

**MEMORANDUM**

**&**

**ARTICLES**

**OF**

**ASSOCIATION**

**OF**

**UltraTech Cement Limited**

No.11 - 128420

## FRESH CERTIFICATE OF INCORPORATION CONSEQUENT ON CHANGE OF NAME

IN THE OFFICE OF THE REGISTRAR OF COMPANIES, MAHARASHTRA,  
MUMBAI

In the matter of **ULTRA TECH CEMCO LIMITED**

I hereby approve and signify in writing under Section 21 of the Companies Act, 1956 (Act of 1956) read with the Government of India. Ministry of Company Affairs. Notification No. G.S.R. 507E dated the 24th June 1985 the change of name of the Company.

from **ULTRA TECH CEMCO LIMITED**

to **ULTRATECH CEMENT LIMITED**

and I hereby certify that **ULTRA TECH CEMCO LIMITED**

which was originally incorporated on 24th day of August 2000 under the Companies Act, 1956 and under the name **L & T CEMENT LIMITED** having duly passed the necessary resolution in terms of section 21/22/(1) (a)/22(1)(b) of the Companies Act, 1956 the name of the said Company is this day changed to

**ULTRATECH CEMENT LIMITED**

and this certificate is issued pursuant to Section 23(1) of the said Act/

Given under my hand at MUMBAI this 14th

day of OCTOBER ~~XXXXXXXXXX~~ 2004



(Y. A. VIJAYAN MENON)  
Registrar of Companies  
Maharashtra, Mumbai

No. 11- 128420

**FRESH CERTIFICATE OF INCORPORATION  
CONSEQUENT ON CHANGE OF NAME**

**IN THE OFFICE OF THE REGISTRAR OF COMPANIES, MAHARASHTRA,  
MUMBAI.**

In the matter of L & T CEMENT LIMITED

I hereby approve and signify in writing under Section 21 of the Companies Act, 1956 (Act of 1956) read with the Government of India, Department of Company Affairs, Notification No. G.S.R. 507E dated the 24th June 1985 the change of name of the Company.

from L & T CEMENT LIMITED

to ULTRA TECH CEMCO LIMITED

and I hereby certify that L & T CEMENT LIMITED

which was originally incorporated on 24th day of August 2000 under the Companies Act, 1956 and under the name L & T CEMENT LIMITED having

duly passed the necessary resolution in terms of section 23(1) of the Companies Act, 1956 the name of the said Company is this day changed to

ULTRA TECH CEMCO LIMITED and this certificate is issued pursuant to Section 23(1) of the said Act/

Given under my hand at MUMBAI this 19th

NOVEMBER

2003

X one thousand nine hundred

( M. V. CHAKRAN. RAYAN )  
DY. Registrar of Companies  
Maharashtra, Mumbai.





CO NO- 128420



कारबार प्रारम्भ करने के लिए प्रमाण-पत्र  
Certificate for Commencement of Business  
कम्पनी अधिनियम, 1956 की धारा 149 (3) के अनुसार  
Pursuant of Section 149 (3) of the Companies Act, 1956

मैं एतद्वारा प्रमाणित करता हूँ कि

जो कम्पनी अधिनियम, 1956 के अर्पित तारीख को निगमित की गई थी और जिसने आज विहित प्रारूप में तम्बू स्वरूप से सत्यापित घोषणा फाइल कर दी है कि उक्त अधिनियम की धारा 149 (1) (क) से लेकर (घ) तक/149 (2) (क) से लेकर (ग) तक की शर्तों का अनुपालन किया गया है, कारबार प्रारम्भ करने को हकदार है।

I hereby certify that the L & T CEMENT LIMITED

which was incorporated under the Companies Act, 1956, on the 24th day of August, 2000, and which has this day filed a duly verified declaration in the prescribed form that the conditions of Section 149 (1) (a) to (d)/149(2) (a) to (c) of the said Act, have been complied with is entitled to commence business.

मेरे हस्ताक्षर से यह तारीख को  
में दिया गया।

Given under my hand at MUMBAI  
12th December

this 12th day of December 2000



(M.S. KARAMBE)  
DY. कम्पनियों का रजिस्ट्रार  
Registrar of Companies  
Maharashtra, Mumbai.



97200. 2014. 2012

विषय का प्रकार - १।

11-128420  
 2000

१. एतद्वारा प्रमाणित किया है कि ऊपर

कम्पनी अधिनियम (1934 का ख. 1) के अन्वीय विषयों की परीक्षा की कम्पनी अधिनियम है।

ਪੰਨੇ ਨੰਬਰ ————— ਦਿੱਤਾ ਜਾਂਦਾ ਹੈ ।

Given under my hand at MUMBAI this TWENTYFOURTH  
day of AUGUST Two Thousand



V.C. Davey  
(V.C. DAVEY)

DY. Registrar of Companies  
 Maharashtra, Mumbai

**THE COMPANIES ACT, 2013**  
**A COMPANY LIMITED BY SHARES**  
**(Incorporated under the Companies Act, 1956)**  
**MEMORANDUM OF ASSOCIATION OF**  
**UltraTech Cement Limited**

- I. The name of the Company is UltraTech Cement Limited
- II. The Registered Office of the Company will be situated in the State of Maharashtra.
- III. **A. THE OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:**
  1. To carry on the business of manufacturers of, dealers in and sellers of cement, clinker, lime, plasters, whiting, clay, granule, sand, coke, fuel, artificial stone, builders' requisites & convenience of all kinds and any products or things which may be manufactured out of or with cement or in which the use of cement may be made.
- B. MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III (A) ARE:**
  2. To carry on the businesses of quarry proprietors, stone and granite merchants, dealers, exporters and contractors of, and to search for, get, mine, raise, make marketable, use, sell and dispose of granite, stone, coal, minerals and mineral substances and products and to prepare, manufacture and deal in cement paving blocks, tar, macadam, bituminous road materials and all or any other of the materials or things which the Company may require or which may be useful for carrying on any of the above mentioned businesses.
  3. To acquire upon such terms as the Directors think fit any land or any estate or interest in land or estate and from which may be extracted or of which may be made any clay or any other substance required in the business and manufacture of cement.
  4. To carry on any other trade or business whatsoever as can in the opinion of the Company be advantageously or conveniently carried on by the Company by way of extension of or in connection or combination with any of the Company's business or as calculated, directly or indirectly, to develop all or any of branches of the Company's business or to increase the value of or turn to account any of the Company assets, property, or rights.
  5. To invest in and seek investments to and/ or from other companies in the cement industry and infrastructure sector.
  6. To appoint or establish agents or dealers in India and elsewhere for sales and purchases of the Company's products and to regulate and discontinue them.
  7. To sell, improve, maintain, insure, repair, manage, develop, exchange, lease, mortgage, charge, hypothecate, enfranchise, abandon, dispose of, turn to account or create a lien on or otherwise deal with all or any part of the property, assets and rights of the Company.
  8. To sell and mortgage and otherwise in any other matter deal with or dispose of the property, assets or undertakings of the Company or any part thereof, for such consideration as the Company may think fit.
  9. To search for and to purchase or otherwise acquire from any Government, State or Authority any licenses, concessions, grants, decrees, rights, powers and privileges which may seem to the Company capable of being turned to account and to work, develop, carryout, exercise and turn to account the same.



10. To purchase or otherwise acquire, protect, prolong and renew any patents, trade marks, rights including copy rights and licenses under patents, trade marks and copy rights, brevets d'invention, licenses, protections and concessions which may appear likely to be advantageous or useful to the Company and to use and turn to account the same and to grant licenses or privileges in respect of the same.
11. To acquire, establish, provide, maintain and conduct or otherwise subsidise research laboratories, experimental stations, workshops and libraries for scientific, industrial and technical research and experiments; to undertake and carry on scientific, industrial, economic and technical research, investigations and inventions, innovations, both scientific and technical by providing subsidising, endowing or assisting financially or otherwise, laboratories, colleges, universities, workshops, libraries, lectures, meetings, exhibitions and conferences and by providing for the remuneration to scientists, scientific or technical professors or teachers and by the award of scholarships, grants, and prizes to students, research workers and inventors or otherwise and generally to encourage, promote and reward studies, research, investigations, experiments, tests and inventions of any kind that may be considered likely to assist any of the business of the Company.
12. To adopt such means of making known the business of the Company as may seem expedient and in particular by advertising in the press, public places and theatres, by radio, by television, by internet, by circulars, by purchase and exhibition of works of art or interest, by publication of books, pamphlets, bulletins or periodicals, by organising or participating in exhibitions, trade fairs etc. and by granting prizes, rewards and donations or by any other way.
13. To aid, peculiarly or otherwise, any association, body having for an object, the solution, settlement or surmounting of industrial or labour problems or troubles or of the promotion of industry or trade.
14. To provide for the welfare of employees or ex-employees of the Company and the wives, widows, families or dependents of such persons by building or contributing to the building of houses, dwellings, chawls or by grants of money, pensions, allowances, gratuities, bonus or other payments or by creating and from time to time subscribing or contributing to provident and other funds, institutions and trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and assistance as the Company may think fit.
15. To subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national, public or any other useful institutions, objects or purposes or for any exhibition.
16. To establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension, gratuity or superannuation funds for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances or emoluments to any persons who are or at any time were in the employments or service of the Company, or of any company which is a subsidiary of the Company or is allied to or associated with the Company or with any subsidiary of such company, or who are or at any time were Directors of the Company or of any such other company as aforesaid, and the wives, widows, families and dependents of any such persons, and also to establish and subsidise and subscribe to any institutions, associations, clubs or funds calculated to be for the benefit or advancement of the interests and well-being of the Company or of any other Company as aforesaid, and make payments to or towards the insurance of any such person as aforesaid and do any of the matters aforesaid, either alone or in conjunction with any such other company as aforesaid.
17. To establish, promote or concur in establishing or promoting any company or companies for the purpose of acquiring all or any of the property, rights and liabilities of the Company and to place or guarantee the placing of, underwrite, subscribe for or otherwise acquire all or any part of the shares, debentures or other securities of any such other company.
18. To subscribe for, take, underwrite, hold or acquire by way of purchase or otherwise shares, stocks, debentures, or other securities of any other company.

19. To amalgamate with any company or companies having similar business.
20. To undertake and execute any trust, the undertaking of which may seem to the Company desirable and either gratuitously or otherwise.
21. To take over, amalgamate, enter into partnership or into any arrangement for sharing of profits, union of interest, co-operation, joint-ventures, collaborations, reciprocal concessions or otherwise with any person carrying on or engaged in or about to carry on or engage in any business or transaction which may seem capable of being carried on or conducted so as, directly or indirectly, to benefit the Company.
22. To guarantee the payment of money unsecured or secured by or payable under or in respect of promissory notes, bonds, debentures, debenture stocks, contracts, mortgages, charges, obligations, instruments and securities of any company or any authority, municipal, local or otherwise or of any person whomsoever, whether incorporated or not incorporated and generally to guarantee or become sureties for the performance of any contracts or obligations.
23. To vest any immovable property, rights or interest acquired by or belonging to the Company in any person or company on behalf of or for the benefit of the Company, with or without any declared Trust in favour of the Company.
24. To lend and advance money or give credit to such persons, firms or companies and on such terms as many seem expedient and in particular to customers and others having dealings with the Company and to guarantee the performance of any contract or obligation and the payment of money to any such persons or companies and generally to give guarantees and indemnities.
25. To pay all the costs, charges and expenses of and incidental to the promotion, formation, registration and establishment of the Company and the issue of its capital including any underwriting or other commissions, broker's fees and other charges and to remunerate by cash or allotment of fully or partly paid shares to any person, firm or company for services rendered in introducing any property or business to the Company and in placing, assisting to place or guaranteeing the subscription of any shares, debentures, debenture-stocks or other securities of the Company or in or about the formation or promotion of the Company of the acquisition of property by the Company or the conduct of its business or for any other reason which the Company may think proper.
26. To procure the Company to be recognized in any foreign country or place.
27. To draw, accept, make, endorse, discount execute, issue and negotiate promissory notes, hundies, bills of exchange, bills of lading, letter of credit and other negotiable or transferable instruments or securities.
28. To borrow or raise or secure the payment of money, or to receive money on deposit at interest for any of the purposes of the Company, and at such time or times and in such manner as may be thought fit and in particular by the issue of debentures or debenture-stocks, perpetual or otherwise, including debentures or debenture-stocks convertible into shares of the Company or perpetual annuities and as securities for any such money so borrowed, raised or received, or of any such debenture-stocks so issued to mortgage, pledge or charge the whole or any Part of the property, assets of the Company, present or future, including its uncalled capital by special assignment or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders power of sale and other powers as may seem expedient, and to purchase, redeem, or pay off any such securities, and also by a similar mortgage, charge, lien to secure and guarantee the performance by the Company or any other person or Company of any obligation undertaken by the Company or any other person or company as the case may be. The Company shall not carry on banking business as defined under the Banking Regulation Act, 1949, subject to provisions of Section 73 of the Companies Act, 2013 and directives of Reserve Bank of India.
29. To invest moneys of the Company in and subscribe for, take, acquire and hold shares, stocks, debentures or securities of any other company or corporation whatsoever and wheresoever, and to invest moneys of the Company in any other securities and in any other manner, including the purchase of any book or other debts.



