

**SCHEME OF AMALGAMATION**  
**OF**  
**PARSEC ENTERPRISES PRIVATE LIMITED (“THE**  
**TRANSFEROR COMPANY”)**  
**WITH**  
**SAURASHTRA CEMENT LIMITED (“THE TRANSFEEE**  
**COMPANY”)**  
**AND**  
**THEIR RESPECTIVE SHAREHOLDERS & CREDITORS**

**PREAMBLE**

This Scheme of Amalgamation is presented under Sections 230-232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 for amalgamation of Parsec Enterprises Private Limited (“the Transferor Company”) with Saurashtra Cement Limited (“the Transferee Company”). The equity shares of Saurashtra Cement Limited are listed on the Bombay Stock Exchange.

**RATIONALE FOR THE SCHEME**

Parsec Enterprises Private Limited forms part of the Promoter Group of Saurashtra Cement Limited. It presently holds 1,35,38,370 No. of equity shares in Saurashtra Cement Limited representing about 19.47 % of the total paid up share capital.

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It is proposed to amalgamate the Transferor Company into the Transferee Company by this Scheme, as a result of which the shareholders of the Transferor Company viz. the promoter group of the Transferor Company (who are also part of the promoter group of the Transferee Company) shall directly hold shares in the Transferee Company and the following benefits shall, inter alia, accrue to the Companies:

- a) Harnessing and optimization of the synergy benefits with better utilization of common and combined resources.
- b) To reduce the overlaps and administration and the managerial cost.
- c) The amalgamation will result in the promoter group of the Transferor Company directly holding shares in the Transferee Company, which will lead to simplification of the shareholding structure and reduction of shareholding tiers of the Transferee Company;
- d) The promoter group of the Transferee Company is desirous of streamlining its holding in the Transferee Company. As a step towards such rationalization, it is proposed to merge the Transferor Company into the Transferee Company;
- e) The promoters would continue to hold the same percentage of shares in the Transferee Company, pre and post the amalgamation. There would also be no change in the financial position of the Transferee Company. All cost, charges and expenses relating to the Scheme would be borne out of the assets (other than shares of the Transferee Company) of the Transferor Company. Any expense, exceeding the assets of the Transferor Company would be borne by the shareholders of the Transferor Company directly;

- f) Further, the Scheme also provides that the shareholders of the Transferor Company shall indemnify the Transferee Company and keep the Transferee Company indemnified for liability, claim, demand, if any, and which may devolve on the Transferee Company on account of this amalgamation.

Accordingly, the Board of Directors of the Transferor Company and the Transferee Company have formulated this Scheme for the transfer and vesting of all the assets of the Transferor Company with and into the Transferee Company pursuant to the provisions of Sections 230-232 and other relevant provisions of the Companies Act, 2013 (including any statutory modification or reenactment or amendment thereof).

**PARTS OF THE SCHEME:**

The Scheme is divided into the following parts:

<b>PART A</b>	Deals with the definitions and share capital
<b>PART B</b>	Deals with amalgamation of the Parsec Enterprises Private Limited (“Transferor Company”) with Saurashtra Cement Limited (“Transferee Company”).
<b>PART C</b>	Deals with General Terms and Conditions.

## PART A - DEFINITIONS & SHARE CAPITAL

### 1. DEFINITIONS

In this Scheme (as defined hereinafter), unless inconsistent with the subject or context, the following expressions shall have the following meaning:

- 1.1 **“Act” or “the Act”** means the Companies Act, 2013, the rules and regulations made there-under and will include any statutory modifications, amendments or re-enactment thereof for the time being in force;
- 1.2 **“Applicable Law”** means (a) all applicable statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines or policies of any applicable country and/ or jurisdiction; (b) administrative interpretation, writ, injunction, directions, directives, judgment, arbitral award, decree, orders or approvals of or agreements with any Appropriate Authority
- 1.3 **“Appointed Date”** means 1<sup>st</sup> April 2020 or such other date as may be suggested by the NCLT ;
- 1.4 **“Appropriate Authority”** means any national, state, provincial, local or similar governmental, statutory, regulatory, administrative authority, agency, commission, departmental or public body or authority, board, branch, tribunal or court or other entity authorized to make laws, rules, regulations, standards, requirements, procedures or to pass directions or orders, in each case having the force of law or

any non-governmental regulatory or administrative authority, body or other organization to the extent that the rules and standards, requirements, procedures or orders of such authority, body or other organization have the force of law including the Registrar of Companies, Regional Director, NCLT and such other sectoral regulators or authorities as may be applicable;

