IN THE NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD BENCH (COURT No. 2)

CP (CAA) No. 79/AHM/2022

IN

CA (CAA) No. 48/AHM/2022

[Sections 230-232 and read with other applicable provisions of the Companies Act, 2013 read with the Companies (Compromises, Arrangements, and Amalgamations) Rules, 2016]

In the matter of Scheme of Amalgamation

OF

M/s. Gujarat Sidhee Cement Limited

(Petitioner Company No.1 / Transferor Company)

WITH

M/s. Saurashtra Cement Limited

(Petitioner Company No. 2/Transferee Company)

AND

Their Respective Shareholders and Creditors

Order Pronounced on:16/03/2023

<u>CORAM:</u>

DR. MADAN B. GOSAVI,
HON'BLE MEMBER (JUDICIAL)

AJAI DAS MEHROTRA,
HON'BLE MEMBER (TECHNICAL)

MEMO OF PARTIES

M/s. Gujarat Sidhee Cement Limited, a Company incorporated under the provisions of the Companies Act, 1956 under CIN 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.

…Petitioner Company No.1/ Transferor Company

M/s. Saurashtra Cement Limited, a company incorporated under the provisions of the Companies Act, 1956 under CIN L26941GJ1956PLC000840 and having its registered office at Near Railway Station, Ranavav, Pin Code 360560 in the State of Gujarat

…Petitioner Company No. 2/ /Transferee Company

Appearance: Sr. Advocate Mr. Saurabh Soparkar with Ms. Dharmishta Raval with Mr. Nikunt K. Raval, Advocate for the Petitioner Companies.

ORDER

1. The present Joint Company Petition is filed under sections 230-232 of the Companies Act, 2013 (hereinafter referred to as 'the Act') read with Companies (Compromise, Arrangement and Amalgamations) Rules, 2016 (hereinafter referred to as 'the Rules') for sanctioning the Composite Scheme of Amalgamation of M/s. Gujarat Sidhee Cement Limited ('Petitioner Transferor Company') with M/s. Saurashtra

Cement Limited(‘Petitioner Transferee Company’) and their respective Shareholders and Creditors.

2. It is submitted that through the present Scheme, the following benefits are envisaged in the Scheme:

   a. 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 Transferee Company is engaged in the business of manufacture and sale of cement and clinker and markets cement under the brand name “HATHI”.

   b. The Transferor Company intends to integrate the operations of the Transferee Company with itself as a part of the restructuring process by taking over the manufacturing unit along with its business know-how, market reach, all the tangible and intangible assets.

   c. The Transferee Company will help pooling of resources between 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.

   d. 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 enabling the merged entity to offer a comprehensive package of solutions from one entity as opposed to multiple entities.

e. 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.

f. The proposed amalgamation will create better opportunities and improvement in the competitive position of the Transferee Company as a combined entity and achieve 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 the better and greater realisation of the potential of the business and prospects of the Transferor Company and the Transferee Company in the merged entity.

g. The consolidation of business would lead to the 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 rationalizing the number of vendors, aggregating the purchases, and managing the supply chain more effectively and efficiently.

h. 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 Companies.

i. 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.

j. 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 for the shareholders of the Transferor Company with access to the paint business.

3. As per the Scheme of Amalgamation between the parties all undertakings of the Transferor Company shall be transferred to the Transferee Company, along with entire assets and liabilities pertaining to the business segments of the Transferor Company with effect from the date of approval of the Scheme.

4. From the records, it is seen that the first motion joint application seeking directions for dispensation of the meetings of Secured Creditors of both the Petitioner Companies and further seeking directions for convening the separate meetings of Equity shareholders and Unsecured creditors of both the Petitioner Companies was allowed vide order dated 12/10/2022 with directions to issue notices to concerned Statutory and/or Regulatory Authorities. The Petitioner Companies filed an affidavit of service of notice to the concerned Statutory and/or Regulatory Authorities.

5. As directed by the Tribunal separate meetings of Equity Shareholders and Unsecured Creditors of both the Petitioner Companies were convened. The Chairman has filed his report with the scrutinizer's report by way of an affidavit.