30. To pay, or satisfy the consideration for any property, rights, shares, securities or assets whatsoever which the Company is authorized to purchase or otherwise acquire, either by payment in cash, or by the issue of shares, or other securities of the Company or in such other manner as the Company may agree or partly in one and partly in another or others.
31. To apply for, promote and obtain any Act of Parliament or Legislature, charter, privilege, concession, license or authorization of any Government, State or Municipality, provisional order or license of the Board of Trade or other authority for enabling the Company or for effecting any modification of the constitution of the Company or for any other purpose which may seem expedient, and to oppose any proceedings or applications which may seem calculated directly or indirectly, to prejudice the interest of the Company.
32. To enter into any arrangement with any Government or authorities, municipal, local or otherwise, or any person, firm or company that may seem conducive to the objects of the Company, or any of them, and to obtain from any such Government, authority, person, firm or company any rights, privileges, charters, contracts, licenses, and concessions which the Company may think it desirable to obtain and to carry out exercise and comply therewith.
33. To create any depreciation fund, reserve fund, sinking fund, insurance fund, or any special or other fund whether for depreciation, or for repairing, improving, extending or maintaining any of the properties of the Company or for redemption of debentures or redeemable preference shares or for any other purposes whatsoever, conducive to the interest of the Company.
34. To place, to reserve, or to distribute as bonus shares among the members or otherwise to apply any moneys received by way of premium on shares or debenture issued at a premium by the Company or any moneys received in respect of or arising from the sale of forfeited shares.
35. To distribute any of the properties of the Company amongst members in specie or kind.
36. To act as agents or brokers and as trustees for any person or company and to undertake and perform sub-contracts.
37. To undertake, carry out, promote and sponsor rural development including any programme for promoting the social and economic welfare, or the uplift of the public in any rural area and to incur any expenditure on any programme of rural development and to assist execution and promotion thereof either directly or through an independent agency or in any other manner. Without prejudice to the generality of the foregoing, "Programme of rural development" shall also include such areas as may be regarded as rural areas under Section 35CC of the Income Tax Act, 1961, or any other law relating to rural development for the time being in force and in order to implement any of the above mentioned objects or purposes transfer without consideration or at such fair or concessional value and subject to the provisions of Companies Act divest the ownership or any property of the Company to or in favour of any Public or Local Body or Authority or Central or State Government or any Public Institutions or Trusts or Funds.
38. To undertake, carry out, promote and sponsor or assist any activity for the promotion and growth of national economy and for discharging social and moral responsibilities of the Company to the public or any section of the public as also any activity likely to promote national welfare or social, economic or moral uplift of public or any section of the public and in such manner and by such means and without prejudice to the generality of foregoing, undertake, carry out, promote and sponsor any activity for publication of any books, literature, newspapers, etc., or for organising lectures or seminars likely to advance these objects or for giving merit awards for giving scholarships, loans or any other assistance to persons to enable them to prosecute their studies or academic pursuits or researches and for establishing, conducting or assisting any institutional fund, trust, etc., having any one of the aforesaid objects as one of its objects, by giving donations or otherwise in any other manner and in order to implement any of the above mentioned objects or purposes transfer without consideration or at such fair or concessional value and subject to the provisions of Companies Act divest the ownership of any property of the Company to or in favour of any Public or Local Body or Authority or Central or State Government or any Public Institutions or Trusts or Funds.

39. To purchase, take on lease or exchange, hire or otherwise acquire and maintain suitable buildings, ownership flats, apartments, furniture and other fittings for the purpose of achieving any of the objects for which the Company is established and to construct, alter or keep in repair any buildings, flats or premises required or used by for the Company.
40. To do all or any of the above things and all such other things as are incidental or may be thought conducive to the attainment of the above objects and as principals, agents, contractors, trustees or otherwise and by or through trustees, agents or otherwise and either alone or in conjunction with others.
41. To apply for and become member of any company, association, body corporate or society having any objects similar to or identical with those of the Company or likely to directly or indirectly promote the interest of the Company.
42. To establish competitions in respect of contributions or information suitable for insertion in any publications of the Company, or otherwise for any of the purposes of the Company, and to offer and grant prizes, rewards and premium of such character and on such terms as may seem expedient.
43. To take part in the formation, management, supervision or control of the business having similar business or operation of Company or organisation having similar business and for that purpose to act as administrators, advisors, consultants or in any other capacity.
44. To negotiate, enter into agreements and contracts with companies, firms and individuals for technical assistance, know-how, secret formula, design and technical and financial assistance in the manufacturing, marketing, importing and exporting of any product of the Company.
45. To engage in and carry on, provide and act as consultants covering all branches and disciplines of management such as organizational studies, systems analysis, production, materials, marketing, personnel, finance, industrial engineering, corporate legal affairs, taxation, administration, secretarial, accounting, information systems and other allied areas, to conduct market research, operations research, studies in organisation behavior, to advice, assist and suggest ways and means of industrial promotion and for this purpose to undertake the preparation of project reports, detailed financial and project engineering studies, schemes for mergers, amalgamation and reconstruction, execution of turnkey projects and for planning and promoting new industries.
46. To purchase, acquire and undertake all or any part of the businesses, properties, goodwill, assets and liabilities of any person, firm or company carrying on or proposing to carry on any business which the Company is authorised to carry on or possessed of property suitable for the purposes of the Company, or which can be carried in conjunction therewith.
47. To insure the whole or any part of the property of the Company either fully or partially, to protect and indemnify the Company from liability or loss in any respect either fully or partially and also to insure and to protect and indemnify any part or portion thereof either on mutual principle or otherwise.
48. To refer to or agree to refer any claims, demands, dispute or any other question by or against the Company or in which the Company is interested or concerned and whether between the Company and the member or members of the Company and/or his representatives, or between the Company and third parties to arbitration and to observe and perform and do all acts, matters and things to carry out or enforce the awards.
49. To do the above things either as principals, agents, trustees, contractors or otherwise and either alone or in conjunction with others and either by or through agents, sub-contractors, trustees and otherwise.
50. To set up, take on lease, operate, invest in and carry out the business of maintaining and developing all types of power plants including electricity generation plants (for electricity generation), co-generation / waste-heat recovery power plants, captive power plants, power stations, hydel power stations, solar energy systems, wind power plants, solar-wind hybrid power plants, nuclear power plants and other power stations based on conventional and / or non-conventional / renewable energy sources, transmission lines and all associated or support facilities on its own or in joint venture or in association with other parties or under special purpose vehicle or on co-operative basis including electricity generation, supply thereof and to construct, lay down, establish, fix such plants, lines etc. and carry out necessary activities

for the aforesaid purpose and to deal in equipment, spare parts, accessories, appliances of all types required for taking up electricity generation, transmission, consumption, supplying, offtake and use of power, energy storage, accumulating, banking, transmitting, selling, reselling, power wheeling and transmission, and / or trading electricity, power or energy for all purposes and / or any other facility to generate and use power. And to become a member either on its own or become a client of any power exchange through any member of the power exchange for participating in trading of electricity, renewable energy, renewable energy certificates, carbon emission or offset certificates or any other product or certificate traded at the power exchange, as may be required for furtherance of objects of the Company.

51. To set up and run multi brand retail chain outlets and digital / e-commerce platforms for the marketing and sale of cement and its allied products, and to provide complete building solutions and support services for home builders, developers, contractors, engineers and related stakeholders, as may be required for furtherance of objects of the Company.
52. To design, manufacture, export or deal in, granite, gravel, marble, artificial stone, asbestos cement sheets, hume pipes, alabaster steel, iron, metal, chemicals, wood timber, stone, bricks, clay, china, tiles, porcelain, terra cotta, earthenware, pipes, mosaics, slates, basins, chimney pieces, baths, sanitary ware, household fittings, damp course materials, builders' and decorators' plant, material and requisites and fittings, conveniences of all kinds and all kinds of spare parts, accessories and equipments and all materials and substances used for buildings repairing and maintenance of the same of every description, as may be required for furtherance of objects of the Company.
53. To design, manufacture, erect, repair, buy, sell, export, and deal in all machinery used for the manufacture of cement, lime, plaster, whiting, clay, gravel, sand, minerals, artificial stone and builders requisites made out of cement and conveniences of all kinds and all kinds of spare parts, accessories and equipment and all materials and substances used for building, repairing and maintenance of the same, as may be required for furtherance of objects of the Company.
54. To import, export, manufacture, assemble, produce, exhibit, use, manipulate, work, distribute, buy, sell or otherwise deal in all kinds of tools, jigs, dies, moulds, fixtures, technical or electrical or electronic instruments and devices, automotive parts, gauges, appliances, apparatus and all other things capable of being used therein or in the maintenance and working thereof respectively of any of the articles referred to above, as may be required for furtherance of objects of the Company.
55. To carryout research in, design, develop, engineer, alter, exchange or process in any manner, manufacture, deal either as principal or agents, import and export know-how, machinery and equipment including sub-assemblies and other parts and components thereof relating to data processing specifically for improving efficiencies, innovations, products and services, as may be required for furtherance of objects of the Company.
56. To render organisation development services, staff recruitment, development and training services and assistance in equipment handling and establishing of systems and procedures including preparation/ procurement of manuals of all kinds, literature, business forms and instructions sets, consultancy and operational services, relating to management, economic, commercial, financing and technical in all fields of endeavors whether business, governmental, social, educational or any other spheres and to render marketing, market research and development services, as may be required for furtherance of objects of the Company.

- IV. The liability of the member(s) is limited and this liability is limited to the amount unpaid, if any, on the shares held by them.



- V. The authorized share capital of the Company is Rs.7900,15,00,000/- (Rupees Seven Thousand Nine Hundred Crores and Fifteen lakhs) divided into 479,01,50,000 (Four Hundred and Seventy Nine Crores One lakh Fifty Thousand) Equity Shares of Rs.10/- (Rupees Ten) each, 20,90,00,000 (Twenty Crores Ninety lakhs) Preference Shares of Rs.100/- (Rupees Hundred) each and 1,02,000 (One Lakh Two Thousand) Cumulative Redeemable Preference Shares of Rs.1,00,000 (One Lakh) each with the rights, privileges and conditions attached thereto with the power to vary, modify or abrogate such rights, privileges and conditions as may be provided by the Articles of Association of the Company for the time being. The Board of Directors shall have the power to classify as and when required the shares as equity or preference shares and attach thereto respectively such preferential, deferred, qualified or special rights, privileges and conditions and also the power to increase or reduce the capital of the Company as may be determined in accordance with the Articles of Association of the Company.

- Note: i) Clause V was amended by an Ordinary Resolution passed at an Extraordinary General Meeting held on 21<sup>st</sup> December, 2000.
- ii) Clause I was amended by a Special Resolution passed at an Extraordinary General Meeting held on 31<sup>st</sup> October, 2003.
- iii) Clause V was amended by an Ordinary Resolution passed at an Extraordinary General Meeting held on 30<sup>th</sup> April, 2004.
- iv) Clause I was amended by a Special Resolution passed at an Annual General Meeting held on 11<sup>th</sup> October, 2004.
- v) Clause V was amended in terms of the Scheme of Amalgamation of Samrudhi Cement Limited with UltraTech Cement Limited effective from 1<sup>st</sup> August, 2010.
- vi) Clause V was amended in terms of the Scheme of Arrangement between Jaiprakash Associates Limited and Jaypee Cement Corporation Limited and UltraTech Cement Limited and their respective shareholders and creditors effective from 29<sup>th</sup> June, 2017.
- vii) Clause V was amended in terms of the Scheme of Demerger amongst Century Textiles and Industries Limited and UltraTech Cement Limited and their respective shareholders and creditors effective from 1<sup>st</sup> October, 2019.
- viii) Clause V was amended in terms of the Scheme of Amalgamation of UltraTech Nathdwara Cement Limited and its wholly owned subsidiaries viz. Swiss Merchandise Infrastructure Limited and Merit Plaza Limited with UltraTech Cement Limited effective from 20<sup>th</sup> April, 2024.
- ix) Clause V was amended in terms of the Composite Scheme of Arrangement between Kesoram Industries Limited and UltraTech Cement Limited and their respective shareholders and creditors effective from 1<sup>st</sup> March, 2025.