- 1.5 **“Board” or “Board of Directors”** means the Board of Directors of the Transferor Company or of the Transferee Company as the context may require and shall, unless it be repugnant to the context or otherwise, include a committee of directors or any person(s) authorized by the Board of Directors or such committee of Directors;
- 1.6 **“Effective Date”** means last of the dates on which the certified copies of the order sanctioning this Scheme of Amalgamation passed by the NCLT is filed with the Registrar of Companies by the Transferor Company and the Transferee Company and if the certified copies are filed on different dates, last of such dates.
- 1.7 **“Record Date”** means the date fixed by the Board of Directors or committee thereof, if any, of the Transferee Company for the purpose of determining the members of the Transferor Company to whom New Equity Shares will be allotted pursuant to this Scheme;
- 1.8 **“SEBI”** means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;

- 1.9 **“Stock Exchanges”** means BSE Limited, and any other stock exchange(s);
- 1.10 **"Scheme"** or **“the Scheme”** or **“this Scheme”** means this Scheme of Amalgamation in its present form as submitted with the NCLT or this Scheme with any modification(s) made under Clause 17 of the Scheme;
- 1.11 **“Transferee Company”** or **“SCL”** means Saurashtra Cement Limited (CIN: L26941GJ1956PLC000840), a company incorporated under the Companies Act, 1956 and having its registered office at Near Railway Station, Ranavav 360 560, Tal: Ranavav. Dist: Porbandar Gujarat;
- 1.12 **“Transferor Company”** or **“PEPL”** means Parsec Enterprises Private Limited (CIN: U51900GJ2014PTC108162), a company incorporated under the Companies Act, 1956 and having its registered office at B-402, Pelican House, Gujarat Chamber of Commerce Compound, Ashram Road, Gujarat;
- 1.13 **“Tribunal”** or **“the NCLT”** means the National Company Law Tribunal, Ahmedabad Bench.

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof from time to time.

## 2. DATE OF TAKING EFFECT AND OPERATIVE DATE

2.1 The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the NCLT or made as per Clause 17 of the Scheme, shall be effective from the Appointed Date but shall be operative from the Effective Date.

2.2 Any reference in this Scheme to “upon the Scheme becoming effective” or “effectiveness of the Scheme” or “upon the coming into effect of the Scheme” shall mean the Effective Date.

## 3. SHARE CAPITAL

3.1 The share capital of the Transferor Company as on 31<sup>st</sup> March, 2020 is as under:

<b>Particulars</b>	<b>Amount in Rs.</b>
<b>Authorised Capital</b>	
6,00,000 Equity shares of Rs. 10/- Each	60,00,000.00
<b>Total</b>	60,00,000.00
<b>Issued, Subscribed and Paid-up Capital</b>	
3,85,986 Equity shares of Rs.10/- Each	38,59,860.00
<b>Total</b>	38,59,860.00

Subsequent to 31<sup>st</sup> March, 2020 and till the date of approval of the Scheme by the Board of Directors of the Transferor Company, there has been no change in the issued, subscribed and paid-up capital of the Transferee Company.

3.2 The share capital of the Transferee Company as on 31<sup>st</sup> March, 2020 is as under:

<b>Particulars</b>	<b>Amount in Rs.</b>
<b>Authorised Capital</b>	
22,90,00,000 Equity shares of Rs. 10/- each	229,00,00,000.00
<b>Total</b>	229,00,00,000.00
<b>Issued Capital</b>	
6,95,33,718 Equity shares of Rs. 10/- each	69,53,37,180.00
<b>Subscribed and Paid-up Capital</b>	
6,95,18,449 Equity shares of Rs. 10/- Each	69,51,84,490.00
15,269 Forfeited Equity shares of Rs.2/- paid up	30,538.00
<b>Total</b>	69,52,15,028.00

Subsequent to 31<sup>st</sup> March, 2020 and till the date of approval of the Scheme by the Board of Directors of the Transferee Company, the Transferee Company has on 17.4.2020, allotted 49,535 equity shares of Rs. 10 Each to its employees under its ESOP'S scheme.