6. The Petitioner Companies filed 2nd motion joint petition on 06.12.2022. Vide order dated 14/12/2022, the 2nd motion joint petition was admitted with directions for publication of notice of hearing to be advertised in **"Business Standard"** in English (Mumbai and Ahmedabad Edition) and **"Jai Hind"** in Gujarati (Rajkot Edition) not less than 10 days before the date fixed for hearing, calling for their objections, if any, on or before the date of hearing. This Tribunal also directed to issue notice to the Regional Director, Registrar of Companies, Official Liquidator and the Income Tax Department informing the date of hearing, i.e., 30.01.2023.

7. In compliance with the order dated 14/12/2022, the Petitioner Companies filed an affidavit regarding the paper publication and proof of service of notices.

8. The Regional Director, North-West Region, MCA and RoC, Ahmedabad have filed a common Report dated 12th December 2022 before this Tribunal with the following observations/directions:
   i. To comply with section 232(3)(i) of the Act and pay fees accordingly
   ii. To place on record the confirmation that the Petitioner Companies have complied with observations of the stock exchange.
   iii. To comply with FEMA and RBI guidelines, in the matter, from time to time

iv. To pay the legal fees/expenses of the Office of the RD for submitting this report.

v. No adverse observation was given by RoC, Ahmedabad.

9. The Official Liquidator has filed his Report dated 23rd December 2022 before this Tribunal with reference to the Petitioner Transferor Company with the following observations/directions:

i. To comply with FEMA and RBI guidelines.

ii. To place on record the newly incorporated Clause - V of the MOA which reflects the increased combined authorized Share Capital.

iii. To preserve the books of accounts, papers and records of the Petitioner Transferor Company and shall not dispose of them without prior permission of the Central Government.

iv. To ensure Statutory Compliance with applicable laws.

v. To pay fees as per Section 232(3)(i) of the Act.

vi. To file a certified copy of the order for stamp duty purposes.

vii. To file a certified copy with the RoC, Ahmedabad.

viii. To pay the legal fees/expenses of the Office of the OL for submitting this report.

10. The Petitioner Companies have filed an Affidavit on 04/02/2023 in order to deal with the observations made by the Regional Director and the Official Liquidator. In the said affidavit with reference to the comments of the Official Liquidator, it is stated by the Petitioner Companies that:

a) With reference to paragraph 9, the petitioner companies state that the petitioner companies continue to comply and will comply with the

provisions of FEMA and guidelines issued by the RBI in respect of foreign holding.

b) With reference to paragraph 22, the petitioner companies state that the revised clause V which is proposed to be incorporated in the Memorandum of Association is as follows:
"The Authorised Share Capital of the Company is Rs.772,70,00,000/- (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 Rs.10/- (Rupees Ten only) each."

c) With reference to paragraph 25, the petitioner companies state that the petitioner Transferor Company will preserve its books of accounts, papers and records and shall not be disposed of without prior permission of the Central Government as per the Provision of Section 239 of the Companies Act, 2013.

d) With reference to paragraph 26 the petitioner companies state that the petitioner companies will comply with the statutory compliance of all applicable laws and also on sanctioning of the present Scheme, the Transferor Company shall not be absolved from any of its Statutory liabilities, in any manner.

e) With reference to paragraph 27, the petitioner companies undertake to comply with the provisions of Section 232(3)(i) of the Companies Act, 2013 and the Transferee company shall pay the differential fee, if any, after setting the fee already paid by the Transferor Company on its Authorised Capital.

f) With reference to paragraph 28, the petitioner companies state that the petitioner Companies will pay such costs and expenses to the Office of Official Liquidator as may be considered appropriate by this Hon'ble Bench.

g) With reference to paragraph 29, the petitioner companies state that the petitioner Company will lodge a certified copy of the order along with the scheme, with the concerned Superintendent of Stamps for the purpose of adjudication of stamp duty payable, if any.

h) With reference to paragraph 30, the petitioner companies state that the petitioner companies will comply with Provision of Section 232(5) of the Companies Act, 2013 and file a certified copy of the order sanctioning the scheme with the Registrar of Companies within 30 days from the date of passing order."

