

Brief particulars of the Transferee and Transferor companies

Particulars	Transferee Company	Transferor Company
Name of the company	Saurashtra Cement Limited (SCL)	Gujarat Sidhee Cement Limited (GSCL)
Date of Incorporation & details of name changes, if any	11 th June, 1956 The Company was originally incorporated under the name Saurashtra Cement & Chemical Industries Limited. The Company's name was changed to Saurashtra Cement Limited on 3 rd June, 1994.	29 th March 1973 The Company was originally incorporated under the name Cement Corporation of Gujarat Limited. The Company's name was changed to Gujarat Sidhee Cement Limited on 18 th January, 1994.
Registered Office	Near Railway Station, Ranavav 360 560. Dist : Porbandar, Gujarat.	Sidheegram, PO-Prashnawada BO, Tal: Via Sutrapada SO Taluka, Pin Code 362275, Dist: Gir Somnath, Gujarat.
Brief particulars of the scheme	<p>1) 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.</p> <p>2) 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.</p> <p>3) The Appointed Date as per the proposed scheme of amalgamation (hereinafter referred to as "proposed scheme") is 1 January 2022.</p> <p>4) In consideration of the proposed Scheme, the Transferee Company will issue and allot New Equity Shares to each of the shareholders of</p>	

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Regd. Office & Works
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the Transferor Company 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 (which shall be fixed by the Board of the Transferee Company, for the purpose of determining the shareholders of the Transferor Company for issue of the shares of the Transferee Company, pursuant to the Scheme) as under:

"62 (Sixty Two) fully paid up equity shares of INR10 (Rupees Ten only) each of the Transferee Company credited to 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."

- 5) The Transferee Company shall apply for listing of the New Equity Shares on the Stock Exchanges in terms of and in compliance of SEBI Circular and other relevant provisions as may be applicable. The 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.
- 6) 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.
- 7) 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 accounts of the Transferee Company at the book values as recorded in the Transferor Company's books of accounts.
- 8) 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) 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.
- 10) 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.

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	<p>11) 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.</p> <p>12) 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.</p> <p>13) 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.</p> <p>14) 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.</p> <p>15) 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.</p> <p>16) 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 and all other assets and liabilities of the Transferor company shall be transferred to the Transferee company. The name of the Transferor Company shall be struck off from the records of the concerned RoC.</p>
Rationale for the scheme	<p>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.</p> <p>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.</p>

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- 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

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	<p>based company having greater capacity to raise and access funds for growth and expansion of its business.</p> <p>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.</p> <p>xi. The Scheme is in the best interests of the shareholders, employees and the creditors of each of the Parties</p>	
Date of resolution passed by the Board of Director of the company approving the scheme	5 th February 2022 (Transferee Company)	5 th February 2022 (Transferor Company)
Date of meeting of the Audit Committee in which the draft scheme has been approved	5 th February 2022 (Transferee Company)	5 th February 2022 (Transferor Company)
Appointed Date	1 st January 2022 as approved by the Board of Directors at its meeting held on 5 th February 2022	1 st January 2022 as approved by the Board of Directors at its meeting held on 5 th February 2022
Name of Exchanges where securities of the company are listed	BSE Limited	BSE Limited and National Stock Exchange of India Limited
Nature of Business	Manufacturer and Sale of Clinker, Cement and Paints.	Manufacturer and sale of Clinker and Cement
Capital before the scheme (No. of equity shares as well as capital in rupees)	<p>The Authorised Capital of the Company is Rs.229,60,00,000/- (Rupees Two hundred twenty nine crores sixty lakhs only) divided into 22,96,00,000 (Twenty two crores ninety six lakhs only) Equity shares of Rs.10/- (Rupees ten only).</p> <p>The Issued, subscribed and paid-up capital of the Company as on the date of the Board Meeting held on 5.2.2022 was Rs.70,23,15,930/- (Rupees Seventy crores twenty three lakhs fifteen thousand nine hundred thirty only) divided into 7,02,31,593 (Seven crores two lakhs thirty one thousand five hundred ninety three only) Equity shares of Rs.10/- (Rupees ten only).</p> <p>Subsequently, on 14th February, 2022, the Company has allotted</p>	<p>The Authorised Capital of the Company is Rs.5,43,10,00,000/- (Rupees Five hundred forty three crores and ten lakhs only) divided into 543,100,000 (Fifty four crores thirty one lakhs) Equity shares of Rs.10/- (Rupees ten only).</p> <p>The Issued, subscribed and paid-up capital of the Company as on the date of the Board Meeting held on 5.2.2022 was Rs.89,12,73,130/- (Rupees Eighty nine crores twelve lakhs seventy three thousand one hundred thirty only) divided into 8,91,27,313 (Eight crores ninety one lakhs twenty seven thousand three hundred thirteen only) Equity shares of Rs.10/- (Rupees ten only).</p> <p>Subsequently, on 14th February, 2022, the Company has allotted</p>