Further, the Transferor Company holds 1,35,38,370 equity shares of Rs.10/- each fully paid up in the Transferee Company, representing about 19.47% of the total paid up share capital of the Transferee Company as on 31<sup>st</sup> March 2020.



**PART B - AMALGAMATION OF THE TRANSFEROR COMPANY  
WITH THE TRANSFEREE COMPANY**

**4 TRANSFER AND VESTING OF THE TRANSFEROR  
COMPANY WITH THE TRANSFEREE COMPANY**

4.1 With effect from the Appointed Date, the business of the Transferor Company including its properties and assets (whether movable tangible or intangible) of whatsoever nature including investments, shares, debentures, securities, loans and advances, licenses, permits, approvals, lease, tenancy rights, titles, permissions, if any, accumulated losses, if any, benefits of tax relief including under the Income-tax Act, 1961 such as credit for advance tax, taxes deducted at source, minimum alternate tax and all other rights, title, interest, contracts, consent, approvals or powers of every kind, nature and descriptions whatsoever shall under the provisions of Sections 230 to 232 of the Act and pursuant to the orders of the NCLT or any other Appropriate Authority sanctioning this Scheme and without further act, instrument or deed, but subject to the charges affecting the same as on the Effective Date, shall stand transferred to and/or deemed to be transferred to and vested in the Transferee Company so as to become the properties and assets of the Transferee Company.

4.2 Without prejudice to Clause 4.1, all movable assets of the Transferor Company including sundry debtors, trade receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or

for value to be received, bank balances, investments, earnest money and deposits with any government, quasi-government, local or other authority or body or with any company or other person, the same shall, on and from the Appointed Date, stand transferred to and vested in Transferee Company without any notice or other intimation to the debtors (although Transferee Company may without being obliged and if it so deems appropriate at its sole discretion, give notice in such form as it may deem fit and proper, to each person, debtor, or depositor, as the case may be, that the said debt, loan, advance, balance or deposit stands transferred and vested in Transferee Company) subject to existing charges or *lis pendens*, if any thereon.

4.3 The liabilities of the Transferor Company shall also, without any further act, instrument or deed be transferred to and vested in and assumed by and/or deemed to be transferred to and vested in and assumed by the Transferee Company pursuant to the provisions of Sections 230 to 232 of the Act, so as to become the liabilities of the Transferee Company and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such liabilities have arisen, in order to give effect to the provisions of this Clause.

4.4 This Scheme has been drawn up to comply with the conditions relating to “amalgamation” as specified under Section 2(1B) of the Income -tax Act, 1961. If any terms or provisions of the Scheme are inconsistent with the provisions of Section 2(1B) of the Income-tax Act, 1961, the provisions of Section 2(1B) of the Income-tax Act,

1961 shall to the extent of such inconsistency prevail and the Scheme shall stand modified to that extent to comply with Section 2(1B) of the Income-tax Act, 1961; such modification to not affect other parts of the Scheme.

- 4.5 Upon the Scheme becoming effective, the Transferee Company shall be expressly permitted to revise and file its financial statements, income tax returns including tax deducted at source returns, GST returns, and other tax returns (including revised returns) as may be necessary and expressly reserves the right to make such provisions in its returns, and to claim refunds and credits etc. pertaining to the Transferor company and notwithstanding that the statutory period for such revisions and filing may have lapsed. The Transferee Company shall be entitled to claim and be allowed credit or benefits of all tax deduction certificates, advance tax or other tax payments, credits or duty drawbacks or advance licences or any other credit or benefit of any tax, duty, CENVAT, incentives etc. relating to the Transferor Company, notwithstanding that such certificates or challans or any other documents for tax payments or credits / benefits etc. may have been issued or made in the name of transferor companies. Such credit / benefit shall be allowed without any further act or deed by the Transferee Company or the need for any endorsements on such certificates, challans, documents etc. to be done by the issuers or any authority. Any refunds under the Tax Laws due to the Transferor Company consequent to the assessment made on the Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the appointed date shall also belong to

and be received by the Transferee Company.

