) capital expenditure, (ii) incremental working capital requirements and (iii) tax.
- 1.4.3. WACC is considered as the most appropriate discount rate in the DCF Method, since it reflects both the business and the financial risk of the company. In other words, WACC is the weighted average of cost of equity and cost of debt of the respective Companies.
- 1.4.4. To the value so arrived, appropriate adjustments have been made (as may be applicable) for contingent liabilities, loan funds, value of investments, cash and cash equivalents, cash inflow on account of ESOPs, value of surplus assets, value of Paint Division of SCL and capital work-in-progress to arrive at the equity value of the respective Companies.



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Sonal Sanas
President (CS, Legal & Strategy)



Recommendation of fair equity share exchange ratio for the Proposed Merger of Gujarat Sidhee Cement Limited into Saurashtra Cement Limited

- 1.4.5. The value as arrived above is divided by the diluted number of equity shares to arrive at the value per equity share of GSCL and of SCL.

2. FAIR EQUITY SHARE EXCHANGE RATIO

- 2.1. Our recommendation of fair equity share exchange ratio for the Proposed Merger of GSCL into SCL is in accordance with ICAI VS 2018 issued by the ICAI.
- 2.2. The fair basis of Proposed Merger of GSCL into SCL would have to be determined after taking into consideration all the factors and methodologies mentioned hereinabove. Though different values have been arrived at under different approaches, for the purposes of recommending a ratio of exchange it is necessary to arrive at a single value for the equity shares of GSCL and of SCL. It is however important to note that in doing so, we are not attempting to arrive at the absolute values of the shares of each company. Our exercise is to work out relative value of equity shares of GSCL and of SCL to facilitate the determination of a ratio of exchange. For this purpose, it is necessary to give appropriate weightage to the values arrived at under each approach.
- 2.3. As mentioned above, we have considered a combination of Market Price Method, Comparable Companies' Multiple Method and Discounted Cash Flow Method for arriving at the relative value per equity share of GSCL and of SCL. We have arrived at the relative value of equity shares of GSCL and SCL by applying equal weights to the value arrived at under Market Price Method, CCM Method, and DCF method.
- 2.4. The recommendation of fair equity share exchange ratio for the Proposed Merger of GSCL into SCL by SSPA is tabulated below:

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For Saurashtra Cement Limited
[Signature]
Pranali Sanas
Resident (CS, Legal & Strategy)



Recommendation of fair equity share exchange ratio for the Proposed Merger of Gujarat Sidhee Cement Limited into Saurashtra Cement Limited

Valuation Approach	GSCL		SCL	
	Value per share (INR)	Weight	Value per share (INR)	Weight
Asset Approach *	NA	NA	NA	NA
Income Approach				
- Discounted Cash Flow Method	76.07	33.33%	120.98	33.33%
Market Approach				
- Market Price Method	47.88	33.33%	79.63	33.33%
- Comparable Companies' Multiple Method	69.99	33.33%	110.95	33.33%
Relative value per share	64.65	100%	103.85	100%
Exchange Ratio (rounded off)			0.62	

NA = Not Applied / Not Applicable

* Since, the business of GSCL and SCL are both intended to be continued on a 'going concern basis' and there is no intention to dispose-off the assets, therefore the Asset (Cost) Approach is not adopted for the present valuation exercise.

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Sonal Kanas
President (CS, Legal & Strategy)



Recommendation of fair equity share exchange ratio for the Proposed Merger of Gujarat Sidhee Cement Limited into Saurashtra Cement Limited

Annexure 1B- Approach to Valuation – EY

There are primarily three approaches in valuation (viz., Asset Approach, Income Approach and Market Approach). For any valuation, all the approaches may not be relevant and therefore will not give a fair estimate of value. Hence, the approach most suitable for that specific business / company must be applied in the valuation exercise, based on the experience and common practices adopted by valuers.

According to IVS 104 "Fair Value is the estimated amount for which an asset or liability should exchange on the Valuation Date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

We have adapted internationally accepted valuation standards and approaches in delivering our valuation conclusion. There are several principal valuation approaches under International Valuation Standard of which we have considered only those approaches to the extent, it is applicable and relevant.

The various approaches generally adopted in valuation are as under:

1. Asset Approach: Net Asset Value Method
2. Income Approach: Discounted Cash Flow Method
3. Market Approach: Comparable Companies Market Multiple Method, Comparable Transactions Method and Market Price Method

We have used the Income Approach and Market Approach (i.e. Market Price Method, Comparable Companies' Market Multiples Method) for valuation of GSCL and SCL.