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	<p>82,195 Equity shares of Rs.10/- each to the eligible employees of the Company under ESOP amounting to Rs.8,21,950/-. The said shares are pending for obtaining listing and trading approval from BSE Limited.</p> <p>Therefore, in view of the above allotment of shares, the issued, subscribed and paid-up capital of the Company as on the date of the application would be Rs.70,29,37,880/- (Rupees Seventy crores twenty nine lakhs thirty seven thousand eight hundred eighty only) divided into 7,02,93,788 (Seven Crores two lakhs ninety three thousand seven hundred eighty eight only) Equity shares of Rs.10/- (Rupees ten only).</p>	<p>90,840 Equity shares of Rs.10/- each to the eligible employees of the Company under ESOP amounting to Rs.9,08,400/-. The said shares are pending for obtaining listing and trading approval from BSE Limited and National Stock Exchange of India Limited (NSE).</p> <p>Therefore, in view of the above allotment of shares, the issued, subscribed and paid-up capital as on date of the application would be Rs.89,21,81,530/- (Rupees Eight nine crores twenty one lakhs eighty one thousand five hundred thirty only) divided into 8,92,18,153 (Eight crores ninety two lakhs eighteen thousand one hundred fifty three only) Equity shares of Rs.10/- (Rupees ten only).</p>
No. of shares to be issued	53841669 Equity Shares of the face value of Rs.10/- each of Transferee Company shall be issued and allotted as fully paid up to the equity shareholders of Transferor Company as per the swap ratio forming part of the Scheme and approved by the Board of Directors of the Transferor and Transferee Company.	
Cancellation of shares on account of cross holding, if any	Only 1,36,58,267 (19.45%) equity shares held by the Transferor Company in Transferee Company will get cancelled on account of cross holding.	Only 22,85,912 (2.56%) equity shares held by the Transferee Company in Transferor Company will get cancelled on account of cross holding.
Net Worth	(Rs. In crores)	(Rs. In crores)
Pre	Rs. 443.85	Rs. 256.22
Post	Rs. 651.06 (Transferee Company)	NIL (Transferor Company)
Valuation by independent Chartered Accountant – Name of the valuer/valuer firm and Regn no.	Valuation report dated 5 th February 2022 issued jointly by M/s. SSPA & Co., Chartered Accountants, <i>Registered Valuer</i> Registration No. IBBI/RV-E/06/2020/126 and M/s. Ernst & Young Merchant Banking Services LLP, <i>Registered Valuer</i> Registration No. IBBI/RV-E/05/2021/155.	