4.6 Pursuant to the Scheme becoming effective, Transferee Company shall, if so required under any law or otherwise, execute deeds of confirmation or other writings or arrangement with any party to any contract or arrangement to which the Transferor Company is a party in order to give formal effect to the above provisions. The Transferee Company shall be deemed to be authorized to execute any such writings on behalf of the Transferor Company to carry out or perform all such formalities or compliances referred to above on part of the Transferor Company.

## 5 **CONSIDERATION**

5.1 Upon this Scheme becoming effective and upon amalgamation of the Transferor Company into the Transferee Company in terms of this Scheme, the Transferee Company shall, without any application, act or deed, issue and allot equity shares, credited as fully paid up, to the extent indicated below, to the members of the Transferor Company holding fully paid-up equity shares of the Transferor Company and whose names appear in the register of members of the Transferor Company as on the Record Date, or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of the Transferor Company / Transferee Company in the following proportion: *“1,35,38,370 fully paid up equity share of Rs. 10 each of the Transferee Company shall be issued and allotted as fully paid up*

*to the equity shareholders of the Transferor Company in proportion of their holding in the Transferor Company”*

(Equity shares to be issued by the Transferee Company as above are referred to as “New Equity Shares”).

- 5.2 It is clarified that any positive net assets of the Transferor Company as on the appointed date other than the investment in the shares of the Transferee Company will not affect – alter the share exchange ratio.
- 5.3 The Transferor Company holds 1,35,38,370 equity shares of the Transferee Company and pursuant to the amalgamation, the Transferee Company shall issue the same number of New Equity Shares i.e. 1,35,38,370 to the shareholders of the Transferor Company. In the event the Transferor Company holds more than fully paid up equity shares of the Transferee Company (without incurring any additional liability) on the Record Date, New Equity Shares to be issued by the Transferee Company to the shareholders of the Transferor Company shall stand increased by such additional number of equity shares held by the Transferor Company.
- 5.4 The New Equity Shares to be issued to the members of the Transferor Company as per clause 5.1 above shall be subject to the Memorandum of Association and Articles of Association of the Transferee Company. The New Equity Shares shall rank *pari-passu* in all respects, including dividend, with the existing equity shares of Transferee Company.

- 5.5 In respect of fractional entitlement to a shareholder, shall be rounded off to the nearest integer. A fraction of less than half shall be rounded down to the nearest lower integer and a fraction of half or more shall be rounded up to the nearest higher integer. However, in no event, shall the number of New Equity Shares to be allotted by the Transferee Company to the members of the Transferor Company exceed the number of equity shares held by the Transferor Company in the Transferee Company on the Effective Date.
- 5.6 The investment held by the Transferor Company in the equity share capital of the Transferee Company shall, without any further application, act, instrument or deed stand cancelled. The shares held by the Transferor Company in dematerialized form shall be extinguished, on and from such issue and allotment of New Equity Shares.
- 5.7 The New Equity Shares to be issued and allotted by the Transferee Company to the shareholders of the Transferor Company shall be issued in dematerialized form.
- 5.8 The New Equity Shares of the Transferee Company shall be listed and/ or admitted to trading on the Stock Exchanges on which the existing equity shares of the Transferee Company are listed at that time. The Transferee Company shall enter into such arrangements and give such confirmation and/or undertakings as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of the said Stock Exchanges.

5.9 The Transferee Company shall, if and to the extent required, apply for and obtain any approvals from concerned regulatory authorities for the issue and allotment by Transferee Company of New Equity Shares to the members of the Transferor Company under the Scheme.

5.10 The approval of this Scheme by the members of the Transferee Company shall be deemed to be due compliance with the applicable provisions of the Act including Section 42 and 62 of the Act, for the issue and allotment of New Equity Shares by the Transferee Company to the members of the Transferor Company, as provided in the Scheme and under Single window clearance concept.

## **6 CANCELLATION OF EQUITY SHARES OF THE TRANSFEE COMPANY HELD BY THE TRANSFEROR COMPANY**

6.1 Upon the Scheme becoming effective, the issued, subscribed and paid up share capital of Transferee Company, to the extent of the shares held by Transferor Company in the Transferee Company, shall be automatically cancelled and reduced in terms of section 66 of the Act.