11. In the common affidavit dated 04/02/2023, the Petitioner Companies have filed their comments with reference in order to deal with the observations made by the Regional Director and the Registrar of Companies and it is stated that,-

a) With reference to clause 2(c) of the Regional Director's observations, it is stated that the petitioner companies undertake to comply with the provisions of Section 232(3)(i) of the Companies Act, 2013 and the Transferee company shall pay the differential fee, if any, after setting off the fee already paid by the Transferor Company on its Authorised Capital.

b) With reference to clause 2(e) of the Regional Director's observations, it is stated that the petitioner companies have complied with the observations of SEBI as also BSE directions conveyed in the aforesaid letter of stock exchanges.

c) With reference to clause 2(g) of the Regional Director's observations, it is stated that the petitioner companies will ensure about compliance with FEMA and RBI guidelines, in the matter, from time to time.

d) With reference to clause 2(j) of the Regional Director's observations, it is stated that the petitioner companies will pay such amount of legal fees/cost to the Central Government which may be considered appropriate by this Hon'ble NCLT.

12. The Income Tax Department has also filed their observations on 31st January 2023 and 2nd February 2023 objecting to the scheme mainly on the ground that Income tax dues are pending, are likely to arise and assessment proceedings are pending before the statutory authorities under the Income-tax Act.

13. In the common affidavit dated 04/02/2023, the Petitioner Companies have filed their comments with reference in order to deal with the observations made by the Income Tax Department and it is stated that,-

i. "As per clause 6 of the Scheme of Amalgamation any appeals or proceedings of whatsoever nature by or against the Transferor Company pending on the effective date shall not abate, be discontinued or be in any way prejudicially affected by reason of the amalgamation. It is further made clear in clause-6 of the Scheme of

Amalgamation that the proceedings by or against the Transferor Company may be continued, prosecuted and enforced 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.

It is reiterated that upon the Scheme being sanctioned and approved the name of the Transferee Company would be substituted in place of the Transferor Company for all pending proceedings of the Transferor Company by operation of law. The aforesaid clause 6 clearly establishes that all proceedings of the Transferor Company would be continued and enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as the same would or might have continued and enforced by or against the Transferor Company in absence of the said Scheme.

ii. As a result of the above clause 6 of the Scheme of Amalgamation the Income Tax Department will always be able to proceed against the Transferee Company in the same manner as they would have proceeded against the Transferor Company. It is further submitted that this Hon'ble Tribunal has approved the Scheme of Amalgamation even in those cases where the dues of the Income Tax Department are pending and legal proceedings by the IT Department are continuing.

iii. It is submitted that even Hon'ble NCLT relying on the judgement of Vodafone-Essar Gujarat Ltd. Vs. Department of Income Tax and in the case of Mihir Mafatlal had sanctioned the Scheme of Amalgamation even when there objections of Income Tax Department and had observed that the sanction of the Scheme will not defeat the right of Income Tax Department to take appropriate recourse for recovering the existing or previous liability of the Transferor Company.

iv. Further, without prejudice to our rights and contentions, it is submitted that no rights of the Income-tax department are being affected by the present Scheme of Amalgamation as proposed by the Petitioner Companies. The rights of the Tax authorities to recover the outstanding dues shall remain intact. Nothing shall preclude the Tax authorities from recovering its legitimate and recoverable outstanding tax dues from the Petitioner Companies. It is humbly submitted that apart from recovery of alleged dues (which is under challenge before the appellate authority), the concerned Income Tax authorities have no further locus to raise an objection to the proposed scheme. Relying on the order of the Hon'ble National Company Law Appellate Tribunal ("**NCLAT**") in the matter of Ad2Pro Global Creative Solutions Private Limited [2019] 217 Comp Cases 443, NCLAT wherein the Hon'ble NCLAT held that the legitimate interests of the concerned tax authorities shall be lawfully protected and their right to recover the tax dues, as the case may be, shall remain intact. The Hon'ble NCLAT allowed the appeal holding that the payment of the income tax liability is not a condition precedent to the sanction or implementation of the Scheme. The Petitioner Companies shall rely on the order of the Hon'ble NCLAT in the matter of Ad2Pro Global Creative Solutions Private Limited cited supra.

v. It is further submitted even after the Scheme of Amalgamation is approved by the Hon'ble NCLT the Income Tax Department will be entitled to proceed against the Transferee Company to recover the dues of the Transferor Company.

vi. It is further submitted that the Transferee Company undertakes to make the payment of the dues of the Transferor Company to the Income Tax Department in accordance with the law.