Asset Approach – Net Asset Value (NAV) method: Under this approach, the net asset value method is considered, which is based on the underlying net assets and liabilities. In the present valuation analysis, we have not considered NAV method as it does not capture the earning capacity of the business and hence NAV would not be representative of fair value.

Income Approach – Discounted Cash Flow (DCF) method: Under the DCF method the projected free cash flows to the firm are discounted at the weighted average cost of capital. The sum of the discounted value of such free cash flows is the value of the firm. Such DCF analysis involves determining the following:

- *Estimating future free cash flows:*

Free cash flows are the cash flows expected to be generated by the company that are available to the providers of the company's capital – both debt and equity.

- *Appropriate discount rate to be applied to cash flows i.e. the cost of capital:*

This discount rate, which is applied to the free cash flows, should reflect the opportunity cost to all the capital providers (namely shareholders and creditors), weighted by their relative contribution to the total capital of the company. The opportunity cost to the capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk.



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Sonal Sanas
President (CS, Legal & Strategy)



Recommendation of fair equity share exchange ratio for the Proposed Merger of Gujarat Sidhee Cement Limited into Saurashtra Cement Limited

We have used Discounted Cash Flow method based on the business plan provided to us by the Management for the Valuation Subjects.

Market Approach - Market Price (MP) method: Under this method, the value of shares of a company is determined by taking the average of the market capitalization of the equity shares of such companies as quoted on a recognized stock exchange over reasonable periods of time where such quotations are arising from the shares being regularly and freely traded in an active market, subject to the element of speculative support that may be inbuilt in the market price.

The equity shares of GSCL are listed on the National Stock Exchange and Bombay Stock Exchange ('BSE') and are frequently traded while the shares of SCL are only listed on BSE and are traded frequently. In these circumstances the share prices observed on NSE for GSCL and BSE for SCL over a reasonable period have been considered for arriving at the value per equity share of GSCL and SCL under the Market Price method.

Market Approach - Comparable Companies' Market Multiples (CCMM) method: Under this method, one attempts to measure the value of the shares / business of a company by applying the derived market multiple based on market quotations of comparable public / listed companies, in an active market, possessing attributes similar to the business of such company - to the relevant financial parameter of the company / business. This valuation is based on the principle that such market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances. In the present valuation analysis, we have considered CCMM method (using EV/EBITDA Multiple Multiple) for arriving the value per equity share of GSCL and SCL.

Market Approach - Comparable Transaction' Multiples (CTM) method: Under this method, one attempts to measure the value of the shares / business of a company by applying the derived transaction multiple based on comparable transactions, possessing attributes similar to the business of such company - to the relevant financial parameter of the company / business. This valuation is based on the principle that such transaction valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances. In the present valuation analysis, we have not considered CTM method as we are unable to find any comparable company transactions in the recent past for which adequate information is available in the public domain..

Fair Valuation:

We have arrived at the relative value of equity shares of GSCL and SCL by applying equal weights to the value derived under Market Price Method, CCMM and DCF method.



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[Signature]
Sonal Sanas
President (CS, Legal & Strategy)



SSPA & Co.

Ernst & Young Merchant Banking Services LLP

Recommendation of fair equity share exchange ratio for the Proposed Merger of Gujarat Sidhee Cement Limited into Saurashtra Cement Limited

The computation of fair equity share exchange ratio for the Proposed Merger of GSCL into SCL by EY is tabulated below:

Valuation Approach	GSCL		SCL	
	Value per Share of GSCL (INR)	Weight	Value per Share of SCL (INR)	Weight
Asset Approach*	NA		NA	
Income Approach				
- Discounted Cash flow method	73.5	33.33%	113.5	33.33%
Market Approach				
- Market Price method	47.9	33.33%	79.6	33.33%
- Comparable Companies' Market Multiples method	65.3	33.33%	106.7	33.33%
Relative Value per Share	62.2	100.00%	99.9	100.00%
Exchange Ratio (Rounded off)	0.62			

NA = Not applied/ Not applicable

* We have not considered Asset approach i.e NAV method as it does not capture the earning capacity of the business and hence NAV method would not be representative of fair value.