6.2 The said cancellation shall result in reduction of capital under section 66 of the Act. However, since the aforesaid reduction is consequential and is proposed as an integral part of the Scheme, the Transferee Company shall not be required to undertake separate procedure under

section 66 of the Act. Further, as the aforesaid reduction does not result in either diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid-up share capital, the provisions of section 66 of the Act shall not be applicable. The order of the NCLT sanctioning the scheme shall be deemed to be the Order under section 66 of the Act for the purpose of confirming reduction. Further, the Transferee Company shall not be required to add “and reduced” as a suffix to its name consequent upon such reduction.

## **7 ACCOUNTING TREATMENT**

- 7.1 Upon the coming into effect of this Scheme, the Transferee Company shall account for the amalgamation of the Transferor Companies in its books as per the applicable accounting principles prescribed under Indian Accounting Standards (Ind AS). It would inter alia include the following;
- 7.2 The shares of the Transferee Company held by the Transferor Companies shall stand cancelled.
- 7.3 The inter-company deposits/inter-company loans and advances, if any, in the books of accounts of the Transferee Company and the Transferor Companies shall stand cancelled.
- 7.4 The face value of New Equity Shares issued by the Transferee Company to the shareholders of the Transferor Company pursuant to Clause 5.1 above shall be credited to the Equity Share Capital Account of the Transferee Company.



- 7.5 Other assets and liabilities of the Transferor Company transferred to and vested in the Transferee Company shall be recorded at their respective fair values as appearing in the books of accounts of the Transferor Company and in accordance with requirements of Ind AS.
- 7.6 The difference, if any, being excess or deficit arising pursuant to the Scheme, after giving effect to the above adjustments, shall be accounted based on generally accepted accounting principles under Ind AS.

## 8 COMBINATION OF AUTHORISED SHARE CAPITAL

- 8.1 Upon the Scheme becoming effective, the Authorised Share Capital of the Transferee Company shall automatically stand increased without any further act, instrument or deed on the part of the Transferee Company, including payment of stamp duty and fees payable to Registrar of Companies, by the Authorised Share Capital of the Transferor Company as on the Effective Date. Further, post such increase authorized share capital of the Transferee Company shall be re-classified as follows:

<b>Particulars</b>	<b>Amount in Rs.</b>
<b>Authorized Capital</b>	
229600000 Equity shares of Rs. 10/- each	229,60,00,000.00
<b>Total</b>	<b>229,60,00,000.00</b>

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 of Association of the Transferee Company as may be required under the Act and Clause V of the Memorandum of Association of the Transferee Company shall respectively stand substituted by virtue of the Scheme to read as follows:

Clause V of the Memorandum of Association of the Transferee Company:

*“V. The Authorized Share 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) Equity Shares of Rs.10/- (Rupees Ten Only) each”*

8.2 Consequently, 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 to the Scheme, whether at a meeting or otherwise, shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Sections 13, 14 and 61 of the Act and other applicable provisions of the Act would be required to be separately passed, as the case may be and for this purpose the stamp duties and fees paid on the Authorised Share

Capital of the Transferor Company shall be utilized and applied to the increase and reclassification of Authorised 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 and reclassification in the Authorised Share Capital to that extent.

8.3 It is clarified that the approval of the members of the Transferee Company to the Scheme, whether at a meeting or otherwise, shall be deemed to be their consent/approval also to the amendment of the Memorandum of Association of the Transferee Company as may be required under the Act.

8.4 Under the accepted principle of Single Window Clearance, it is hereby provided that the aforesaid alteration in the Memorandum of Association of the Transferee Company viz. Change in the Capital Clause referred above, shall become operative on the Scheme being effective by virtue of the fact that the Shareholders of Transferee Company, while approving the Scheme as a whole, by virtue of written consent letters, have also resolved and accorded the relevant consents as required respectively under Sections 13, 14, 61 and 64 of the Companies Act, 2013 or any other provisions of the Act and shall not be required to pass separate resolutions as required under the Act.