We the several persons, whose names and addresses are subscribed below, are desirous of being formed into a Company in pursuance of this Memorandum of Association and respectively agree to take the number of shares in the Capital of the Company set opposite our respective names:

Sl. No.	Name of Subscribers	Addresses, and occupation of each subscriber	No. of shares taken by each subscriber equity	Name, addresses description & occupation of witnesses
1.	Anil Kumar Manibhai Naik Son of Mr. Manibhai Nicchabhai Naik	High Trees, 54, Pili Hill, Bandra, Mumbai - 400 050 Company Executive	1 (ONE)	
2.	Anumolu Ramakmrishna Son of Mr. Anumolu Venkatappiah	M29, Anna Nagar (East) Chennai-600 102 Company Executive	1 (ONE)	
3.	Mohan Karnani Son of Mr. Nathumal Karnani	Silver Sands, 73, Carter Road, Bandra Mumbai 400050. Company Executive	1 (ONE)	Mr.Vinay Sadanand Gaokar Son of Sadanand Vaikunth Gaokar
4.	Jagdish Pandurang Nayak of Mr. Mulky Pandurang Nayak	76, Ramakrishna Gardens RMVE Stage II, New Bel Road, Bangalore – 561 004 Company Executive	1 (ONE)	E/5, Saraswat Colony Sitaladevi Temple Son Road, Mahim Mumbai 400 016
5.	Yeshwant Moreshwar Doesthalee Son of Mr. Moreshwar Trimbak Deosthalee	4A, Suvas Apartments Off. L. Jagmohandas Marg Mumbai 400006 Company Executive	1 (ONE)	Service
6.	Kirshanamurthy Venkataramanan Son of Mr. Kodumudi Venkatramanan	Varsha, Flat No.401 Janki Kutir, Juhu, Mumbai - 400 049 Company Executive	1 (ONE)	
7.	Srinivasa Venkata Subramanian Son of Mr. Srinivasan	Flat No.7, Dwarka, Chheda Nagar, Chembur, Mumbai 400 089 Company Executive	1 (ONE)	
TOTAL			(7 Seven)	

Dated at Mumbai, this 22<sup>nd</sup> day of August, 2000

**THE COMPANIES ACT, 2013**  
**A COMPANY LIMITED BY SHARES**  
**(Incorporated under the Companies Act, 1956)**  
**ARTICLES OF ASSOCIATION**  
**OF**

**UltraTech Cement Limited**

The following regulations comprised in these Articles of Association were adopted pursuant to the resolution passed by the Members of the Company through postal ballot, the results of which were announced on 8<sup>th</sup> September, 2014 in substitution for, and to the entire exclusion of the earlier regulations comprised in the extant Articles of Association of the Company.

Table “F” to apply save as varied	The regulations contained in Table ‘F’ in Schedule I to the Companies Act, 2013 (Table ‘F’), as are applicable to a public company limited by shares, shall apply to the Company so far as they are not inconsistent with any of the provisions contained in these regulations or modifications thereof. In case of any conflict between the provisions of these Articles and Table ‘F’, the provisions of these Articles shall prevail.
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Regulations applicable	The following regulations viz. 20(a), 27, 48 and 76 of Table “F” in Schedule I not shall not apply to the Company.
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**Interpretation**

1. In these regulations—

- a “Act” means the Companies Act, 2013 and Rules made thereunder or any statutory modification(s) or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable Section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable.
- b “Articles” means these Articles of Association of the Company or as altered from time to time.
- c “Beneficial Owner” shall have the meaning assigned thereto in Section 2 of the Depositories Act, 1996;
- d “Board of Directors” or “Board”, means the collective body of the Directors of the Company.
- e “Debentureholder(s)” or “Securityholder(s)” means a duly registered holder from time to time of the debenture(s) or securities of the Company;
- f “Depositories Act” means the Depositories Act, 1996 and shall include any statutory modification(s) or re-enactment thereof for the time being in force;
- g “Depository” shall mean a Depository as defined in Section 2 of the Depositories Act, 1996;
- h “Director” means a Director appointed to the Board of the Company;
- i “Dividend” includes any interim Dividend;
- j “Financial Year” means the period commencing on April 1 of a year and ending on March 31 of the next calendar year.



- k “Independent Director” shall mean a Director who fulfils the requirements of the Act and who is appointed as an Independent Director in accordance with the provisions of the Act;
- l “In writing” or “written” means and includes words printed, lithographed, represented or reproduced in any mode in a visible form;
- m “Month” means calendar month;
- n “Person” includes a Partnership Firm, an Limited Liability Partnership, an Association of Person, a Corporation or an Individual as the context may require.
- o “Register of Members” means the Register of Members to be kept pursuant to the provisions of the Act;
- p “Seal” means the Common Seal of the Company;
- q “Shareholder(s)” or “Member(s)” means the duly registered holder(s) from time to time of the share(s) of the Company and includes the subscriber(s) to the Memorandum of Association the Company and also every person holding equity share(s) and/or preference share(s) of the Company as also one whose name is entered as the Beneficial Owner in the records of the Depository;
- r “The Company” means UltraTech Cement Limited;
- s “The Office” means the Registered Office for the time being of the Company;
- t “The Rules” means the applicable rules for the time being in force prescribed under the Act as modified from time to time;

Words importing the singular number include the plural number and vice versa;

Words importing the masculine gender include the feminine gender;

Words importing persons include corporations.

Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these Articles become binding on the Company.

**SHARE CAPITAL AND VARIATION OF RIGHTS**

Capital	2.	The authorized share capital of the Company shall be such amount as is given in Clause V of the Memorandum of Association.
Shares under control of Board	3.	Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Directors who may issue, allot or otherwise dispose off the same or any of them to such Persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.
Directors may allot shares otherwise than for cash	4.	Subject to the provisions of the Act and theseArticles, the Board may issue and allot shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than for cash, and if so issued, shall be deemed to be

fully paid-up or partly paid-up shares, as the case may be, if the price of such shares is determined by the valuation report of a registered valuer and such issuance and allotment is approved by a special resolution of the Shareholders of the Company.

Kind of share capital	5.	The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules and other applicable laws: <ul style="list-style-type: none"> <li>i. Equity share capital: <ul style="list-style-type: none"> <li>a. with voting rights; and / or</li> <li>b. with differential rights as to dividend, voting or otherwise in accordance with the Rules; and</li> </ul> </li> <li>ii. Preference share capital.</li> </ul>
Issue of certificate	6.	<ul style="list-style-type: none"> <li>i. Every person whose name is entered as a Member in the Register of Members shall be entitled to receive within two months after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided: <ul style="list-style-type: none"> <li>a. one certificate for all his shares without payment of any charges; or</li> <li>b. several certificates, each for one or more of his shares, upon payment of such fees as prescribed under the Act or Rules made thereunder.</li> </ul> </li> <li>ii. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.</li> <li>iii. In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.</li> </ul>
Issue of new share certificate in place of one defaced, lost or destroyed etc.	7.	<ul style="list-style-type: none"> <li>i. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of such fees as prescribed under the Act or Rules made thereunder.</li> <li>ii. The provisions of the foregoing Articles relating to issue of certificates shall <i>mutatis mutandis</i> apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company.   <p>Provided that, notwithstanding what is stated hereinabove, the Board shall comply with such rules or regulations or requirements of any stock exchange or the Rules made under the Act or the Rules made under the Securities Contracts (Regulation) Act, 1956 or any other Act or Rules applicable in this behalf.</p> </li> <li>iii. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.</li> </ul>

Power to pay commission in connection with securities issued	8.	<ul style="list-style-type: none"> <li>i. The Company may exercise the power of paying commissions conferred by the Act, to any person in connection of the securities, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and Rules made there under.</li> <li>ii. The rate or amount of the commission shall not exceed the rate or amount prescribed in the Act and Rules made there under.</li> <li>iii. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.</li> </ul>
Variation of the Members' right	9.	<ul style="list-style-type: none"> <li>i. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class, as prescribed under the Act.</li> <li>ii. To every such separate meeting, the provisions of these regulations relating to general meetings shall <i>mutatis mutandis</i> apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.</li> </ul>
Issue of further shares not to affect rights of existing Members	10.	The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking <i>pari passu</i> therewith.
Power to issue redeemable preference shares	11.	Subject to the provisions of the Act and rules made thereunder any preference shares may, be issued on the terms that they are to be redeemed on such terms and in such manner as the Board determine.
Further issue of share capital	12.	<ul style="list-style-type: none"> <li>i. The Company may, in accordance with the Act and the Rules, issue further shares. Such shares shall be offered to : <ul style="list-style-type: none"> <li>a. persons who, at the date of offer, are holders of equity shares of the Company; such offer shall be deemed to include a right exercisable by the Person concerned to renounce the shares offered to him or any of them in favour of any other Person; or</li> <li>b. employees under any scheme of employees' stock option, subject to approval by the Shareholders of the Company by way of a special resolution; or</li> <li>c. any Persons, whether or not those Persons include the Persons referred to in clause (a) or clause (b) above, subject to approval by the Shareholders of the Company by way of a special resolution.</li> </ul> </li> <li>ii. A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules.</li> </ul>
Sweat equity shares	13.	Subject to the provisions of the Act and other applicable provisions of law, the Company may with the approval of the Shareholders by a special resolution in general meeting issue sweat equity shares in accordance with such rules and guidelines issued by the Securities and Exchange Board of India and/or other competent authorities for the time being and further subject to such conditions as may be prescribed in that behalf.



Terms of issue of debentures	14. Any debentures, debenture-stock or other securities may be issued subject to the provisions of the Act and these Articles, at a discount, premium or otherwise and may be issued on the condition that they shall be convertible into shares of any denomination and with any special privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the general meeting, appointment of directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the general meeting by way of a special resolution.
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**LIEN**

Company’s lien on shares	15. i. The Company shall have a first and paramount lien— <div style="margin-left: 40px;"> a. on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and  b. on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the Company: </div>
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Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

ii. The Company’s lien, if any, on a share shall extend to all dividends or interest, as the case may be, payable and bonuses declared from time to time in respect of such shares.

iii. Unless otherwise agreed by the Board, the registration of transfer of shares shall operate as a waiver of the Company’s lien, if any, on such shares.

As to enforcing lien by sale	16. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:  <div style="margin-left: 20px;">Provided that no sale shall be made:</div> <div style="margin-left: 40px;"> a. unless a sum in respect of which the lien exists is presently payable; or  b. until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the Person entitled thereto by reason of his death or insolvency or otherwise. </div>
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Validity of sale	17. i. To give effect to any such sale, the Board may authorise some Person to transfer the shares sold to the purchaser thereof. <div style="margin-left: 40px;"> ii. The purchaser shall be registered as the holder of the shares comprised in any such transfer.  iii. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale. </div>
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Validity of Company’s receipt	18. The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share.
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Application of proceeds of sale	19. i. The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. <div style="margin-left: 40px;"> ii. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the Person entitled to the shares at the date of the sale. </div>
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<p>Outsider’s lien not to effect Company’s lien</p>	<p>20. In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by any statute) be bound to recognise any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company’s lien shall prevail notwithstanding that it has received notice of any such claim.</p>
<p>Provisions as to lien to apply <i>mutatis mutandis</i> to debentures, etc.</p>	<p>21. The provisions of these Articles relating to lien shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company.</p>

CERTIFICATES

<p>Right of Directors to refuse sub-division</p>	<p>22. Notwithstanding anything contained in these Articles, the Directors of the Company may in their absolute discretion refuse sub-division of share certificates or debenture certificates into denominations of less than the marketable lots except where such sub-division is required to be made to comply with a statutory provision or an order of a competent court of law.</p>
<p>Issue of certificates, if required, in the case of dematerialised shares/debentures/ other securities.</p>	<p>23. Notwithstanding anything contained herein, certificate, if required, for a dematerialised share, debenture and other security shall be issued in the name of the Depository, however, the Person who is the Beneficial Owner of such shares, debentures and other securities shall be entitled to all the rights as set out in these Articles.</p>

DEMATERIALISATION OF SECURITIES

<p>Company entitled to dematerialise its shares, debentures and other securities</p>	<p>24. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its shares, debentures and other securities and to offer any shares, debentures or other securities proposed to be issued by it for subscription in a dematerialised form and on the same being done, the Company shall further be entitled to maintain a Register of Members/Debentureholders/ other securityholders with the details of Members/Debentureholders/other securityholders holding shares, debentures or other securities both in physical and dematerialised form in any media as permitted by the Act.</p>
<p>Option to hold shares in electronic or physical form</p>	<p>25. Every Person subscribing to or holding securities of the Company shall have the option to receive security certificates or to hold the securities in electronic form with a Depository. If a Person opts to hold his security with a Depository, the Company shall intimate such Depository the details of allotment of the security, and on receipt of the information, the Depository shall enter in its records the name of the allottee as the Beneficial Owner of the Security.</p>
<p>Beneficial Owner deemed as absolute owner</p>	<p>26. Save as herein otherwise provided, the Company shall be entitled to treat the Person whose name appears as the Beneficial Owner of the shares, debentures and other securities in the records of the Depository as the absolute owner thereof as regards receipt of dividends or bonus on shares, interest/premium on debentures and other securities and repayment thereof or for service of notices and all or any other matters connected with the Company and accordingly the Company shall not (except as ordered by the Court of competent jurisdiction or as by law required and except as aforesaid) be bound to recognise any benami trust or equity or equitable, contingent or other claim to or interest in such shares, debentures or other securities as the case may be, on the part of any other Person whether or not it shall have express or implied notice thereof.</p>

Shares, debentures and other securities held in electronic form	27.	<p>In the case of transfer of shares, debentures or other securities where the Company has not issued any certificates and where such shares, debentures or other securities are being held in an electronic and fungible form, the provisions of the Depositories Act shall apply.</p> <p>Provided that in respect of the shares and securities held by the depository on behalf of a Beneficial Owner, provisions of the Depositories Act shall apply so far as applicable.</p>
Information about transfer of securities	28.	Every Depository shall furnish to the Company, information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the Company and the bye-laws of the Depository in that behalf.
Provisions to apply to shares in electronic form	29.	<p>Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in electronic form so far as they apply to shares in physical form subject however to the provisions of the Depositories Act.</p> <p>Provided that, nothing contained in these Articles shall apply to the transfer of shares, debentures or other marketable securities effected by the transferor and the transferee, both of whom are entered as beneficial owners in the record of the Depository.</p>
Depository shall be deemed to be a registered owner	30.	<p>(i) Notwithstanding anything to the contrary contained in the Articles, a Depository shall be deemed to be a registered owner for the purposes of effecting transfer of ownership of Security on behalf of the Beneficial Owner;</p> <p>(ii) Save as otherwise provided herein above, the Depository as a registered owner shall not have any voting rights or any other rights in respect of securities held by it;</p>
Section 45 of the Act shall not apply	31.	Section 45 of the Act shall not apply to the securities held with a Depository.
The register and index of Beneficial Owners by a Depository under the Depositories Act.	32.	The register and index of Beneficial Owners by a Depository under the Depositories Act shall be deemed to be the Register and index of Members and Security holders for the purposes of these Articles.
Rematerialise shares held in Depositories	33.	Pursuant to the provisions of the Depositories Act and the Rules made thereunder, if any, the Company shall be entitled to rematerialise its shares held in Depositories.