14. After considering replies of the petitioner companies, during the course of the hearing, the concerned officers and/ or counsels for the office of Regional Director and Official Liquidator orally stated that respective Departments have no objection if the said scheme is sanctioned by this Tribunal as all their observations stand satisfied. As recorded in daily order dated 03.03.2023, after the undertaking by the Ld. Senior Counsel for petitioner companies that the proceedings will be carried on against the transferee company and demand crystalized as per law will be paid by the transferee company, the counsel for the Income Tax Department stated that she does not have any objection to the approval of the Scheme.

15. The Petitioner Transferor Company has stated that it is a listed company and its shares are listed on the BSE Limited and the National Stock Exchange of India Limited. The Petitioner Transferor Company and Transferee company have placed on record the observation letters received from the National Stock Exchange of India Limited and the BSE Limited at **Annexure I (Colly)** of the Petition. The BSE letter dated 31.05.2022 and NSE letter dated 01.06.2022 have stated that they have "no adverse observation" on the Scheme.

16. The Petitioner companies have also placed on record the joint valuation report dated 05/02/2022 reagrding share exchange ratio given by M/s. Ernst & Young Merchant Banking Services LLP, Chartered Accountants and Registered Valuer and M/s. SSPA & Co., Chartered Accountant and Registered Valuer. The Petitioner Companies have also annexed a Fairness Opinion given by M/s. Edelweiss Financial Services Limited (Advisors). Copies of the same are annexed as **Annexure H1 & H2** respectively with the petition.

17. The Petitioner Companies have also filed their respective audited financial statements as of 31.03.2022 and unaudited financial statements as of 30.09.2022.

18. The certified copies of respective Board Resolutions of both the Petitioner Companies approving the Scheme of Amalgamation are annexed. An affidavit is filed by Ms. Krupali Parekh, being authorized signatory of both the Petitioner Companies.

19. In compliance with the proviso to sub-section (7) of Section 230 of the Companies Act, 2013, both the Petitioner Companies have placed on record the certificates of the respective statutory auditors confirming that the proposed Scheme of Amalgamation is in compliance with the applicable accounting standards as per Section 133 of the Companies Act, 2013. The schedule of property of the Petitioner Transferor Company is annexed with the Purshis.

20. Heard submissions and perused documents placed on record. Considering the entire facts and circumstances of the case, it appears that the requirements of the provisions of Sections 230 and 232 of the Companies Act, 2013 are satisfied. The Scheme appears to be genuine and bona fide and in the interest of the shareholders.

21. As a result, both petitions are allowed. The Composite Scheme of Amalgamation is hereby sanctioned which is annexed with this order at **Annexure -A** and it is declared that the same shall be binding on both the Petitioner Companies and their respective Shareholders and Creditors and all concerned under the Scheme.

22. Notwithstanding the above, if there is any deficiency found or, the violation committed qua any enactment, statutory rule or regulation, the sanction granted by this Tribunal to the scheme will not come in the way of action being taken, albeit, in accordance with the law, against the concerned persons, directors and officials of the Petitioners.

23. While approving the Scheme as above, we further clarify that this order should not be construed as an order in any manner granting exemption from payment of stamp duty, or taxes including income tax, GST etc., or any other charges or payment in accordance with the law, or any kind of waiver in respect of any permission/compliance with any other requirement which may be specifically required under any law.

24. **The scheme is sanctioned with the following directions:**

    i. The Transferor Company shall be dissolved without winding up along with all the Assets mention in the List of Assets annexed at **Annexure - B**. The Transferor Company shall, together with all its properties, rights and powers be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to Section 232 of the Act, stand transferred to and vest in the Transferee Company for all the estate and interest of the Transferor Company.

    ii. All licenses, permissions, permits, approvals, certificates, clearances, authorities, leases, tenancy, assignments, rights, claims, liberties, special status, other benefits or privileges and any power of attorney relating to the Transferor Company shall stand transferred to and vest in the Transferee Company, without any further act or deed. The Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights

and benefits under the same shall be available to the Transferee Company.