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For Saurashtra Cement Limited

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Sonali Sanas
President (CS, Legal & Strategy)



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**STRICTLY CONFIDENTIAL**

February 5, 2022

**The Board of Directors,
Saurashtra Cement Limited,
Near Railway Station, Porbandar,
Ranavav 360 560, Gujarat.**

Ladies / Gentlemen:

We refer to the engagement letter dated January 27, 2022 (“**Engagement Letter**”) whereby Saurashtra Cement Limited (“**Transferee Company**” or “**SCL**” or “**Company**”) has engaged JM Financial Limited (“**JM Financial**”), *inter alia*, to provide a fairness opinion to SCL on the Share Exchange Ratio (defined herein) recommended by the Valuers (defined herein) through report dated February 5, 2022 issued jointly by Ernst & Young Merchant Banking Services LLP (“**EY**” or “**Valuer**”), bearing registration number IBBI/RV-E/05/2021/155 and SSPA & Co., Chartered Accountants, bearing registration number IBBI/RV-E/06/2020/126 (“**SSPA**” or “**Valuer**”) (EY and SSPA are collectively referred as “**Valuers**”) for the proposed amalgamation of Gujarat Sidhee Cement Limited (“**GSCL**” or “**Transferor Company**”) with SCL (“**Proposed Amalgamation**”) as a part of a Composite Scheme of Amalgamation (as defined below) under the provisions of Sections 230 to Section 232 of the Companies Act, 2013 read with other applicable provisions and rules thereunder.

Background**Saurashtra Cement Limited (‘SCL’):**

SCL, is a company incorporated under the provisions of the Companies Act, 1956 and is listed on the BSE Limited (“**BSE**”) and is part of the Mehta Group.

SCL is engaged in the business of manufacture and sale of cement and clinker and markets cement under the renowned brand name “HATHI”. As a part of an overall strategy for diversification, growth and development, the Company also acquired the paint business of Snowcem Paints Private Limited through slump sale with effect from 1 May 2021.

The issued and paid up share capital of SCL as on date of report is Rs. 702.35 Mn divided into 7,02,31,593 equity shares of face value of Rs. 10 each and balance against forfeited shares.

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For Saurashtra Cement Limited


Sonali Sanas
President (CS, Legal & Strategy)

JM Financial Limited

Corporate Identity Number: L67120MH1986PLC038784

Regd. Office: 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025.

T: +91 22 6630 3030 F: +91 22 6630 3344 www.jmfi.com

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**Gujarat Sidhee Cement Limited ('GSCL'):**

GSCL, is a company incorporated under the provisions of the Companies Act, 1956 and is listed on the National Stock Exchange Limited ("NSE") and the BSE Limited ("BSE") and is part of the Mehta Group.

GSCL is engaged in the business of manufacture and sale of cement and clinker and markets cement under the brand name "Sidhee".

The issued and paid up share capital of GSCL as on date of report is Rs. 891.80 Mn divided into 8,91,27,313 equity shares of face value of Rs. 10 each and balance against forfeited shares.

Brief Background of the Scheme of Amalgamation

Under the proposed scheme of amalgamation (the "Scheme of Amalgamation") *inter alia*, GSCL shall be amalgamated with SCL, pursuant to which the shareholders of GSCL shall receive equity shares of SCL based on the following ratio ("Share Exchange Ratio"):

62 (Sixty Two) equity shares of SCL of the face value Rs. 10/- each fully paid up will be issued for every 100 (One Hundred) equity shares of GSCL of the face value Rs. 10/- each fully paid up

The Company, in terms of the Engagement Letter, has requested us to examine the Share Exchange Ratio Report issued by the Valuer and other related information provided by the Company and issue our independent opinion as to the fairness of the Share Exchange Ratio ("Fairness Opinion") pursuant to the provisions of the SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020 including amendments thereof wherein, a listed entity is required to submit a fairness opinion by a SEBI registered merchant banker on valuation of shares done by the Valuer to the Stock Exchanges.

Source of Information

For the said examination and for arriving at the opinion set forth below, we have received:

1. Share Exchange Ratio Report issued by the Valuer;
2. Draft of the proposed Scheme of Amalgamation;
3. Unaudited financials for 9 months ended 31 December 2021 for GSCL and SCL.
4. Financial forecasts of the cement division (comprising of profit and loss statement and balance sheet) of the Companies for 3 months period ending 31 March 2022 and from financial year ('FY') 2022-23 to FY 2023-25.
5. Certain other information/explanation from the representatives of the Company.