### CALLS ON SHARES

Board may make calls	34.	<p>i. The Board may, from time to time, make calls upon the Members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:</p> <p>Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.</p> <p>ii. Each Member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.</p>
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	<ul style="list-style-type: none"> <li>iii. The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more Members as the Board may deem appropriate in any circumstances.</li> <li>iv. A call may be revoked or postponed at the discretion of the Board.</li> </ul>
Call to take effect from date of resolution	35. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.
Liability of joint holders of shares	36. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
Board may extend time for payment	37. The Board may, from time to time at its discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the Members who from residence at a distance or other cause, the Board may deem fairly entitled to such extension, but no Member shall be entitled to such extension save as a matter of grace and favour.
When interest on call payable	38. <ul style="list-style-type: none"> <li>i. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.</li> <li>ii. The Board shall be at liberty to waive payment of any such interest wholly or in part.</li> </ul>
Sums deemed to be calls	39. <ul style="list-style-type: none"> <li>i. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.</li> <li>ii. In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.</li> </ul>
Payment in anticipation of calls may carry interest	40. The Board: <ul style="list-style-type: none"> <li>i. may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and</li> <li>ii. upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the Company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the Member paying the sum in advance. Nothing contained in this clause shall confer on the Member (a) any right to participate in profits or dividends or (b) any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable by him.</li> </ul>
Instalments on shares to be duly paid	41. If by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by instalments, then every such instalment shall, when due, be paid to the Company by the Person who, for the time being and from time to time, is or shall be the registered holder of the share or the legal representative of a deceased registered holder.
Calls on shares of same class to be on uniform basis	42. All calls shall be made on a uniform basis on all shares falling under the same class.

Partial payment not to preclude forfeiture	43.	Neither a judgement nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided.
Provisions as to calls to apply <i>mutatis mutandis</i> to debentures etc.	44.	The provisions of these Articles relating to calls shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company.

## TRANSFER OF SHARES

Instrument of transfer to be executed by transferor and transferee	45.	<p>i. The instrument of transfer of any share in the Company which is in physical form shall be executed by or on behalf of both the transferor and transferee.</p> <p>ii. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.</p>
Transfer not to be registered except on production of instrument of transfer	46.	The Company shall not register a transfer of shares in, or debentures of the Company held in physical form unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation, if any, of the transferee has been delivered to the Company along with the certificates relating to the shares or debentures, or if no such certificate is in existence, along with the letter of allotment of the shares or debentures.

Provided that where on an application in writing made to the Company by the transferee and bearing the stamp required for an instrument of transfer, it is proved to the satisfaction of the Board that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost or where the instrument of transfer has not been delivered within the prescribed period, the Company may register the transfer on such terms as to indemnity as the Board may think fit.

Provided further that nothing in this Article shall prejudice any power of the Company to register as Shareholder or Debenture holder any Person to whom the right to any shares in, or debentures of, the Company has been transmitted by operation of law.

Board may refuse to register transfer	47.	In case of shares held in physical form, the Board may, subject to the right of appeal conferred by the Act decline to register (i) the transfer of share, not being a fully paid share, to a person of whom they do not approve, or (ii) any transfer of shares on which the Company has a lien.
Transfer by legal representative	48.	A transfer of the shares or other interest in the Company of a deceased Member thereof made by his legal representatives shall, although the legal representative is not himself a Member be as valid as if he had been a Member at the time of the execution of the instrument of transfer.
Board may decline to recognize instrument of transfer	49.	<p>In case of shares held in physical form, the Board may decline to recognise any instrument of transfer unless:</p> <p>i. the instrument of transfer is in the form as prescribed in Rules made under the Act,</p> <p>ii. the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and</p> <p>iii. the instrument of transfer is in respect of only one class of shares.</p>

Notice of refusal to be given to transferor and transferee	50.	If the Company refuses to register the transfer of any share pursuant to these Articles, it shall within thirty days from the date on which the instrument of transfer was delivered to the Company send notice of refusal to the transferor and transferee.
No transfer to infant, etc.	51.	No transfer shall be made to a person of unsound mind. However, transfer of fully paid up shares can be made in the name of a minor if he is represented by his lawful guardian.
When transfers to be retained	52.	All instruments of transfer shall be retained by the Company, but any instrument of transfer which the Directors may decline to register shall be returned to the person depositing the same.
Power to close Register of Members or Debenture-holders	53.	The Company may, after giving previous notice of not less than seven days or such lesser period as may be specified by Securities and Exchange Board of India close the Register of Members or the Register of Debenture-holders or Register of Security holders for period not exceeding in the aggregate forty-five days in each year, but not exceeding thirty days at any one time in such manner as prescribed in the Rules.
Applicability of Depositories Act	54.	In the case of transfer of shares, debentures or other marketable securities where the Company has not issued any certificate and where shares and securities are being held in an electronic and fungible form, the provisions of the Depositories Act shall apply. Provided that in respect of the shares, debentures and other marketable securities held by the Depository on behalf of a Beneficial Owner as defined in the Depositories Act, Section 89 of the Act shall not apply.
Provisions as to transfer of shares to apply <i>mutatis mutandis</i> to debentures, etc.	55.	The provisions of these Articles relating to transfer of shares shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company.

## TRANSMISSION OF SHARES

Title to shares on death of a Member	56.	<ul style="list-style-type: none"> <li>i. On the death of a Member, the survivor or survivors where the Member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only Persons recognised by the Company as having any title to his interest in the shares.</li> <li>ii. Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other Persons.</li> </ul>
Transmission	57.	<ul style="list-style-type: none"> <li>i. Any person becoming entitled to a share in consequence of the death or Clause insolvency of a Member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either— <ul style="list-style-type: none"> <li>a. to be registered himself as holder of the share; or</li> <li>b. to make such transfer of the share as the deceased or insolvent Member could have made.</li> </ul> </li> <li>ii. The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent Member had transferred the share before his death or insolvency.</li> </ul>
Indemnity to the Company	58.	The Company shall be fully indemnified by such Person from all liability, if any, by actions taken by the Board to give effect to such registration or transfer.
Right to of holder of share	59.	<ul style="list-style-type: none"> <li>i. If the Person so becoming entitled shall elect to be registered as holder of election the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.</li> </ul>



	<p>ii. If the Person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.</p> <p>iii. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfer of shares shall be to applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Member had not occurred and the notice or transfer were a transfer signed by that Member.</p>
Claimant to be entitled to same advantage	<p>60. A Person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a Member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.</p> <p>Provided that the Board may, at any time, give notice requiring any such Person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.</p>
Provisions as to transmission to apply <i>mutatis mutandis</i> to debentures, etc.	<p>61. The provisions of these Articles relating to transmission by operation of law shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company.</p>
No fee on transfer or transmission	<p>62. No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.</p>
Nomination of shares	<p>63. Notwithstanding anything contained in these Articles, every holder(s) of shares in or holder(s) of debentures of the Company, holding either singly or jointly, may, at any time, nominate a Person in the prescribed manner to whom the Shares and/or the interest of the Member in the capital of the Company or debentures of the Company shall vest in the event of his/her death. Such Member may revoke or vary his/her nomination, at any time, by notifying the same to the Company to that effect. Such nomination shall be governed by the provisions of the Act or such other Regulations governing the matter from time to time.</p>
<b>FORFEITURE OF SHARES</b>	
If call or instalment not paid notice must be given	<p>64. If a Member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.</p>
Form of notice	<p>65. The notice aforesaid shall:</p> <p>i. name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and</p> <p>ii. state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.</p>
In default of payment of shares to be forfeited	<p>66. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.</p>

Entry of forfeiture in Register of Members	67.	When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting Member and an entry of the forfeiture with the date thereof, shall forthwith be made in the Register of Members but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid.
Effect of forfeiture	68.	The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share.
Forfeited shares may be sold, etc.	69.	<p>i. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.</p> <p>ii. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.</p>
Member still liable to pay money owing at time of forfeiture	70.	<p>i. A Person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.</p> <p>ii. All such monies payable shall be paid together with interest thereon at such rate as the Board may determine, from the time of forfeiture until payment or realisation. The Board may, if it thinks fit, but without being at under any obligation to do so, enforce the payment of the whole or any and portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part.</p> <p>iii. The liability of such Person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.</p>
Certificate of forfeiture	71.	<p>i. A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all Persons claiming to be entitled to the share;</p> <p>ii. The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in of favour of the Person to whom the share is sold or disposed of;</p> <p>iii. The transferee shall thereupon be registered as the holder of the share; and</p> <p>iv. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.</p>
Validity of sales	72.	Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some Person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the shares sold and after his name has been entered in the Register of Members in respect of such shares the validity of the sale shall not be impeached by any Person.
Cancellation of share certificate in respect of forfeited shares	73.	Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting Member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the Person(s) entitled thereto.

Surrender of certificates	74.	The Board may, subject to the provisions of the Act, accept a surrender of the share certificate for any forfeited share from or by any Member desirous of surrendering them on such terms as they think fit.
Sums deemed to be calls	75.	The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.
Provisions as to forfeiture of shares to apply <i>mutatis mutandis</i> to debentures, etc.	76.	The provisions of these Articles relating to forfeiture of shares shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company.

### ALTERATION OF CAPITAL

Power to increase capital	77.	The Company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
Power to alter share capital	78.	<p>Subject to the provisions of the Act, the Company may, by ordinary resolution:</p> <ol style="list-style-type: none"> <li>consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;</li> <li>convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;</li> <li>sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum;</li> <li>cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.</li> </ol>
Shares may be converted into stock	79.	<p>Where shares are converted into stock—</p> <ol style="list-style-type: none"> <li>the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit.</li> </ol> <p>Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.</p> <ol style="list-style-type: none"> <li>the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.</li> <li>such of the regulations of the Company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.</li> </ol>
Reduction of capital	80.	<p>The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law:</p> <ol style="list-style-type: none"> <li>its share capital;</li> <li>any capital redemption reserve account; or</li> <li>any share premium account.</li> </ol>

## JOINT HOLDERS

- Joint holders    81.    Where two or more persons are registered as joint holders (not more than three) of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefits of survivorship, subject to the following and other provisions contained in these Articles:
- i.     The joint holders of any share shall be liable severally as well as jointly for and in respect of all calls or instalments and other payments which ought to be made in respect of such share.
  - ii.    On the death of any one or more of such joint holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit, and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.
  - iii.   Any one of such joint holders may give effectual receipts of any dividends, interests or other moneys payable in respect of such share.
  - iv.    Only the Person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to the delivery of certificate, if any, relating to such share or to receive notice (which term shall be deemed to include all relevant documents) and any notice served on or sent to such Person shall be deemed service on all the joint holders.
  - v.     a. Any one of two or more joint holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy or by attorney then that one of such Persons so present whose name stands first or higher (as the case may be) in the register in respect of such shares shall alone be entitled to vote in respect thereof but the other or others of the joint holders shall be entitled to vote in preference to a joint holder present by attorney or by proxy although the name of such joint holder present by any attorney or proxy stands first or higher (as the case may be) in the register in respect of such shares.
  - b. Several executors or administrators of a deceased Member in whose (deceased Member) sole name any share stands, shall for the purpose of this clause be deemed joint holders.
  - vi.    The provisions of these Articles relating to joint holders of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company registered in joint names.