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Methods of valuation and value per share arrived under each method with weight given to each method, if any.	Valuation Approach	Value per Share of SCL (INR)	Weight	Valuation Approach	Value per Share of SCL (INR)	Weight
	Asset Approach*	NA		Asset Approach*	NA	
	Income Approach -Discounted Cash flow method	113.5	33.33%	Income Approach -Discounted Cash flow method	73.5	33.33%
	Market Approach -Market Price method	79.6	33.33%	Market Approach -Market Price method	47.9	33.33%
	-Comparable Companies' Market Multiples method	106.7	33.33%	-Comparable Companies' Market Multiples method	65.3	33.33%
	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.			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.		
Fair value per share	Rs. 103.85			Rs. 64.65		
Exchange ratio	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.					
Name of Merchant Banker giving fairness opinion	M/s. J.M. Financial Limited, Category I Merchant Banker has issued the Fairness Opinion report dated 5 th February 2022.			Edelweiss Financial Services Limited, Category I Merchant Banker has issued the Fairness Opinion report dated 5 th February 2022.		
Shareholding pattern	Pre			Post		
	No. of Shares	% of holding		No. of Shares	% of holding	
Promoter	Please refer Annexure 1			Please refer Annexure 1		
Public						
Custodian						
TOTAL						
No of shareholders	Transferee Company – 16621 Transferee Company - 56457			Transferor Company -73069 Transferor Company - NIL		
Names of the Promoters (with PAN nos.)	Sr. No	Name	PAN	Sr. No	Name	PAN
	1	MAHENDRA NANJIBHAI MEHTA	AABPM 7687C	1	JUHI CHAWLA MEHTA	AABPC8849 E
				2	JAY MAHENDRA MEHTA	AABPM768 3G

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2	SUNAYANABEN MAHENDRA MEHTA	AABPM 5729R	3	ATUL C. KHANNA	GYNPK655 C
3	JAY MAHENDRA MEHTA	AABPM 7683G	4.	PROMILLA KHANNA	AGKPK1420 A
4	JUHI CHAWLA MEHTA	AABPC8 849E	5.	GALAXY TECHNOLOGIES PRIVATE LIMITED	AACCG1956 B
5	JAHNAVI JAY MEHTA	AVXPM 9445K	6.	GUJARAT INDUSTRIAL INVESTMENT CORPORATION LIMITED	AAACG5304 Q
6	ARJUN JAY MEHTA	AYDPM 5649Q	7.	SAURASHTRA CEMENT LIMITED	AAHFS5211 J
7	RADHA MAHENDRA MEHTA	BQZPM 7324R	8.	SHREE ANANDEYA INVESTMENTS PVT LIMITED	AABCS7757 E
8	DHIRENDRA NANJIBHAI MEHTA	AABPM 7688P	9.	PALLOR TRADING CO. PRIVATE LIMITED	AAACP9462 G
9	MEDHAVINI DHIRENDRBHAI MEHTA	AFOPM 9223L	10.	THE MEHTA INTERNATIONAL MAURITIUS LIMITED	AACCT9946 P
10	HEMANG DHIRENDRA MEHTA	AABPM 7686D	11.	MEHTA INVESTMENTS MAURITIUS LIMITED	AAVCS8621 F
11	UMADE DHIRENDRABHAI MEHTA	AABPM 7682H	12.	TREASURERS TRADING LIMITED	AACCT5881 B
12	KAMALAKSHI DHIRENDRABHAI MEHTA	AABPM 7681E			
13	ANISHA HEMANG MEHTA	FDFPM6 083J			
14	DEVIKA KALLERGIS	IEKPK00 07R			
15	NIRMALA RANVIR KHATAU	AGQPK7 961E			
16	SUDHIR BABUBHAI SHAH	AAFPS2 357D			
17	SUBASH CHANDRA KHANNA	AJDPK3 568K			
18	PROMILLA KHANNA	AGKPK1 420A			
19	ARJA SHRIDHAR	ARXPS1 496G			
20	ATUL KHANNA	GYNPK6 552C			
21	OMNA ENTERPRISES LLP	AAEFO4 165F			
22	GALAXY TECHNOLOGIES PRIVATE LIMITED	AACCG1 956B			
23	PALLOR TRADING COMPANY PRIVATE LIMITED	AAACP9 462G			
24	GUJARAT SIDHEE CEMENT LIMITED	AAACG8 057G			
25	MEHTA INVESTMENTS MAURITIUS LIMITED	AAVCS8 621F			
26	THE MEHTA INTERNATIONAL MAURITIUS LIMITED	AACCT9 946P			