CERTIFIED TRUE COPY
For Saurashtra Cement Limited

Sonali Sanas
President (CS, Legal & Strategy)

Scope Limitations

We have assumed and relied upon, without independent verification on an “as is” basis, the accuracy and completeness of all the information that was publicly available or provided or otherwise made available to us for the purposes of this Fairness Opinion. We express no opinion, and accordingly, accept no responsibility with respect to or for such information, or the assumptions on which it is based, and, we have simply accepted this information on an “as is” basis, and, have not verified the accuracy and/or the completeness of the same from our end. The Fairness Opinion is provided as on the date of the report and events occurring after the date hereof may affect this Fairness Opinion and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm the report. We have not assumed any obligation to conduct, nor have we conducted any physical inspection or title verification of the properties or facilities of SCL or GSCL and neither express any opinion with respect thereto nor accept any responsibility therefor. We have not made any independent valuation or appraisal of the assets or liabilities of SCL or GSCL, nor have we been furnished with any such appraisals. We have not reviewed any internal management information statements or any non-public reports and instead, with your consent, have relied upon information that was publicly available or provided or otherwise made available to us by SCL or GSCL on an “as is” basis for the purposes of this Fairness Opinion. We are not experts in the evaluation of litigation or other actual or threatened claims, and accordingly, we have not evaluated any litigation or other actual or threatened claims. In addition, we have assumed that the Proposed Amalgamation will be approved by regulatory authorities and that the Proposed Amalgamation will be consummated substantially in accordance with the terms set forth in the Proposed Amalgamation. We have assumed that there are no other contingent liabilities or circumstances that could materially affect the business or financial prospects of SCL or GSCL.

We understand that the management of SCL and GSCL, during our discussion with them, would have drawn our attention to all such information and matters which may have an impact on our analysis and opinion. We have assumed that in the course of obtaining necessary regulatory or other consents, no restrictions will be imposed or there will be no delays that will have a material adverse effect on the Proposed Amalgamation. Our opinion is necessarily based on financial, economic, market and other conditions as they currently exist and on the information made available to us as of the date hereof. It should be understood that although subsequent developments may affect this opinion, we do not have an obligation to update, revise or reaffirm this opinion. In arriving at our opinion, we were not authorized to solicit, and did not solicit, interest from any party with respect to the acquisition, business combination or other extraordinary transaction involving the Company and GSCL or any of its assets, nor did we negotiate with any other party in this regard.

In the ordinary course of business, the JM Financial group is engaged in securities trading, securities brokerage and investment activities, as well as, providing investment banking and investment advisory services. In the ordinary course of its trading, brokerage and financing activities, any member of the JM Financial group may at any time hold long or short positions, and may trade or otherwise effect transactions, for its own account or the accounts of customers, in debt or equity securities or senior loans of any company that may be involved in the Proposed Amalgamation.

CERTIFIED TRUE COPY
For Saurashtra Cement Limited

Sonal Sanas
Sonal Sanas
President (CS, Legal & Strategy)

3



We express no opinion whatsoever and make no recommendation at all as to SCL's underlying decision to effect the Proposed Amalgamation. We also do not provide any recommendation to the holders of equity shares or secured or unsecured creditors of SCL with respect to the Proposed Amalgamation. We also express no opinion, and accordingly, accept no responsibility for or as to the price at which the equity shares of SCL will trade following the announcement of the Proposed Amalgamation or as to the financial performance of GSCL following the consummation of the Proposed Amalgamation. We express no opinion whatsoever and make no recommendations at all (and accordingly take no responsibility) as to whether shareholders / investors should buy, sell or hold any stake in SCL or any of its related parties (holding company / subsidiary / associates etc.) or GSCL.

Conclusion

Based on our examination of the Share Exchange Ratio Report, such other information / undertakings / representations provided to us by SCL or GSCL and our analysis and evaluation of such information and subject to the scope limitations as mentioned hereinabove and to the best of our knowledge and belief, we are of the opinion that the Share Exchange Ratio is fair for the shareholders of SCL.

Distribution of the Fairness Opinion

The Fairness Opinion is addressed only to the Board of Directors of SCL. The Fairness Opinion shall not otherwise be disclosed or referred to publicly or to any other third party without JM Financial's prior written consent.

However, SCL may provide a copy of the Fairness Opinion if requested / called upon by any regulatory authorities of India subject to SCL promptly intimating JM Financial in writing about receipt of such request from the regulatory authority. The Fairness Opinion should be read in totality and not in parts. Further, this Fairness Opinion should not be used or quoted for any purpose other than the purpose mentioned hereinabove. If this Fairness Opinion is used by any person other than to whom it is addressed or for any purpose other than the purpose stated hereinabove, then, we will not be liable for any consequences thereof and shall not take any responsibility for the same as the same would have been shared in contravention of the provisions hereof on a "non-recourse" and "non-reliance" basis. Neither this Fairness Opinion nor its contents may be referred to or quoted to / by any third party, in any registration statement, prospectus, offering memorandum, annual report, loan agreement or any other agreement or documents given to third parties. In no circumstances however, will JM Financial or its management, directors, officers, employees, agents, advisors, representatives, successors, permitted assigns and controlling persons of JM Financial accept any responsibility or liability including any pecuniary or financial liability to any third party.