iii. All the liabilities and duties of the Transferor Company be transferred, without further act or deed, to the Transferee Company and accordingly the same shall pursuant to Sections 230 & 232 of the Companies Act, 2013, be transferred to and become the liabilities and duties of the Transferee Company.

iv. All contracts, agreements, insurance policies, bonds and all other instruments of whatsoever nature or description, of the Transferor Company in respect of the Transferor Company, shall stand transferred to and vest in the Transferee Company and be in full force and effect in favour of the Transferee Company and may be forced by or against it as fully and effectually against the Transferee Company.

v. All taxes paid or payable by the Transferor Company including existing and future incentives, un-availed credits and exemptions, the benefit of carried forward losses and other statutory benefits, shall be available to and vest in the Transferee Company. The Tax liability of the Transferor Company shall become liability of the Transferee Company and any proceedings against the Transferor shall continue against the Transferee Company.

vi. All proceedings now pending by or against the Transferor Company in respect of the Transferor Company shall be continued by or against the Transferee Company.

vii. All employees in the service of the Transferor Company shall be deemed to have become the employees and the staff of the Transferee Company on date on which the Scheme finally takes effect on the basis that their services shall be deemed to have been continuous and not having been interrupted by reasons of the said

transfer and on terms and conditions no less favourable than those on which they were/are engaged, as on the Effective Date.

viii. As per the Scheme, the Transferee Company shall, without further application, allot 62 fully paid Equity Shares of Rs 10/- each of the Transferee Company for every 100 fully paid equity shares of Rs 10/- held by such member in the Transferor Company as on the Record Date.

ix. The Petitioner Companies are directed to lodge a copy of this Order and **Annexure –A** the approved Scheme duly authenticated by the Registrar of this Tribunal, with the concerned Superintendent of Stamps, for adjudication of stamp duty, and pay requisite stamp duty payable, if any, within 60 days from the date of this Order.

x. The legal and expenditure fees for the office of the Official Liquidator are quantified at Rs. 10,000/- and the fees of the Regional Director are quantified at Rs. 10,000/-. The said fees to the Official Liquidator and Regional Director shall be paid by the Transferee Company.

xi. Any person aggrieved by this order shall be at liberty to apply to this Tribunal for any directions that may be necessary.

xii. The Company Petition is allowed and disposed of, in terms of the above order.

S/d-

AJAI DAS MEHROTRA
MEMBER (TECHNICAL)

S/d-

DR. MADAN B. GOSAVI
MEMBER (JUDICIAL)

Rahul/LRA

Annexure "A" Annexure E

DRAFT

SCHEME OF AMALGAMATION

OF

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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

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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.

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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 TRANSFEREE 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;

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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.

Annexure "B"

Gujarat Sidhee 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 sidhee-mum@mehtagroup.com
CIN : L26940GJ1973PLC002245

List of Assets of Gujarat Sidhee Cement Limited (Petitioner Transferor Company) proposed to be transferred to Saurashtra Cement Limited (Petitioner Transferee Company), pursuant to the Scheme sanctioned by the Hon'ble NCLT.

Part I
Particulars of Freehold Properties

Rs.in Lakhs

Sr.No.	Particular	Total Amount As on 1.1.2022 (Appointed date)	State of Gujarat	State of Maharashtra
1	Land (Private & Govt. Land)	26040.15	26040.15	Nil
2	Buildings	5199.00	5089.22	109.78
	Total	**31239.15**	**31129.37**	**109.78**

Part II
Particulars of Leasehold Properties

Rs.in Lakhs

Sr.No.	Particular	Total Amount As on 1.1.2022 (Appointed date)	State of Gujarat	State of Maharashtra
1	Land (Govt. Land)	322.89	322.89	Nil
2	Buildings	Nil	Nil	Nil
	Total	**322.89**	**322.89**	**Nil**

Part III

A Particular of Bank Account(s)

Sr. No.	Name of Bank	Type of Account	Account No.
1	HDFC Bank Limited, Ahmedabad	Current	00062320009990
2	HDFC Bank Limited, Veraval	Current	02302320000860
3	State Bank of India, Morasa	Current	56319000084
4	HDFC Bank Limited, Mumbai	FD-OD	05018180000078
5	HDFC Bank Limited, Mumbai	Current	05012320000530
6	HDFC Bank Limited, Mumbai	Cash Credit	50200053167319
7	HDFC Bank Limited, Mumbai	Current	50200003385206
8	HDFC Bank Limited, Mumbai	Current	50200005192516

B Registration with various authorities under respective laws, bodies etc

Transfer of 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

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GUJARAT SIDHEE CEMENT LTD. GSCL

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Ahmedabad Bench, Ahmedabad
15 MAR 2023
INWARD No. 2965

Sidhee CEMENT

(including in each case, any applications made therefor). (Ref: Clause 4.2.3 of Scheme of Amalgamation).