## CAPITALISATION OF PROFITS

- Capitalisation    82.    i.     The Company in general meeting may, upon the recommendation of the Board, resolve—
- a.     that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
  - b.     that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the Members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

	<ul style="list-style-type: none"> <li>ii. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in these Articles, either in ortowards— <ul style="list-style-type: none"> <li>a. paying up any amounts for the time being unpaid on any shares held by such Members respectively;</li> <li>b. paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such Members in the proportions aforesaid;</li> <li>c. partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b);</li> <li>d. A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to Members of the Company as fully paid bonus shares;</li> <li>e. The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.</li> </ul> </li> </ul>
Powers of the Board for capitalisation	<ul style="list-style-type: none"> <li>83. i. Whenever such a resolution as aforesaid shall have been passed, the Board shall: <ul style="list-style-type: none"> <li>a make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and</li> <li>b generally do all acts and things required to give effect thereto.</li> </ul> </li> <li>ii. The Board shall have power: <ul style="list-style-type: none"> <li>a to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions and</li> <li>b to authorise any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;</li> </ul> </li> <li>iii. Any agreement made under such authority shall be effective and binding on such Members.</li> </ul>

**BUY-BACK OF SHARES**

Buy-back of shares	<ul style="list-style-type: none"> <li>84. (i) Notwithstanding anything contained in these Articles but subject to the provision of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.</li> <li>(ii) The Company shall not give any financial assistance for or in connection with the purchase or subscription of any of its shares or its holding Company, save as provided under the Act or Rules made thereunder.</li> </ul>
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**GENERAL MEETINGS**

Extraordinary general meeting	<ul style="list-style-type: none"> <li>85. All general meetings other than annual general meeting shall be called extraordinary general meeting.</li> </ul>
Powers of Board to call extraordinary general meeting	<ul style="list-style-type: none"> <li>86. The Board may, whenever it thinks fit, call an extraordinary general meeting.</li> </ul>

## PROCEEDINGS AT GENERAL MEETINGS

Presence of quorum	87.	<ul style="list-style-type: none"> <li>i. No business shall be transacted at any general meeting unless a quorum of Members is present at the time when the meeting proceeds to business.</li> <li>ii. Save as otherwise provided herein, the quorum for the general meetings shall be as provided in the Act.</li> </ul>
Chairperson of the meeting	88.	The Chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the Company.
Business confined to election of Chairperson whilst chair vacant	89.	No business shall be discussed or transacted at any general meeting whilst the chair is vacant, except election of Chairperson.
Chairperson of the meetings	90.	If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as Chairperson of the meeting, the Directors present shall elect one of their members to be Chairperson of the meeting.
Members to elect Chairperson	91.	If at any meeting no Director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the Members present shall, by poll or electronically choose one of their Members to be Chairperson of the meeting.
Power of Chairperson	92.	The Chairperson of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairperson present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.
Casting vote of Chairperson at general meeting	93.	On any business at any general meeting, in case of an equality of votes, whether on a show of hands or electronically or on a poll, the Chairperson shall have a second or casting vote.
Minutes of proceedings of meetings and resolutions passed by postal ballot	94.	<ul style="list-style-type: none"> <li>i. The Company shall cause minutes of the proceedings of every general meeting of any class of Members or Creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed by the Rules and kept by making within thirty days of the conclusion of every such meeting concerned or passing of resolution by postal ballot entries thereof in books kept for that purpose with their pages consecutively numbered.</li> <li>ii. There shall not be included in the minutes any matter which, in the opinion of the Chairperson of the meeting: <ul style="list-style-type: none"> <li>a. is, or could reasonably be regarded, as defamatory of any person; or</li> <li>b. is irrelevant or immaterial to the proceedings; or</li> <li>c. is detrimental to the interests of the Company.</li> </ul> </li> <li>iii. The Chairperson shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in the aforesaid clause.</li> <li>iv. The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein.</li> </ul>
Inspection of minutes books of general meeting	95.	<ul style="list-style-type: none"> <li>i. The books containing the minutes of the proceedings of any general meeting of the Company or a resolution passed by postal ballot shall:</li> </ul>



- a. be kept at the registered office of the Company; and
  - b. be open to inspection of any Member without charge, during 3.00 p.m. to 5.00 p.m. on all working days other than Saturdays.
- ii. Any Member shall be entitled to be furnished, within the time prescribed by the Act, after he has made a request in writing in that behalf to the Company and on payment of such fees as prescribed under the Act or Rules made thereunder with a copy of minutes of General Meeting(s) referred to in clause (i) above. Provided that a Member who has made a request for provision of a soft copy of the minutes of any previous general meeting held during the period immediately preceding three financial years, shall be entitled to be furnished with the same free of cost.

### **ADJOURNMENT OF MEETING**

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| Chairperson may adjourn the meeting | <p>96. i. The Chairperson may with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.</p> <p>ii. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.</p> <p>iii. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.</p> <p>iv. Save as aforesaid, and as provided in the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.</p> |
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### **VOTING RIGHTS**

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| Entitlement to vote on show of hands and on poll | <p>97. Subject to any rights or restrictions for the time being attached to any class or classes of shares :</p> <p>i. on a show of hands, every Member present in person shall have one vote; and</p> <p>ii. on a poll, the voting rights of Members shall be in proportion to his share in the paid-up equity share capital of the Company.</p>   |
| Scrutineers at poll                              | <p>98. i. Where a poll is to be taken, the Chairperson of the meeting shall appoint such numbers of persons, as he deems necessary to scrutinise the poll process and votes given on the poll and to report thereon;</p> <p>ii. The Chairperson shall have power, at any time before the result of the poll is declared to remove a scrutineer from office and to fill vacancies in the office of scrutineer arising from such removal or from any other cause;</p> |
| Voting through electronic means                  | <p>99. A Member may exercise his vote at a meeting by electronic means in accordance with the Act and Rules made thereunder.</p>  |
| Vote of joint holders                            | <p>100. i. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.</p> <p>ii. For this purpose, seniority shall be determined by the order in which the names stand in the Register of Members.</p>   |

How Members <i>non composmentis</i> and minor may vote	101. A Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian and may, on a poll, vote by proxy. If any Member be a minor, the vote in respect of his share or shares shall be by his guardian or any one of his guardians.
Votes in respect of shares of deceased or insolvent Members, etc.	102. Subject to the provisions of the Act and other provisions of these Articles, any person entitled under the Transmission Clause to any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty eight) hours before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall duly satisfy the Board of his right to such shares unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.
Business may proceed pending poll	103. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
Restriction on voting rights	104. No Member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid or in regard to which the Company has exercised any right of lien.
Validity of the vote	105. i. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.  ii. Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.
Equal rights of Members	106. Any Member shall enjoy the same rights and be subject to the same liabilities as all other Members of the same class.

## PROXY

Member may vote in person or otherwise	107. Any Member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through another Person as a proxy on his behalf, for that meeting.
Proxies when to be deposited	108. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the Person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid.
Form of proxy	109. An instrument appointing a proxy shall be in the form as prescribed in the Rules made under the Act.
Proxies to be valid notwithstanding death of the principal	110. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given.  Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

## BOARD OF DIRECTORS

Board of Directors	111. Unless otherwise determined by the Company in general meeting, the number of Directors shall not be less than 3 (three) and shall not be more than 15 (fifteen).
Share qualification	112. A Director need not hold any shares of the Company to qualify for the office of a Director of the Company.
Same individual may be Chairperson and Managing Director/Chief Executive Officer	113. The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company, subject to the provisions of the Act.
Remuneration of Directors	114. The remuneration of the Directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
Remuneration to require Members' consent	<p>115. i. The remuneration, including commission on profits, payable to the Directors, including any Managing or Whole-time Director or Manager, if any, shall be determined in accordance with and subject to the provisions of the Act and Rules made thereunder.</p> <p>ii. In addition to the remuneration payable to them in pursuance of the Act, the Directors may be paid all travelling, hotel and other expenses properly incurred by them—</p> <p style="padding-left: 40px;">a. in attending and returning from meetings of the Board or any Committee thereof or General Meetings of the Company; or</p> <p style="padding-left: 40px;">b. in connection with the business of the Company.</p> <p>iii. The fees payable to the Director for attending the meeting of the Board or Committee thereof or a General Meeting shall be decided by the Board from time to time within the maximum limits of such fees that may be prescribed under the Act or the Rules.</p>
Execution of negotiable instruments	116. All cheques, promissory notes, drafts, <i>hundis</i> , bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
Sign the book / sheet	117. Every Director present at any meeting of the Board or of a Committee thereof shall sign his name in the book / sheet to be kept for that purpose.
Appointment of Additional Director	<p>118. i. Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an Additional Director, provided the number of the Directors and Additional Directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.</p> <p>ii. Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a Director at that meeting subject to the provisions of the Act.</p>
Appointment of Alternate Director	119. The Board may appoint an Alternate Director to act for a Director (hereinafter in this Article called "the Original Director") during his absence for a period of not less than three months from India. No person shall be appointed as an Alternate Director for an Independent Director unless he is qualified to be appointed as an Independent Director under the provisions of the Act.
Duration of office of Alternate Director	120. An Alternate Director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India.

Re-appointment provisions applicable to Original Director	121.	If the term of office of the Original Director is determined before he returns to India the automatic re-appointment of retiring Directors in default of another appointment shall apply to the Original Director and not to the Alternate Director.
Appointment of Director to fill casual vacancies	122.	<p>i. If the office of any Director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board.</p> <p>ii. The Director so appointed shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated.</p>
Nominee Director	122A.	<p>To appoint a nominee director on the Board of the Company at the earliest and not later than one month from the date of receipt of nomination from the debenture trustee(s) in the event of:</p> <p>i. two consecutive defaults in payment of interest to the debenture holders; or</p> <p>ii. default in creation of security for debentures; or</p> <p>iii. default in redemption of debentures.</p>
Directors may be Directors of Companies promoted by the Company	123.	A Director may become a Director of any Company promoted by the Company or in which it may be interested as a vendor, Shareholder or otherwise and subject to the provisions of the Act and these Articles, no such Director shall be accountable for any benefit received as Director or Shareholder of such Company.

### **POWERS OF BOARD**

General powers of the Company vested in Board	124.	The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the Memorandum of Association or otherwise authorised to exercise and do, and, not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and other laws and of the Memorandum of Association and these Articles and to any regulations, not being inconsistent with the Memorandum of Association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.
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124A. To set up, take on lease, operate, invest in and carry out the business of maintaining and developing all types of power plants including electricity generation plants (for electricity generation), co-generation / waste heat recovery power plants, captive power plants, power stations, hydel power stations, solar energy systems, wind power plants, solar-wind hybrid power plants, nuclear power plants and other power stations based on conventional and / or non-conventional / renewable energy sources, transmission lines and all associated or support facilities on its own or in joint venture or in association with other parties or under special purpose vehicle or on co-operative basis including electricity generation, supply thereof and to construct, lay down, establish, fix such plants, lines etc. and carry out necessary activities for the aforesaid purpose and to deal in equipment, spare parts, accessories, appliances of all types required for taking up electricity generation, transmission, consumption, supplying, offtake and use of power, energy storage, accumulating, banking, transmitting, selling, reselling, power wheeling and transmission, and / or trading electricity, power or energy for all purposes and / or any other facility to generate and use power. And to become a member either on its own or become a client of any power exchange through any member of the power exchange for participating in trading of electricity, renewable energy, renewable energy certificates, carbon emission or offset certificates or any other product or certificate traded at the power exchange.

**BORROWING POWERS**

Power to borrow	125. The Directors may, from time to time, at their discretion, raise or borrow, or secure the payment of, any sum or sums of money for the purposes of the Company; Provided that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) shall not at any time except with the consent of the Company by way of special resolution in general meeting exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set part for any specific purpose.
Conditions on which money may be borrowed	126. The Directors, with Shareholders’ consent where required by the Act and Rules, may raise or secure the payment or repayment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit and, in particular, by the issue of debentures or debenture-stock of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being.

## PROCEEDINGS OF THE BOARD

When meeting to be convened	127.	<p>i. The Board may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.</p> <p>ii. The Chairperson or any one Director with the previous consent of the Chairperson may, or the Company Secretary on the direction of the Chairperson shall, at any time summon a meeting of the Board.</p>
Frequency of Meetings	128.	A meeting of the Board shall be held at least once in every three calendar months and not more than a period of 120 days shall lapse between two Board meetings.
Notice of Meetings	129.	Notice of every meeting of the Board of the Company shall be given in writing to every Director at his address registered with the Company.
Quorum for Board meetings	130.	The quorum for a Board meeting shall be as provided in the Act.
Participation at Board meetings	131.	The participation of Directors in a meeting of the Board may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.
Questions at Board meeting how decided	132.	<p>i. Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.</p> <p>ii. In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.</p>
Directors not to act when number falls below minimum	133.	The continuing Directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or Director may act for the purpose of increasing the number of Directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.
Who to preside at meetings of the Board	134.	<p>i. The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.</p> <p>ii. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the Directors present may choose one of their number to be Chairperson of the meeting.</p>
Delegation of Powers	135.	Subject to the provisions of the Act and the Rules made thereunder from time to time, the Board may delegate any of powers vested in it to any Committee(s) of Directors and/or officer(s) of the Company and any such delegation as aforesaid, may be made on such terms and subject to such conditions as the Board may think fit and the Board may annul or vary any such delegation.
Participation at Committee meetings	136.	The participation of Directors in a meeting of the Committee may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.
Chairperson of Committee	137.	<p>i. A Committee may elect a Chairperson of its meetings.</p> <p>ii. If no such Chairperson is elected, or if at any meeting the Chairperson is at not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.</p>
Committee to meet	138.	<p>i. A Committee may meet and adjourn as it thinks fit.</p> <p>ii. Questions arising at any meeting of a Committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.</p>



Acts of Board or Committee valid notwithstanding defect of appointment	139. All acts done in any meeting of the Board or of a Committee thereof or by any person acting as a Director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such Director or such person had been duly appointed and was qualified to be a Director.
Passing of resolution by circulation	140. Save as otherwise expressly provided in the Act, a resolution in writing, signed by majority of the members of the Board or of a Committee thereof, for the time being entitled to receive notice of a meeting of the Board or Committee, shall be valid and effective as if it had been passed at a meeting of the Board or Committee, duly convened and held.
Minutes of proceedings of Board of Directors and Committees to be kept.	141. The Company shall cause minutes of the meeting of the Board of Directors and of Committees of the Board to be duly entered in a book or books provided for the purpose in accordance with the provisions of the Act and Rules made thereunder. The minutes shall contain a fair and correct summary of the proceedings at the meeting including the following: <ul style="list-style-type: none"> <li>i. the names of the Directors present at the meeting of the Board of Directors or of any Committee of the Board;</li> <li>ii. all resolutions and proceedings of meetings of the Board of Directors and Committee of the Board;</li> <li>iii. in the case of each resolution passed at a meeting of the Board of Directors or Committees of the Board, the names of the Directors, if any, dissenting from or not concurring in the resolution.</li> </ul>
Board Minutes to be evidence	142. Minutes of any meeting of the Board of Directors or of any Committees of the Board if purporting to be signed by the Chairman of such meeting or by the Chairman of the next succeeding meeting shall be for all purposes whatsoever prima facie evidence of the actual passing of the resolution recorded and the actual and regular transaction or occurrence of the proceedings so recorded and the regularity of the meeting at which the same shall appear to have taken place.