Yours truly,

For **JM Financial Limited**


Authorized Signatory

CERTIFIED TRUE COPY

For Saurashtra Cement Limited


Sonali Sanas
President (CS, Legal & Strategy)

Saurashtra Cement Limited

Corporate Office

N K Mehta International House, 2nd Floor,
178 Backbay Reclamation, Mumbai 400 020
T +91 22 6636 5444
F +91 22 6636 5445
E scl-mum@mehtagroup.com
CIN : L26941GJ1956PLC000840

Ref: B/SCL/BSE/2021-22

Date: March 15, 2022

The Manager
Listing Department
BSE Limited
Phiroze Jeejeeboy Towers
Dalal Street,
Mumbai 400 001

Scrip Code 502175

Dear Sir,

Sub: Complaint report as per Annexure III of SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017.

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchanges/ SEBI	Nil
3.	Total Number of complaints/comments received (1+2)	Nil
4.	Number of complaints resolved	Nil
5.	Number of complaints pending	Nil

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	Not Applicable		

Thanking you,
Yours faithfully,
For **Saurashtra Cement Limited**


Sonali Sanas
President (CS, Legal & Strategy)



DCS/AMAL/TL/IP/2351/2022-23

“E-Letter”

May 31, 2022

The Company Secretary,
Saurashtra Cement Limited
Near Railway Station, Porbandar,
Ranavav, Gujarat, 360560

Dear Sir,

Sub: Observation Letter regarding the Scheme of Amalgamation of Gujarat Sidhee Cement Limited with Saurashtra Cement Limited and their respective Shareholders

We are in receipt of the draft the Scheme of Amalgamation of Gujarat Sidhee Cement Limited with Saurashtra Cement Limited and their respective Shareholders as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated May 30, 2022, has inter alia given the following comment(s) on the draft scheme of Amalgamation:

- “Company shall ensure that it discloses all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and Shareholders, while seeking approval of the scheme.”
- “Company shall ensure that additional information and undertakings, if any, submitted by the Company, after filing the scheme with the Stock Exchange, and from the date of receipt of this letter, is displayed on the websites of the listed Company and the Stock Exchanges.”
- “Company shall duly comply with the SEBI circulars issued from time to time.”
- “The entities involved in the scheme shall duly comply with various provisions of the Circular.”
- “Company is advised that the information pertaining to all the Unlisted Companies involved in the Scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval.”
- “Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old.”
- “Company is advised that the details of the proposed Scheme under consideration as provided by the Company to the Stock Exchange shall be prominently disclosed in the notice sent to the Shareholders.”
- “Company is advised that the proposed Equity Shares to be issued in terms of the ‘Scheme’ shall mandatorily be in demat form only.”
- “Company is advised to disclose the status of litigation and the outcome in the explanatory statement to the shareholders.”
- “Company is advised that the ‘Scheme’ shall be acted upon subject to the Company complying with the relevant clauses mentioned in the scheme document.”

- “Company to ensure that no changes to the draft Scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI.”
- “Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before Hon'ble NCLT and the Company obliged to bring the observations to the notice of Hon'ble NCLT.”
- “Company is advised to comply with all applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme.”
- “It is to be noted that the petitions are filed by the Company before Hon'ble NCLT after processing and communication of comments/observations on draft Scheme by SEBI/Stock Exchange. Hence, the Company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/observations/representations.”

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted company involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities. Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the Listing Centre only and no physical filings would be accepted.** You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,

Sd/-

Prasad Bhide
Manager

DCS/AMAL/TL/IP/2350/2022-23

“E-Letter”

May 31, 2022

The Company Secretary,
GUJARAT SIDHEE CEMENT LTD.
Sidheegram, PO - Prashnavada BO,
Via Sutrapada SO (Taluka), District
Gir Somnath, Veraval, Gujarat, 362275

Dear Sir,

Sub: Observation Letter regarding the Scheme of Amalgamation of Gujarat Sidhee Cement Limited with Saurashtra Cement Limited and their respective Shareholders