Transfer of all licenses, approvals, permissions, consents, registrations, eligibility certificates and no-objection certificates of the Transferor Company. (Ref: Clause 4.2.9 of Scheme of Amalgamation).

Part IV

Assets and Liabilities

Sr. No.	Liabilities		As at 1.1.2022 (Appointed Date) Rs. In lakhs
	Non- Current Liabilities		
1	**Financial Liabilities**		
	- Borrowings (From Banks)		**686.23**
	- Lease Liabilities		**3.90**
2	**Provisions (For Employee Benefits)**		**1,071.17**
3	**Deferred Tax Liabilities (Net)**		**5,936.24**
	Current Liabilities		
1	**Financial Liabilities**		
	- Borrowings (From Banks)		**2,102.93**
	- Lease Liabilities		**29.67**
	- Trade Payables		**6,403.96**
	- Other Financial Liabilities		
	- Unpaid Dividend	17.35	
	- Security deposits from Customers/Transporters	638.41	
	- Security Deposits – Others	8.15	
	- Liabilities for expenses at the year end	2786.10	
	- Others	24.06	**3,474.07**
2	**Other current liabilities**		
	- Advances from Customers	1724.91	
	- Unearned Revenue	617.61	
	- Statutory Dues	4196.19	
	- Others	49.34	**6,588.05**
3	**Provisions (For Employee Benefits)**		**403.84**
4	**Current Tax Liabilities (Net)**		**2.41**

	Assets		Rs. In lakhs
	Non-Current Assets		
1	**Property, Plant and Equipment**		**41,127.21**
2	**Capital Work-in-progress**		**76.15**
3	**Right-of-use Assets**		**29.70**
4	**Other Intangible Assets**		**12.10**
5	**Intangible Assets under Development**		**372.43**
6	**Financial Assets**		
	- Investments (*)		**1.78**

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	- Loans (Staff Loans)		**4.97**
	- Other Financial Assets: Non-current		
	- Security Deposits	85.51	
	- Deposits with Banks (maturity after twelve months from the date of Balance Sheet)	575.04	**660.55**
7	**Other Non-current Assets**		
	- **Capital Advances**	166.00	
	- **Advances other than Capital Advances**		
	- Taxes paid	41.83	
	- Pre-deposit Balances with Statutory/Government Authorities against appeals	257.10	
	- Prepaid Expenses	5.23	**470.16**
	Current Assets		
1	**Inventories**		
	- Raw Materials	327.45	
	- Packing Materials	117.41	
	- Work-in-progress	4735.85	
	- Finished Goods	756.49	
	- Stores and Spares	1269.49	
	- Fuel	4126.98	**11,333.66**
2	**Financial Assets**		
	- Trade Receivables		**3,321.75**
	- Cash and Cash Equivalents		**262.36**
	- Bank Balances other than above		**7,116.83**
	- Loans (Staff Loans)		**8.71**
	- Other Financial Assets-Current		
	- Interest Accrued on Fixed Deposits	137.06	
	- Others	-	**137.06**
3	**Current Tax Assets (Net)**		**-**
4	**Other Current Assets**		
	- Advances against purchase of Raw Materials, Stores and Spares	32.59	
	- Advance Royalty on Limestone/Marl	120.01	
	- Balances with Statutory/Government Authorities	-3.66	
	- Prepaid Expenses	88.63	
	- Others	122.76	**360.33**

(*) Out of Rs.9733.30 lakhs, Rs.9731.52 lakhs is the value of investment in Saurashtra Cement Limited has not been given, which shall be cancelled post amalgamation

For Gujarat Sidhee Cement Limited

Date:

Place: Mumbai

Director

Signed by Director of Transferor Company

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