### **MANAGING DIRECTOR, WHOLE-TIME DIRECTOR OR EXECUTIVE DIRECTOR**

Managing Director/ Whole-Time Director/ Executive Director etc.	143. The Board may, subject to the provisions of the Act and these Articles, from time to time appoint any of its Members as the Managing Director of the Company or as a Whole-time Director or as an Executive Director upon such terms and conditions as the Board shall think fit and, subject to the provisions of the Act, the Board may by resolution vest in such Person such of the powers hereby vested in the Board generally as it thinks fit, and such powers may be made exercisable for such periods and upon such conditions and subject to such restrictions as it may determine. The remuneration of the Managing Director/the Whole-time Director the Executive Director may be by way of monthly payment, and/or participation in profits, or by any other mode not expressly prohibited by the Act. A Managing Director or a Whole-time Director or an Executive Director shall while he continues to hold that office shall not be subject to retirement by rotation. The Managing Director, Whole-time Director and the Executive Director shall ipso facto and immediately cease to be the Managing Director, the Whole-time Director and the Executive Director, as the case may be, if he ceases to hold the office of a Director.
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**CHIEF EXECUTIVE OFFICER, MANAGER,  
CHIEF FINANCIAL OFFICER OR COMPANY SECRETARY**

Appointment/ Removal of Chief Executive Officer, Manager, Chief Financial Officer and the Company Secretary by the Board	144. Subject to the provisions of the Act,-  A Chief Executive Officer, Manager, Chief Financial Officer and the Company Secretary may be appointed by the Board for such term, at such remuneration and upon such terms and conditions as it may think fit; and any Chief Executive Officer, Manager, Chief Financial Officer and the Company Secretary so appointed may be removed by means of a resolution of the Board.
Director may be Chief Executive Officer, etc.	145. A Director may be appointed as Chief Executive Officer or Manager or Chief Financial Officer or Company Secretary.
Exercise of powers by Manager.	146. A Manager so appointed shall exercise the powers and authorities conferred upon him by an Agreement entered into between him and the Company and/or by a resolution of the Board or general meeting and shall be subject to the obligations and restrictions imposed in that behalf by the Act.

**REGISTERS**

Statutory registers	147. The Company shall keep and maintain at its registered office all statutory registers including, register of charges, annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules. The registers and copies of annual return shall be open for inspection during 3.00 p.m. to 5.00 p.m. on all working days, other than Saturdays, at the registered office of the Company by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules.
Foreign register	<p>i. The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of the Act) make and vary such regulations as it may think fit with respect to keeping of any such register.</p> <p>ii. The foreign register shall be open for inspection and may be closed, and extracts may be taken therefrom and copies thereof may be required, in the same manner, <i>mutatis mutandis</i>, as is applicable to the register of members.</p>

**THE SEAL**

Seal	<p>148. The Company shall have a Common Seal and the Directors shall provide for the safe custody thereof. The Seal shall not be affixed to any instrument except:</p> <p>a. by the authority of a Resolution of the Board or a Committee of the Board authorised in that behalf, and</p> <p>b. In the presence of :</p> <p>i. at least one Director and the Secretary or such other person as the Board may appoint for the purpose who shall sign every instrument to which the Seal of the Company is so affixed in their presence.</p> <p style="text-align: center;">or</p> <p>ii. at least two Authorised Officers of the Company authorised in that behalf and such Authorised Officers shall sign every instrument to which the Seal of the Company is so affixed in their presence.</p>
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## DIVIDENDS AND RESERVE

Company in general meeting may declare dividends	149. The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
Interim dividends	150. Subject to the provisions of the Act, the Board may from time to time pay to the Members such interim dividends as appear to it to be justified by the profits of the Company.
Dividends only to be paid out of profits	151. i. The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, thinks fit.  ii. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
Division of profits	152. i. Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.  ii. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.  iii. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
No Member to receive dividend whilst indebted to the Company and Company's right to reimbursement therefrom	153. The Board may deduct from any dividend payable to any Member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the Company.
Retention of Dividend	154. The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause hereinbefore contained, entitled to become a Member, until such person shall become a Member in respect of such shares.
Dividend how remitted	155. i. Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named in the Register of Members, or to such person and to such address as the holder or joint holders may in writing direct.  ii. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

Receipt of one holder sufficient	156. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
Notice of Dividend	157. Notice of any dividend that may have been declared shall be given to the Persons entitled to share therein in the manner mentioned in the Act.
Waiver of Dividend	158. The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the Member (or the Person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.
No Interest on Dividend	159. No dividend shall bear interest against the Company.
Unclaimed Dividend	160. Unclaimed Dividend shall be dealt with as provided under the Act or Rules made thereunder.

## ACCOUNTS

Inspection by Directors	161. The books of account and books and papers of the Company, or any of them, shall be open to the inspection of Directors in accordance with the applicable provisions of the Act and the Rules.
Restriction on Inspection by Members	162. i. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of Members not being directors.  ii. No Member (not being a director) shall have any right of inspecting any account or books or document of the Company except as conferred by law or authorised by the Board or by the Company in general meeting.

## WINDING UP

Winding up of Company	163. Subject to the applicable provisions of the Act and Rules made thereunder—  i. If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the Members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.  ii. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members.  iii. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no Member shall be compelled to accept any shares or other securities whereon there is any liability.
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## INDEMNITY AND INSURANCE

Directors and Officers right to indemnity	164. i. Subject to the provisions of the Act, every Director, Managing Director, Whole-time Director, Manager, Company Secretary and other Officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses (including travelling expense) which such Director, Manager, Company Secretary and Officer may incur or become
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liable for by reason of any contract entered into or act or deed done by him in his capacity as such Director, Manager, Company Secretary or Officer or in any way in the discharge of his duties in such capacity including expenses.

- ii. Subject as aforesaid, every Director, Managing Director, Manager, Company Secretary or other Officer of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgement is given in his favour or in which he is acquitted or discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the Court.

Insurance            165. The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former Directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

Directors and other Officers not responsible for acts of others            166. No Director or other Officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or Officer, or for joining in any receipt or other act or conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any of the monies of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, Company or corporation with whom any money securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through wilful misconduct or neglect or dishonesty.

## GENERAL POWER

General Power    167. Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorised by its articles, then and in that case this Article authorises and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

## SECRECY CLAUSE

Secrecy clause    168. Subject to the provisions of the Act, no Member shall be entitled to require discovery of any information in respect to any detail of the Company's trading or any matter in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Board it may be inexpedient in the interest of the Company to communicate to the public.

Note : i) Clause 2 was amended in terms of the Scheme of Arrangement between Jaiprakash Associates Limited and Jaypee Cement Corporation Limited and UltraTech Cement Limited and their respective shareholders and creditors effective from 29<sup>th</sup> June, 2017.

ii) Clause 2 was amended in terms of the Scheme of Demerger amongst Century Textiles and Industries Limited and UltraTech Cement Limited and their respective shareholders and creditors effective from 1<sup>st</sup> October, 2019.

iii) Clause 122A was inserted by a Special Resolution passed at the Annual General Meeting of the Company held on 11<sup>th</sup> August, 2023.

We the several persons, whose names and addresses are subscribed below, are desirous of being formed into a Company in pursuance of this Memorandum of Association and respectively agree to take the number of shares in the Capital of the Company set opposite our respective names:

Sl. No.	Name of Subscribers	Addresses, and occupation of each subscriber	No. of shares taken by each subscriber equity	Name, addresses description & occupation of witnesses
1.	Anil Kumar Manibhai Naik Son of Mr. Manibhai Nicchabhai Naik	High Trees, 54, Pili Hill, Bandra, Mumbai - 400 050 Company Executive	1 (ONE)	
2.	Anumolu Ramakmrishna Son of Mr. Anumolu Venkatappiah	M29, Anna Nagar (East) Chennai-600 102 Company Executive	1 (ONE)	
3.	Mohan Karnani Son of Mr. Nathumal Karnani	Silver Sands, 73, Carter Road, Bandra Mumbai 400050. Company Executive	1 (ONE)	Mr.Vinay Sadanand Gaokar Son of Sadanand Vaikunth Gaokar
4.	Jagdish Pandurang Nayak of Mr. Mulky Pandurang Nayak	76, Ramakrishna Gardens RMVE Stage II, New Bel Road, Bangalore – 561 004 Company Executive	1 (ONE)	E/5, Saraswat Colony Sitaladevi Temple Son Road, Mahim Mumbai 400 016
5.	Yeshwant Moreshwar Doesthalee Son of Mr. Moreshwar Trimbak Deosthalee	4A, Suvas Apartments Off. L. Jagmohandas Marg Mumbai 400006 Company Executive	1 (ONE)	Service
6.	Kirshanamurthy Venkataramanan Son of Mr. Kodumudi Venkatramanan	Varsha, Flat No.401 Janki Kutir, Juhu, Mumbai - 400 049 Company Executive	1 (ONE)	
7.	Srinivasa Venkata Subramanian Son of Mr. Srinivasan	Flat No.7, Dwarka, Chheda Nagar, Chembur, Mumbai 400 089 Company Executive	1 (ONE)	
TOTAL			(7 Seven)	

Dated at Mumbai, this 22<sup>nd</sup> day of August, 2000



**SCHEME OF ARRANGEMENT  
BETWEEN**

**Larsen & Toubro Limited** ... Demerged Company

**UltraTech CemCo Limited** ... Resulting Company

**and**

**their respective shareholders and creditors**

**and**

**Grasim Industries Limited as shareholder  
of the Demerged Company** ... Grasim

**and**

**L&T Employees Welfare Foundation** ... Trust

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY**

**ORDINARY ORIGINAL CIVIL JURISDICTION**

**COMPANY PETITION NO. 121 OF 2004**

**CONNECTED WITH**

**COMPANY APPLICATION NO. 566 OF 2003**

In the matter of the Companies Act, 1956;

And

In the matter of Sections 391 to 394 of the Companies Act, 1956;

And

In the matter of Ultra Tech CemCo Limited, a Company incorporated under the Companies Act, 1956 and having its Registered Office at L&T House, Ballard Estate, Mumbai - 400001.

In the matter of the Scheme of Arrangement between Larsen & Toubro Limited and Ultra Tech Cemco Limited and their respective shareholders and creditors and Grasim Industries Limited as a shareholder of Larsen & Toubro Limited and L&T Employees Welfare Foundation.

UltraTech CemCo Limited, a )  
Company incorporated under )  
the Companies Act, 1956, )  
having its Registered Office at )  
L&T House, Ballard Estate, )  
Mumbai - 400 001. )

.....Petitioner Company

Coram: Anoop. V. Mohta J.