We are in receipt of the draft the Scheme of Amalgamation of Gujarat Sidhee Cement Limited with Saurashtra Cement Limited and their respective Shareholders as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated May 30, 2022, has inter alia given the following comment(s) on the draft scheme of Amalgamation:

- “Company shall ensure that it discloses all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and Shareholders, while seeking approval of the scheme.”
- “Company shall ensure that additional information and undertakings, if any, submitted by the Company, after filing the scheme with the Stock Exchange, and from the date of receipt of this letter, is displayed on the websites of the listed Company and the Stock Exchanges.”
- “Company shall duly comply with the SEBI circulars issued from time to time.”
- “The entities involved in the scheme shall duly comply with various provisions of the Circular.”
- “Company is advised that the information pertaining to all the Unlisted Companies involved in the Scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval.”
- “Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old.”
- “Company is advised that the details of the proposed Scheme under consideration as provided by the Company to the Stock Exchange shall be prominently disclosed in the notice sent to the Shareholders.”
- “Company is advised that the proposed Equity Shares to be issued in terms of the ‘Scheme’ shall mandatorily be in demat form only.”
- “Company is advised to disclose the status of litigation and the outcome in the explanatory statement to the shareholders.”
- “Company is advised that the ‘Scheme’ shall be acted upon subject to the Company complying with the relevant clauses mentioned in the scheme document.”

- “Company to ensure that no changes to the draft Scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI.”
- “Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before Hon'ble NCLT and the Company obliged to bring the observations to the notice of Hon'ble NCLT.”
- “Company is advised to comply with all applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme.”
- “It is to be noted that the petitions are filed by the Company before Hon'ble NCLT after processing and communication of comments/observations on draft Scheme by SEBI/Stock Exchange. Hence, the Company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/observations/representations.”

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted company involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities. Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the Listing Centre only and no physical filings would be accepted.** You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,
Sd/-
Prasad Bhide
Manager

**National Stock Exchange Of India Limited**

Ref: NSE/LIST/30104_II

June 01, 2022

The Company Secretary
Gujarat Sidhee Cement Limited
N K Mehta International House
2nd Floor, 178, Backbay Reclamation
Mumbai – 400020.

Kind Attn.: Mr. Vijendra Raj Mohnot

Dear Sir,

Sub: Observation Letter for Draft scheme of amalgamation between Gujarat Sidhee Cement Limited and Saurashtra Cement Limited and their respective shareholders and Creditors.

We are in receipt of Draft scheme of amalgamation between Gujarat Sidhee Cement Limited and Saurashtra Cement Limited and their respective shareholders vide application dated February 21, 2022.

Based on our letter reference no. NSE/LIST/30104 dated April 22, 2022 submitted to SEBI and pursuant to SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, as amended from time to time and the SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/665 dated November 23, 2021 for comments on the Draft Scheme of Arrangement, kindly find following comments on the draft scheme:

- a. *Company shall ensure disclosure of all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the scheme.*
- b. *Company shall ensure that additional information, if any, submitted by the Company after filing the Scheme with the Stock Exchanges, from the date of receipt of this letter is displayed on the websites of the listed company and the Stock Exchanges.*
- c. *Company shall ensure compliance with the SEBI circulars issued from time to time.*
- d. *The entities involved in the scheme shall duly comply with various provisions of the said Circular.*
- e. *Company shall ensure that Company includes the applicable information pertaining to all the Unlisted Companies involved in the scheme, in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval.*

- f. Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old.*
- g. Company shall ensure that the details of the proposed scheme under consideration as provided to the stock exchange shall be prominently disclosed in the notice sent to the shareholders.*
- h. Company shall ensure that the proposed equity shares to be issued in terms of the “scheme” shall mandatorily be in a demat form only.*
- i. Company is advised to disclose the status of litigation and the outcome in the explanatory statement to the shareholders.*
- j. Company shall ensure that the “scheme” shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document.*
- k. Company shall ensure that there is no changes to the draft scheme except those mandated by the regulators/ tribunals shall be made without specific written consent of SEBI.*
- l. Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before NCLT and the company is obliged to bring the observations to the notice of NCLT.*
- m. Company shall ensure to comply with all applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme.*
- n. It is to be noted that the petitions are filed by the Company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/Stock Exchanges.*
- o. The company is not required to send notice for representation as mandated under Section 230(5) of Companies Act, 2013 to SEBI again for its comments/ observations/ representations.*

It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/representations.

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our “No objection” in terms of Regulation 94 of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.