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	27	THE MEHTA INTERNATIONAL LIMITED	AACCT5 107G					
Names of the Board of Directors (with DIN and PAN nos.)	Sr. No	Name	DIN	PAN	Sr. No	Name	DIN	PAN
	1	Mr. M.N. Mehta	0063286 5	AABPM7 687C	1	Mr. M. N. Mehta	0063286 5	AABPM7 687C
	2	Mr. Jay M. Mehta	0015207 2	AABPM7 683G	2	Mr. Jay M. Mehta	0015207 2	AABPM7 683G
	3	Mr. Hemang D. Mehta	0014658 0	AABPM7 686D	3	Mr. M. L. Tandon	0007892 3	AAAPT29 29F
	4	Mr. Hemnabh R. Khatau	0239006 4	AACPK93 28D	4	Mr. Hemnabh Khatau	0239006 4	AACPK93 28D
	5	Mr. M. N. Rao	0002713 1	ADDPM2 030N	5	Mr. M. N. Rao	0002713 1	ADDPM2 030N
	6	Mr. B. P. Deshmukh	0000235 7	AAEPD15 68N	6	Mr. K. N. Bhandari	0002607 8	AELPB56 35F
	7	Mr. K. N. Bhandari	0002607 8	AELPB56 35F	7	Mr. Venkatesh Mysore	0140144 7	ADWPM0 517B
	8	Mr. Bimal Thakkar	0008740 4	AAAPT93 15R	8	Mr. Bimal Thakkar	0008740 4	AAAPT93 15R
	9	Mrs. Bhagyam Ramani	0010709 7	AGEPR84 95C	9	Mrs. Bhagyam Ramani	0010709 7	AGEPR84 95C
	10	Mr. Ashwani Kumar	0287068 1	AGSPK84 48A	10	Mrs. Juhi Chawla Mehta	0016170 6	AABPC88 49E
		11	Mr. M. S. Gilotra	0015219 0	AEEPG73 99J	11	Mr. Ashwani Kumar	0287068 1
					12	Mr. M. N. Sarma	0673435 7	ABOPM7 812P
					13	Dr. Rahul Babulal Gupta (GIIC Nominee)	0857295 5	AHVPG99 20H
					14	Mr. M. S. Gilotra	0015219 0	AEEPG73 99J
Please specify relation among the companies involved in the scheme, if any	As per Clause A (1) of the Scheme; the Transferor Company and the Transferee Company are part of the same promoter group.			As per Clause A (1) of the Scheme; the Transferor Company and the Transferee Company are part of the same promoter group.				
Details regarding change in management control in listed or resulting company seeking listing if any	Not applicable. There is no change in the Management control of the Company pursuant to merger.							

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Date: 17.02.2022



Annexure 1

GUJARAT SIDHEE CEMENT LIMITED (TRANSFEROR COMPANY)

Shareholding Pattern

Shareholding	PRE		POST	
	No. of Shares	Percentage	No. of Shares	Percentage
Promoter	62031113	69.60	NIL	NIL
Public	27096200	30.40	NIL	NIL
Custodian	NIL	NIL	NIL	NIL
Total	89127313	100	NIL	NIL

Note: Subsequently, on 14th February, 2022, the Company has allotted 90,840 Equity shares of Rs.10/- each to the eligible employees of the Company under ESOP amounting to Rs.9,08,400/-. The said shares are pending for obtaining listing and trading approval from BSE Limited and National Stock Exchange of India Limited (NSE).

SAURASHTRA CEMENT LIMITED (TRANSFeree COMPANY)

Shareholding Pattern

Shareholding	PRE		POST	
	No. of Shares	Percentage	No. of Shares	Percentage
Promoter	51082521	72.73	74466278	67.44
Public	19149072	27.27	35948716	32.56
Custodian	NIL	NIL	NIL	NIL
Total	70231593	100	110414995*	100

*rounded off in total shares in accordance with the swap ratio and the provision made in the draft scheme.

Subsequently, on 14th February, 2022, the Company has allotted 82,195 Equity shares of Rs.10/- each to the eligible employees of the Company under ESOP amounting to Rs.8,21,950/-. The said shares are pending for obtaining listing and trading approval from BSE Limited.

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