Date : 22nd April, 2004

Upon the Petition of Ultra Tech CemCo Limited, the Petitioner Company abovenamed declared on the 9th day of February, 2004 and presented to this Hon'ble Court on the 9th day of February 2004, for Sanctioning the proposed Scheme of Arrangement between Larsen & Toubro Limited and Ultra Tech CemCo Limited, (hereinafter referred to as the "Petitioner Company") and their respective shareholders and Creditors and Grasim Industries Limited as a shareholders of Larsen & Toubro Limited and L&T Employees Welfare Foundation (hereinafter referred to as the "said Scheme") and for other consequential reliefs as mentioned in the said Petition AND said Petition being this date called on for hearing and final disposal AND UPON READING the said Petition and the Affidavit of Mr. Jagdish Pandurang Nayak, Director of the Petitioner Company dated the 9th day of February, 2004 verifying the said Petition AND UPON READING the affidavit of Ms. Hema Krishnamoorthy, Company Secretary of the Petitioner Company dated the 18th day of March, 2004 proving publication of notice of the hearing of the Petition in the issue of "The Free Press Journal" (Mumbai edition) dated the 26th day of February, 2004 and Marathi translation thereof in "Navshakti" dated the 27th day of February, 2004 AND UPON READING the affidavit of Mr. Vijay Kudwalkar employed in the office of Advocates for the Petitioner Company dated the 24th day of February, 2004 proving service of notice of hearing of the Petition upon the Regional Director, Department of Company Affairs, Maharashtra, Mumbai AND UPON READING the Order dated the 17th day of December, 2003 passed in Company Application No. 566 of 2003 whereby the meetings of the Equity Shareholders and Unsecured Creditors of the Petitioner Company was dispensed with for the purpose of considering and if thought fit, approving with or without modification, the arrangement embodied in the Scheme of Arrangement between Larsen & Toubro Limited and the Petitioner Company and their respective shareholders and creditors and Grasim Industries Limited as a shareholders of Larsen & Toubro Limited and L&T Employees Welfare Foundation being Exhibit 'E' to the Petition in view of the consent in writing given by each of the equity shareholders and unsecured creditors of the Petitioner Company which are annexed as Exhibit 'F-1' to 'F-8' and Exhibit 'G' respectively to the Affidavit in support of Company Application No. 566 of 2003 AND UPON READING the Affidavit of Shri Chakradhara Paik, Regional Director, Western Region, Department of Company Affairs, dated the 24th day of March, 2004 stating that Bombay Stock Exchange has recommended that shares of the Resulting Company may be listed and traded on the Stock Exchange before the opening of the "Open Offer" proposed to be made by M/s. Grasim Industries Limited, hence Scheme may be considered by this Hon'ble Court subject to the above recommendation of BSE and requested to consider the objection raised by Mr. Rasik S. Poladia AND UPON READING the Affidavit of Mr. V. M. Raste, Objector dated the 12th day of March 2004 filed in Company Petition No. 120 of 2004 AND UPON READING the Affidavit of Mr. Jagdish Pandurang Nayak dated the 22nd day of March 2004 in reply to Affidavit of Mr. V. M. Raste dated the 12th day of March 2004 filed in Company Petition no. 120 of 2004 AND UPON READING the Affidavit of Mr. V. M. Raste dated the 5th day of April, 2004 seeking adjournment till 8th day of April, 2004 AND UPON HEARING Mr. Iqbal Chagla, Senior Counsel with Mr. Birendra Saraf, Counsel and Ms. R. S. Kothari, Mr. Kamlesh Kharade and Ms. Purvi Shah instructed by M/s. DSK Legal & Co., Advocates for Petitioner Company for the Petitioner Company AND UPON HEARING Dr. Virendra V. Tulzapurkar, Senior Counsel with Mr. Ravi Kadam, Counsel with Mr. Vikram Trivedi, Ms. Rajashree Bhat, Mr. Vinod Kothari and Ms. Kinjal Mehta instructed by M/s. Manilal Kher Ambalal & Co., Advocates for Larsen & Toubro Limited, AND UPON HEARING Mr. Virag V. Tulzapurkar, Counsel with Mr. V. B. Trivedi instructed by M/s. Manilal Kher Ambalal & Co., for the L&T Employees

Welfare Foundation AND UPON HEARING Mr. Goolam Vahanavati, Advocate General with Ms. Rameeza Hekeem instructed by M/s. Beri & Co. for Grasim Industries Limited AND UPON HEARING Mr. Janak Dwarkadas, Senior Counsel instructed by M/s. Amarchand & Mangaldas & Suresh A. Shroff & Co. for Samruddhi Swastik Trading & Investments Limited, AND UPON HEARING Shri R. C. Master with Y. R. Mishra Panel Counsel instructed by Dr. T. C. Kaushik for Regional Director, Department of Company Affairs, Maharashtra, Mumbai, who submits to order of the Court, AND UPON HEARING Shri. V. M. Raste, Objector in person, AND that no other person or persons entitled to appear at the hearing of the Petition appearing this day either in support of the Petition or to show cause against the said Petition AND THIS COURT DOTH HEREBY RECORD that the objections raised by the Objectors are overruled AND THIS COURT DOTH HEREBY SANCTION the Scheme of Arrangement between Larsen & Toubro Limited and Ultra Tech CemCo Limited, the Petitioner Company and their respective shareholders and creditors and Grasim Industries Limited as a shareholder of Larsen & Toubro Limited and L&T Employees Welfare Foundation as set forth in Exhibit 'E' to the Petition and also in the Schedule hereto AND THIS COURT DOTH HEREBY ORDER that the same shall be binding with effect from 1st day of April, 2003 (hereinafter referred to as the "Appointed Date") (as defined in the Scheme) on Larsen & Toubro Limited and the Petitioner Company and their respective shareholders and creditors and Grasim Industries Limited as a shareholder of Larsen & Toubro Limited and L&T Employees Welfare Foundation and all persons concerned under the Scheme AND THIS COURT DOTH HEREBY ORDER that upon the Scheme being effective and in consideration of the transfer and vesting of the Demerged Undertaking in the Petitioner Company in terms of the Scheme, the Petitioner Company shall without any further application, act, instrument or deed, issue and allot to the equity shareholders of the Demerged Company whose names are recorded in the Register of Members of Demerged Company on the Record Date as defined in the Scheme 2 equity shares in the Petitioner Company of Rs. 10/- each credited as fully paid up for every 5 equity shares of Rs. 10/- each fully paid up held by the equity shareholder of the Demerged Company AND THIS COURT DOTH HEREBY FURTHER ORDER that the assets / undertaking of Larsen & Toubro Limited (hereinafter referred to as "the said Demerged Company") comprising the Demerged Undertaking (as defined in the Scheme) shall without further act, instrument or deed be and stand transferred to and/or deemed to have been transferred to the Petitioner Company pursuant to the provisions of Sections 391 to 394 of the said Act AND THIS COURT DOTH HEREBY FURTHER ORDER that with effect from the Appointed Date, all debts, liabilities, duties and obligations of the Demerged Undertaking as set out in the Scheme shall, without any further act, instrument or deed be and stand transferred to in or deemed to have been transferred to the Petitioner Company so as to become the debts, liabilities, duties and obligations of the Petitioner Company AND THIS COURT DOTH HEREBY FURTHER ORDER that all legal, taxation or other proceedings, by or against the Demerged Company and relating to the Demegred Undertaking pending on or instituted after the Appointed Date be continued and be enforced by or against the Petitioner Company after the Effective Date as effectually and in the same manner and to the same extent as if the same had been pending and/or arisen by or against the Demerged Company AND THIS COURT DOTH HEREBY FURTHER ORDER that all permanent employees of the Demerged Company engaged in the Demerged Undertaking as on the Effective Date shall become the employees of the Petitioner Company on such date and, subject to the Scheme, on terms and conditions not less favourable than those on which they are engaged in the Demerged Undertaking and without any interruption of service as a result of the transfer of the Demerged Undertaking AND THIS COURT DOTH HEREBY FURTHER ORDER that the Petitioner Company do within 30 days from the sealing of this Order sanctioning the said Scheme cause a certified copy thereof to be delivered to the Registrar of Companies, Maharashtra at Mumbai for registration and upon such certified copy of order being so delivered, the Registrar of Companies, Maharashtra, Mumbai, shall place the files of Demerged Undertaking of Demerged company and register with him on the file kept by him in relation to the Petitioner Company and shall consolidate the files relating to Demerged Undertaking of Demerged Company and the Petitioner Company accordingly AND THIS COURT DOTH HEREBY FURTHER ORDER that the parties to the said Scheme and any other person or persons interested therein shall be at liberty to apply to this Court for any directions that may be necessary in regard to the working of he said Scheme AND THIS COURT DOTH HEREBY FURTHER ORDER that the Petitioner Company do pay a sum of Rs.2,500/- (Rupees two thousand five hundred only) to the Regional Director, Department of Company Affairs, Maharashtra, Mumbai towards the cost of the Petition.

WITNESS SHRI CHUNILAL KARSANDAS THAKKER, Chief Justice at Bombay aforesaid this 22nd day of April, 2004.

By the Court,

For **Prothonotary and Senior Master**

**Sealer**

**Dated this 6th day of May, 2004.**

ORDER sanctioning the Scheme of Arrangement     )  
under Sections 391 to 394 of the Companies Act,     )  
1956 drawn on the Application of M/s. DSK     )  
Legal, Advocates for the Petitioner,     )  
having their office at 66, Maker Towers F, Cuffe     )  
Parade, Mumbai 400005.     )

## SCHEME OF ARRANGEMENT BETWEEN

<b>Larsen &amp; Toubro Limited</b>	...	Demerged Company
<b>UltraTech CemCo Limited</b>	...	Resulting Company

and

**their respective shareholders and creditors**

and

<b>Grasim Industries Limited as shareholder of the Demerged Company</b>	...	Grasim
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and

<b>L&amp;T Employees Welfare Foundation</b>	...	Trust
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### **PART I - GENERAL**

- (A) The Demerged Company (as defined hereunder) is engaged inter alia in the businesses of:
- (a) design, engineering and execution of large scale engineering and construction contracts, marketing of products, the Cement Derivatives Business (as defined hereunder) and investments in various types of financial assets, manufacture and marketing of (i) heavy engineering equipment; (ii) electrical and electronic products; and (iii) packaging products; and
  - (b) manufacture and sale of cement (the “**Cement Business**”).
- (B) The Resulting Company (as defined hereunder) is a wholly owned subsidiary of the Demerged Company incorporated with the main object of carrying on the business of manufacture and sale of cement and cement related products. The Resulting Company also has a wholly owned subsidiary, Dakshin Cements Limited an unlisted company incorporated under the Act having its registered office at 5-10-1073 Fateh Maidan Road, P.O. Box No.12, Hyderabad 500 004 (“**Dakshin Cements**”) and formed with the object of manufacture and sale of cement.
- (C) Grasim (as defined hereunder) is engaged, inter alia, in the business of the manufacture and sale of viscose staple fibre, cement, sponge iron, chemicals and textiles. Pursuant to acquisitions through negotiated transactions, in the open market as also pursuant to an open offer made for the shares of the Demerged Company by Grasim (as the acquirer), with Samruddhi Swastik Trading and Investments Limited, its wholly owned subsidiary and an unlisted company incorporated under the Act and having its registered office at Birlagram, Nagda, Madhya Pradesh, (“**Samruddhi**”) and primarily engaged in investment activities (as person acting in concert), each of Grasim and Samruddhi respectively hold 14.86% and 0.87% of the equity shares of the Demerged Company.
- (D) The Demerged Company, Grasim, Samruddhi, the Resulting Company and the Trust (as defined hereunder) have entered into a restructuring agreement on November 3, 2003 (the “**Restructuring Agreement**”) which sets out the understanding as regards the Demerger (as defined hereunder), and upon the effectiveness of this Scheme, the Open Offer (as defined hereunder), and, concurrently, the purchase of the CemCo Shares (as defined hereunder) by Grasim, the Acquisition of Management Control (as defined hereunder) and the sale by Grasim and Samruddhi and purchase by the Trust of the L & T Shares (as defined hereunder) so as to exit from the Remaining Business (as defined hereunder), and to effect such other transactions referred to therein and the terms and conditions relating to the same and the implementation thereof.

- (E) In furtherance of the Restructuring Agreement and the understanding between the parties thereto, this composite Scheme (as defined hereunder) provides for:
- (a) the Demerger, upon the effectiveness of which, the Demerged Company would hold 20% of the paid-up capital of the Resulting Company, the balance 80% would be held by the shareholders of the Demerged Company in the same proportion in which shares are held by them in the Demerged Company;
  - (b) the occurrence, on the Effective Date, of all of the following concurrently:
    - (i) deposit of the CemCo Shares and the L&T Shares by each of L&T and Grasim/Samruddhi respectively in escrow in accordance with the Share Escrow Arrangement (as defined hereunder);
    - (ii) deposit of the Purchase Consideration (as defined hereunder) and the Sale Consideration (as defined hereunder) by each of Grasim and the Trust respectively in escrow in accordance with the Share Escrow Arrangement; and
    - (iii) the announcement to the public of the Open Offer.
  - (c) the Open Offer;
  - (d) the occurrence of all of the following concurrently upon the shareholding of Grasim (along with that of its associates) in CemCo amounting to at least one share more than 41.5% of the shares of CemCo:
    - (i) release of escrow in relation to the CemCo Shares and the Purchase Consideration in accordance with the Share Escrow Arrangement;
    - (ii) release of escrow in relation to the L&T Shares and the Sale Consideration in accordance with the Share Escrow Arrangement; and
    - (iii) Acquisition of Management Control.
  - (e) various other matters consequential or otherwise integrally connected herewith, including the reorganisation of the capital of the Demerged Company; pursuant to Sections 391 to 394 and other relevant provisions of the Act in the manner provided for in this Scheme and in compliance with the provisions of Section 2(19) AA of the Income Tax Act, 1961.
- (F) In order to impart certainty to, and to facilitate, the transactions contemplated herein, the Financial Institutions holding equity shares in the Demerged Company have expressed their in principle approval to this Scheme and have indicated that they are agreeable, in principle, to participate in the Open Offer.
- (G) This Scheme is divided into the following parts:
- (a) Part I, which deals with the introduction and definitions;
  - (b) Part II, which deals with the demerger of the Demerged Undertaking from the Demerged Company to the Resulting Company;
  - (c) Part III, which deals with the Open Offer Escrow Arrangement (as defined hereunder), management of the Cement Business, the Open Offer, the Share Escrow Arrangement in relation to the CemCo Shares and the L&T Shares, and the Acquisition of Management Control; and
  - (d) Part IV, which deals with the general terms and conditions applicable to both Parts II and III of this Scheme.