However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines/ Regulations issued by statutory authorities. The validity of this “Observation Letter” shall be six months from June 01, 2022 within which the scheme shall be submitted to NCLT.

The Company shall ensure filing of compliance status report stating the compliance with each point of Observation Letter on draft scheme of arrangement on the following path: NEAPS > Issue > Scheme of arrangement > Reg 37(1) of SEBI LODR, 2015> Seeking Observation letter to Compliance Status.

Yours faithfully,
For National Stock Exchange of India Limited

Harshad Dharod
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL:
<https://www.nseindia.com/companies-listing/raising-capital-further-issues-main-sme-checklist>

SAURASHTRA CEMENT LIMITED
Details of material Litigations are as under

Type of Litigations	Brief Facts
Excise Duty	These cases involved the issue of Service tax demand of credit availed on GTA - Outward Transportation to port of export, export services, commission, telephone etc There are total 12 matters out of which 11 cases were pending before CESTAT, Ahmedabad and 1 remaining case is pending before the High Court of Gujarat. Looking to the facts of the cases there are good chances that all the matters may be decided in favor of the Company.
Custom Duty	These cases involve the issue of Levy of Customs Duty on steam coal (Imported) by classifying it as bituminous coal. There are 2 cases pending before CESTAT, Ahmedabad. Looking to the facts of the cases there are good chance that the cases may be decided in favor of the Company.
Goods and Service Tax	These cases involved the issue of detention of transport vehicle due to mismatch in the E-Way Bill, Refund of Compensation Cess, Demand raised in Re-assessment of VAT FY 2005-06, due to change of base of branch transfer ratio from quantity to value and Disallowance of input set off due to mismatch between J1 and J2. There are 3 cases pending before the Commissioner (Appeal) at Ahmedabad and may be decided in favor of the Company.
Royalty	Govt. of Gujarat has increased the rate of Royalty on the Marl mineral which was challenged by the Company before the High Court of Gujarat which is pending for final disposal. The Company has filed SCA in High Court of Gujarat. Other Cement Companies have also challenged the said decision of Government and there is good case as the State Government has no Authority to change the rate of Royalty.
Labour	These cases involves the labour issues with regard to re-instatement with back wages, Gratuity claims, Workman compensations claims etc. There are total 10 Labour cases which are pending before the CGIT and Labour Courts at Porbandar and Ahmedabad. The claims may be decided in favor of the Company.
On Account of Power Supply	The Company increase the contracted quantity of the electricity Load of its HT Connection and therefore the PGVCL has demanded the excess security deposit which is in contrary to prescribed guidelines. The said matter is also challenged by other companies before the Supreme Court of India. There are good chances that Supreme Court will decide case against PGVCL and therefore after the outcome of the said case this demand will be dropped off by PGVCL.
Others	These groups of cases covers the cases of civil recovery and writ petition cases which are pending before various civil courts and the High Courts. There are total 10 cases which covers Appeals, writ petitions, Civil Suits and cases pending before Green Tribunal and MRTP Commissioners. All the cases are very strong and will be having great chances that it will be decided in favor of the Company.



IN THE NATIONAL COMPANY LAW TRIBUNAL, AHMEDABAD BENCH
CA (CAA) 48/ AHM/2022

IN THE MATTER OF SECTIONS 230 TO 232
AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT,
2013

AND

IN THE MATTER OF SCHEME OF AMALGAMATION OF GUJARAT
SIDHEE CEMENT LIMITED WITH SAURASHTRA CEMENT LIMITED
AND THEIR RESPECTIVE SHAREHOLDERS AND/OR CREDITORS

Gujarat Sidhee Cement Limited, a Company incorporated)
under the provisions of the Companies Act, 1956 and)
being a Company within the meaning of the Companies)
Act, 2013, under corporate identification number)
L26940GJ1973PLC002245 and having its registered office at)
Sidheegram, PO Prashnawada BO, Via Sutrapada SO Taluka,)
District Gir Somnath, Pin Code 362275 in the State of Gujarat.) **... Applicant Company No. 1/ Transferor Company**

with

Saurashtra Cement Limited, a Company incorporated)
under the provisions of the Companies Act, 1956 and)
being a Company within the meaning of the Companies)
Act, 2013, under corporate identification number)
L26941GJ1956PLC000840 and having its registered office at)
Near Railway Station, Ranavav, Pin Code 360560 in the State)
of Gujarat.) **... Applicant Company No. 2/ Transferee Company**