## **9. CONDUCT OF BUSINESS TILL EFFECTIVE DATE**

With effect from the Appointed Date and upto and including the Effective Date:

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- 9.1 The Transferor Company 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 all its properties and assets pertaining to business of the Transferor Company for and on account of and in trust for the Transferee Company. The Transferor Company hereby undertakes to hold the said assets with utmost prudence until the Effective Date.
- 9.2 The Transferor Company shall not, except in the ordinary course of business or without prior written consent of the Transferee Company alienate charge, mortgage, encumber or otherwise deal with or dispose of any of its properties or part thereof of the Transferor Company.
- 9.3 Any income accruing or arising to the Transferor Company shall for all purposes be treated and deemed to be in profits or income of the Transferee Company.
- 9.4 During the pendency of this Scheme, in the event the Transferor and/or Transferee Company distributes any dividend (including interim dividend) or issues bonus shares or offers rights shares to its respective shareholders, the Transferor and/or Transferee Company, as the case may be, shall be entitled to receive such dividend and bonus shares, and subscribe to such rights shares offered by the Transferor and/or Transferee Company and their shareholders, as the case may be, or make distribution of profits/reserves to its respective Shareholders.

- 9.5 It is clarified that the aforesaid provision in respect of the declaration of dividends is an enabling provision only and shall not be deemed to confer any right on any member of the Transferee Company and the Transferor Company to demand or claim any dividends which subject may to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of the Transferor Company and the Transferee Company and the final dividend if any recommended by the Board shall be subject to the approval of the respective shareholders of the Transferor Company and the Transferee Company.
- 9.6 Until the Effective Date, the Transferor Company may utilize its income/available cash, if any, for meeting its expenses in the ordinary course of business or for the purpose specified in the scheme.
- 9.7 Upon coming into effect of this Scheme, the resolutions passed by the Transferor Companies, which are valid and subsisting shall continue to be valid and subsisting on the Transferee Company, as if the Transferee Company had passed the Resolution, subject however, to the aggregated monetary limit (meaning thereby, the combined monetary limit of the Transferor Company and the Transferee Company), provided under any law, and subject to applicable provisions.
- 9.8 Until the Effective Date, the holders of shares of the Transferor Company shall, save as expressly provided otherwise in the Scheme, continue to enjoy their existing rights under the Articles of

Association of the Transferor Company including the right to receive dividends.

## 10 EMPLOYEES

10.1 On the Scheme becoming effective all the employees, if any, of the Transferor Company shall become the employees of the Transferee Company, without any break or interruption in their services, on same terms and conditions on which they are engaged as on the Effective Date. The Transferee Company further agrees that for the purpose of payment of any retirement benefit / compensation, other terminal benefits, such immediate uninterrupted past services with the Transferor Company shall also be taken into account.

10.2 In relation to those employees of the Transferor Company for whom the Transferor Company are making contributions to the government provident fund or any other fund existing, the Transferee Company shall stand substituted for such Transferor Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions of such fund, bye laws, etc. in respect of such employees of the Transferor Company.

## 11 LEGAL PROCEEDINGS

11.1 If any suit, appeal or other proceeding of whatever nature by or against the Transferor Company is pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of

or by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against the Transferee Company, as the case may be, 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.

11.2 The Transferor Company has undertaken that there are no pending litigations or other proceedings of whatsoever nature by or against it.

11.3 In case of any litigation, suits, recovery proceedings which are to be initiated or may be initiated by or against the Transferor Company, the Transferee Company shall be made party thereto and any payment and expenses made thereto shall be the liability of the Transferee Company. The shareholders of the Transferor Company shall indemnify the Transferee Company from any loss, liability, cost, charges and/or expenses arising due to any disputes or litigations as specified in Clause 13 below.

## 12 **CONTRACTS, DEEDS, ETC.**

12.1 Subject to the other provisions of this Scheme, all contracts, deeds, bonds, insurance, letters of intent, undertakings, arrangements, policies, agreements of whatsoever nature pertaining to the Transferor Company to which the Transferor Company is party and subsisting or having effect on the Effective Date, shall be in full force and effect against or in favour of the Transferee Company, as the case may be,

and may be enforced by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto.

12.2 The Transferee Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novation, to which the Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required or becomes necessary. The Transferee Company shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme.