PROXY FORM FOR MEETING OF UNSECURED CREDITORS

(Form MGT 11 read with Sections 230 and 105 of the Companies Act, 2013 and Rule 19 of the Companies (Management and Administration) Rules, 2014)

Name of Unsecured Creditor :

Registered Address :

Email Id :

I/ We (*) the undersigned Unsecured Creditors of Saurashtra Cement Limited (CIN L26941GJ1956PLC000840) do hereby nominate and appoint

1. Name: _____

Address: _____

Email ID: _____

Signature: _____, or failing him/her

2. Name: _____

Address: _____

Email ID: _____

Signature: _____, or failing him/her

3. Name: _____
 Address: _____
 Email ID: _____
 Signature: _____

as my/our PROXY to act for me/us at the meeting of the Unsecured Creditors of Saurashtra Cement Limited to be held on Wednesday, 23rd November, 2022 at 12.30 P.M. (IST) at the Registered Office of the Company, Near Railway Station, Ranavav-360560, Gujarat for the purpose of considering and if thought fit, approving with or without modification, the proposed Scheme of Amalgamation of Gujarat Sidhee Cement Limited with Saurashtra Cement Limited and their respective shareholders and at such meeting or any adjournment thereof to vote for me/us and in my/our name _____ [here, 'if for', insert '**for**'; 'if against', insert '**against**' and in the latter case, strike out the words below after 'Scheme of Amalgamation'] the said Scheme of Amalgamation either with or without modification as my/our proxy may approve.

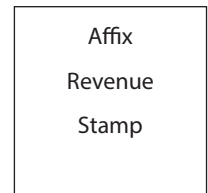
Signed this..... day of 2022

Signature of unsecured creditor

Signature of Proxy holder(s).....

NOTES:

1. Please affix appropriate Revenue Stamp before putting Signature.
 2. The proxy duly stamped, signed and completed must be deposited at the Registered Office of the Company at least 48 hours before the commencement of the meeting.
 3. A proxy need not be an unsecured creditor of the company.
 4. Alterations, if any made in the form of proxy must be initialled by the unsecured creditor.
 5. In case of multiple proxies, the Proxy later in the time shall be accepted.
- (*) Strike out whichever not applicable.





IN THE NATIONAL COMPANY LAW TRIBUNAL, AHMEDABAD BENCH
CA (CAA) 48/ AHM/2022

IN THE MATTER OF SECTIONS 230 TO 232

AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT,
2013

AND

IN THE MATTER OF SCHEME OF AMALGAMATION OF GUJARAT
SIDHEE CEMENT LIMITED WITH SAURASHTRA CEMENT LIMITED
AND THEIR RESPECTIVE SHAREHOLDERS AND/OR CREDITORS

Gujarat Sidhee Cement Limited, a Company incorporated)
under the provisions of the Companies Act, 1956 and)
being a Company within the meaning of the Companies)
Act, 2013, under corporate identification number)
L26940GJ1973PLC002245 and having its registered office at)
Sidheegram, PO Prashnawada BO, Via Sutrapada SO Taluka,)
District Gir Somnath, Pin Code 362275 in the State of Gujarat.) ... **Applicant Company No. 1/ Transferor Company**

with

Saurashtra Cement Limited, a Company incorporated)
under the provisions of the Companies Act, 1956 and)
being a Company within the meaning of the Companies)
Act, 2013, under corporate identification number)
L26941GJ1956PLC000840 and having its registered office at)
Near Railway Station, Ranavav, Pin Code 360560 in the State)
of Gujarat.) ... **Applicant Company No. 2/ Transferee Company**

ATTENDANCE SLIP

(To be handed over at the entrance of the Meeting Hall)

I hereby record my presence at the Meeting of Unsecured Creditors of Saurashtra Cement Limited, convened pursuant to order of the Hon'ble National Company Law Tribunal, Ahmedabad Bench, on Wednesday, 23rd November, 2022 at 12.30 P.M. (IST) at the Registered Office of the Company, Near Railway Station, Ranavav 360 560, Gujarat.

Name of Unsecured Creditor	
Address of Unsecured Creditor	
Name of Authorised Representative/ Proxyholder, attending if any*	

Signature of the Unsecured Creditor/Authorised Representative/Proxyholder*

* Strike out whichever is not applicable

Notes:

1. Unsecured Creditor attending the meeting in person or by Proxy or through authorized representative are requested to complete and bring the attendance slip with them and hand it over at the entrance of the meeting hall.
2. Unsecured Creditor who come to attend the meeting are requested to bring their copy of the Scheme with them.

ROUTE MAP OF THE VENUE