### 13 **INDEMNITY BY SHAREHOLDERS OF TRANSFEROR COMPANY**

The shareholders of the Transferor Company shall indemnify and hold harmless the Transferee Company and its directors, officers, representatives, partners, employees and agents (collectively, the “Indemnified Persons”) for losses, liabilities (including but not limited to tax liabilities), costs, charges, expenses (whether or not resulting from third party claims), including those paid or suffered pursuant to any actions, proceedings, claims and including interests and penalties discharged by the Indemnified Persons which may devolve on Indemnified Persons on account of amalgamation of the Transferor



Company with the Transferee Company but would not have been payable by such Indemnified Persons otherwise, in the form and manner as may be agreed amongst the Transferee Company and the shareholders of the Transferor Company.

#### **14 SAVING OF CONCLUDED TRANSACTIONS**

The transfer of properties and liabilities under Clause 4 above and the continuance of proceedings by or against the Transferor Company under Clause 11 above shall not affect any transaction or proceedings already concluded by the Transferor Company on or after the Appointed Date till the Effective Date (both days inclusive), 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 DISSOLUTION OF THE TRANSFEROR COMPANY**

15.1 On the Scheme becoming effective, the Transferor Company shall stand dissolved automatically without winding up in accordance with the provisions of Section 230-232 of the Companies Act, 2013.

15.2 On and from the Effective Date, name of the Transferor Company shall be removed from the records of the Registrar of Companies and records relating to the Transferor Company shall be transferred and merged with the records of the Transferee Company.

## **PART C - GENERAL TERMS AND CONDITIONS**

### **16 APPLICATION TO NCLT**

The Transferor Company and the Transferee Company shall with all reasonable dispatch make all necessary applications under Sections 230-232 of the Act and other applicable provisions of the Act to the NCLT, within whose jurisdiction the registered offices of the Transferor Company and the Transferee Company are situated for sanctioning the Scheme.

### **17 MODIFICATION OR AMENDMENTS TO THE SCHEME**

The Transferor Company and the Transferee Company by their respective Board of Directors, may assent to/make and/or consent to any modifications/amendments to the Scheme or to any conditions or limitations that the NCLT and/or any other statutory/regulatory authority under law may deem fit to direct or impose, or which may otherwise be considered necessary, desirable or appropriate as a result of subsequent events or otherwise by them (i.e. the Board). The Transferor Company and the Transferee Company by their respective Board are authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whatsoever for carrying the Scheme into effect, whether by reason of any directive or orders of any other authorities or otherwise howsoever, arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.

## 18 **CONDITIONALITY OF THE SCHEME**

This Scheme is and shall be conditional upon and subject to:

- 18.1 The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and/or creditors of the Transferor Company and the Transferee Company as may be directed by the NCLT or any other Appropriate Authority, as may be applicable;
- 18.2 The Scheme being approved by the “public” shareholders of the Transferee Company by way of e-voting in terms of Para (I)(A)(9)(a) of Annexure I of SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017; provided that the same shall be acted upon only if the votes cast by the “public” shareholders in favor of the proposal are more than the number of votes cast by the “public” shareholders against it;
- 18.3 The sanction or approval of the Appropriate Authorities concerned being obtained and granted in respect of any of the matters in respect of which such sanction or approval is required;
- 18.4 The sanction of the Scheme by the NCLT or any other authority under Sections 230 to 232 and other applicable provisions of the Act.

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Sanas  
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Sonali Sanas  
Date: 2020.06.17  
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## 19 EFFECT OF NON-RECEIPT OF APPROVALS

In the event of any of the said sanctions and approvals referred to in the preceding clause not being obtained and/ or the Scheme not being sanctioned by the NCLT or such other competent authority and / or the order not being passed as aforesaid before 31st December 2020 or within such further period or periods as may be agreed upon between the Transferor Company and the Transferee Company by their respective Board of Directors (and which the Board of Directors of the Companies are hereby empowered and authorised to agree to and extend the Scheme from time to time without any limitation) this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated herein or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

## 20 COSTS, CHARGES 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 connection with and implementing this Scheme and matters incidental shall be borne by the Transferor Company and / or its shareholders.

Certified to be true copy  
For Saurashtra Cement Limited

 Digitally signed  
by Sonali Sanas  
Date:  
2020.06.17  
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Sonali Sanas  
Sr. Vice President (Legal) & Company Secretary