## 1. DEFINITIONS

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meaning:

- (A) **“Acquisition of Management Control”** means the acquisition of management control of CemCo by Grasim upon the shareholding of Grasim (along with that of its associates) in CemCo amounting to at least one share more than 50% of the shares of CemCo or as may be otherwise agreed or determined;
- (B) **“Act”** means the Companies Act, 1956 and includes any statutory re-enactment or modification thereof from time to time;
- (C) **“Appointed Date”** means April 1, 2003;
- (D) **“Awarpur Fund”** means The L&T (Awarpur) Provident Fund, care of Larsen & Toubro Limited, Awarpur Cement Project, P.O. TQ, Korpana, District Chandrapur 442 917 (M.S.);
- (E) **“CemCo”** or the **“Resulting Company”** means UltraTech CemCo Limited, a company incorporated under the Act and having its registered office at L&T House, Ballard Estate, Mumbai - 400 001;
- (F) **“CemCo Committee”** shall have the meaning ascribed to it in Clause 42 hereof;
- (G) **“CemCo Shares”** means such number of equity shares having the face value of Rs. 10/- each constituting 8.5% of the share capital of CemCo after the Demerger and that are proposed to be transferred to Grasim by L&T in terms of this Scheme;
- (H) **“Cement Business”** shall have the meaning ascribed to it in Recital A(b) above;
- (I) **“Cement Business Management Committee”** shall have the meaning ascribed to it in Clause 41(b)(ii) hereof;
- (J) **“Cement Derivatives Business”** means the business of all cement derivatives such as readymix concrete business, precast concrete, concrete products including blocks, building products made with the use of cement;
- (K) **“Court”** or **“High Court”** means the High Court of Judicature at Bombay, and shall include the National Company Law Tribunal as applicable;
- (L) **“Dakshin Cements”** shall have the meaning ascribed to it in Recital B above;
- (M) **“Demerged Depository”** shall have the meaning ascribed to it in Clause 28(a) hereof;
- (N) **“Demerged Undertaking”** means the Cement Business of the Demerged Company, on a going concern basis, consisting inter alia of:
  - 3.0 Million Tonnes Per Annum (**“MTPA”**) grey cement manufacturing plant at Awarpur, Korpana Taluka, Chandrapur District in the State of Maharashtra;
  - 5.2 MTPA grey cement manufacturing plant at Kovayya Village, Rajula Taluka, Amreli District, in the State of Gujarat, together with the rights and interest in the jetty situated at Kovayya;
  - 1.9 MTPA grey cement manufacturing plant at Hirmi, Singa Tehsil, Raipur District in the State of Chattisgarh;
  - 1.9 MTPA grey cement manufacturing plant at Tadipatri, Anantapur District in the State of Andhra Pradesh;
  - 46 Mega Watts (**“MW”**) captive thermal power plant at Awarpur in the State of Maharashtra;
  - 53 MW captive multi-fuel combined cycle power plant at Kovayya in the State of Gujarat;
  - 0.8 MTPA grey cement grinding unit at Jharsuguda, Jharsuguda District in the State of Orissa;



- 1.2 MTPA grey cement grinding unit at Arakkonam, Chitteri Village, Arakkonam, Vellore District in the State of Tamil Nadu;
- 1.0 MTPA grey cement grinding unit at Raj Band, Durgapur District, in the State of West Bengal;
- Bulk cement handling terminal at Plot no. 53, Sector 1, Dronagiri Industrial Area, Navi Mumbai 400 707 in the State of Maharashtra (the “Navi Mumbai Cement Unit”);
- Bulk cement handling terminal at Beach Road, Panambur, Mangalore 575 010 in the State of Karnataka (the “Mangalore Cement Unit”);
- Rights to construct a bulk cement handling terminal at Plot A (behind BPT), Willingdon Island, Cochin Port Trust, Cochin in the State of Kerala; and
- The Demerged Company’s investment comprising 6,91,71,183 equity shares of the face value of Rs.10/- each in NCCL; and shall mean and include (without limitation):
  - (a) all assets and property of and required for the Cement Business wherever situate, whether movable or immovable, tangible or intangible, including all the integrated cement manufacturing units of the Demerged Company, the cement grinding units, cement terminals whether situated in India or abroad, plant and machinery, buildings, offices, capital work-in-progress, rolling stock, current assets (including inventories, sundry debtors, bills of exchange, loans and advances), vehicles, D.G. sets, godowns, cement dumps, cement stocks and stores, warehouses, furniture, fixtures, office equipment, appliances, accessories, power lines, railway lines and sidings, water pipelines, depots, power plants at the location of the cement units, right to use jetties and ports, share of any joint assets, and other facilities and the Premises (as defined hereunder);
  - (b) all permits, quotas, rights, entitlements, industrial and other licences, bids, tenders, letters of intent, expressions of interest, development rights (whether vested or potential and whether under agreements or otherwise), municipal permissions, approvals, consents, subsidies, tenancies in relation to the office and/or residential properties for the employees, benefit of any deposits, privileges, all other rights including sales tax deferrals and exemptions and other benefits, lease rights, prospecting licenses and mining leases (in each case including the benefit of any applications made therefor) and the surface rights in relation thereto, receivables, and liabilities related thereto, licences, powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and other services, provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Cement Business;
  - (c) all earnest moneys and/or security deposits paid by the Demerged Company in connection with or relating to the Cement Business;
  - (d) all records, files, papers, engineering and process information, computer programmes, software licenses (including SAP), drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records whether in physical or electronic form in connection with or relating to the Cement Business; and
  - (e) all present and future liabilities (including contingent liabilities and the Transferred Liabilities, as defined hereunder) and shall further include any obligations under any licenses or permits and more particularly the obligations under the Advance License Scheme and Export Promotion Capital Goods Scheme, appertaining or relating to the Cement Business.

- (O) **“Demerger”** means the transfer by way of demerger of the Demerged Undertaking of the Demerged Company to the Resulting Company, and the consequent issue of equity shares by the Resulting Company to the shareholders of the Demerged Company as set out in Part II hereof;
- (P) **“Deposit Agreement”** shall have the meaning ascribed to it in Clause 28 hereof;
- (Q) **“Effective Date”** means the last of the dates on which the conditions and matters referred to in Clause 50 hereof occur or have been fulfilled or waived;
- References in this Scheme to the date of **“coming into effect of this Scheme”** or **“effectiveness of this Scheme”** shall mean the Effective Date;
- (R) **“Encumbrance”** means any options, pledge, mortgage, lien, security, interest, claim, charge, pre-emptive right, easement, limitation, attachment, restraint or any other encumbrance of any kind or nature whatsoever;
- (S) **“GDRs”** means global depository receipts issued pursuant to the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993 and other applicable law, and where relevant shall include the underlying equity shares relating thereto;
- (T) **“Governmental Authority”** means any applicable central, state or local government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau, instrumentality, judicial or arbitral body having jurisdiction over the territory of India;
- (U) **“Grasim”** means Grasim Industries Limited, an existing company under the Act and having its registered office at Birlagram, Nagda, Madhya Pradesh;
- (V) **“L&T”** or the **“Demerged Company”** means Larsen & Toubro Limited, an existing company under the Act and having its registered office at L&T House, Ballard Estate, Mumbai 400 001, and reference to L&T shall include, as applicable, L&T comprising the Remaining Business after the effectiveness of the Demerger;
- (W) **“L&T Shares”** means such number of fully paid equity shares representing 14.95% of the paid up equity capital of L&T, held by Grasim and Samruddhi after the Demerger and the capital reorganisation in terms of this Scheme of Arrangement;
- (X) **“NCCL”** means Narmada Cement Company Limited, a company incorporated under the Act and having its registered office at Metropolitan, 4<sup>th</sup> Floor, West Wing, Plot No. C-26/27, Bandra Kurla Complex, Bandra (East), Mumbai – 51 and engaged in the manufacture and sale of cement;
- (Y) **“Net Worth”** means the aggregate value of the total assets of the Demerged Undertaking as on the Appointed Date as reduced by the value of liabilities of the Demerged Undertaking as appearing in the Opening Financial Statement (as defined hereunder);
- (Z) **“New Deposit Agreement”** shall have the meaning ascribed to it in Clause 28 hereof;
- (AA) **“New Depository”** shall have the meaning ascribed to it in Clause 28 hereof;
- (BB) **“Offer Letter”** shall have the meaning ascribed to it in Clause 45(a) hereof;
- (CC) **“Offer Price”** shall have the meaning ascribed to it in Clause 45(a) hereof;
- (DD) **“Open Offer”** means the open offer to be made by Grasim and/or its associates in terms of this Scheme, within 120 days of the Effective Date but prior to the listing of the shares of CemCo to purchase 30% of the share capital of CemCo from the public at the Offer Price with the object of acquiring management control of CemCo;
- (EE) **“Open Offer Consideration”** shall have the meaning ascribed to it in Clause 40(a) hereof;

- (FF) **“Open Offer Escrow Agreement”** means the agreement(s) to be entered into between Grasim and the escrow agents proposed to be appointed in relation to the Open Offer Escrow Arrangement;
- (GG) **“Open Offer Escrow Arrangement”** shall have the meaning ascribed to it in Clause 40 hereof;
- (HH) **“Opening Financial Statement”** means the duly audited opening balance sheet of the Demerged Undertaking as at the opening of business hours on the Appointed Date, annexed as **Schedule I** hereto;
- (II) **“Premises”** means premises listed as **Schedule II** hereto;
- (JJ) **“Purchase Consideration”** means the aggregate consideration at which Grasim shall acquire the CemCo Shares in terms of this Scheme;
- (KK) **“Purchase Price”** means the price, being Rs. 342.60 per share, at which Grasim shall acquire each of the CemCo Shares in terms of this Scheme;
- (LL) **“Record Date”** means the date to be fixed by the Demerged Company for the purpose of determining the equity shareholders of the Demerged Company to whom shares of the Resulting Company will be allotted pursuant to this Scheme and for reorganisation of capital in terms of Section 4 of Part II hereof;
- (MM) **“Remaining Business”** means the business of L&T as set out in Recital A(a) above and shall include L&T’s trademarks, trade names, brands, patents, copyrights and all other intellectual property, whether registered or unregistered;
- (NN) **“Restructuring Agreement”** shall have the meaning ascribed to it in Recital D above;
- (OO) **“Samruddhi”** shall have the meaning ascribed to it in Recital C above;
- (PP) **“Sale Consideration”** means the aggregate consideration for which Grasim and Samruddhi shall sell the L&T Shares to the Trust in terms of this Scheme;
- (QQ) **“Sale Price”** means the price, being Rs. 240 per share, at which each of the L&T Shares shall be sold to the Trust by Grasim and Samruddhi in terms of this Scheme;
- (RR) **“Scheme”** means this composite Scheme of Arrangement including any modification or amendment hereto;
- (SS) **“Series IV Debentures”** means the 12.5% fully convertible debentures IV series issued by L&T in 1989.
- (TT) **“Share Entitlement Ratio”** shall have the meaning ascribed to it in Clause 19 hereof;
- (UU) **“Share Escrow Arrangement”** shall have the meaning ascribed to it in Clause 46 hereof;
- (VV) **“Share Escrow Agreement”** means the agreement(s) to be entered into between Grasim, L&T, Samruddhi and the Trust and an escrow agent to be appointed in relation to the Share Escrow Arrangement;
- (WW) **“Stock Exchanges”** means the stock exchanges on which the shares of L&T are listed;
- (XX) **“Transferred Liabilities”** shall have the meaning ascribed to it in Clause 16(a) hereof; and
- (YY) **“Trust”** means L&T Employee Welfare Foundation, an employee welfare trust established under the Indian Trusts Act, 1882.

2. SHARE CAPITAL

(a) The present share capital structure of the Demerged Company is as follows:

	Rs.
<i>Authorised</i>	
32,50,00,000 Equity Shares of Rs. 10 each	325,00,00,000
	<u>325,00,00,000</u>
<u>Issued</u>	
24,90,59,412 Equity Shares of Rs. 10 each fully paid-up	249,05,94,120
<u>Subscribed and Paid-up</u>	
24,87,39,591 Equity Shares of Rs. 10 each fully paid-up*	248,73,95,910
* Includes equity shares represented by GDRs.	

(b) The present share capital structure of the Resulting Company is as follows:

		Rs.
<i>Authorised</i>		
3,00,00,000 Equity Shares of Rs. 10 each		30,00,00,000
		<u>30,00,00,000</u>
<u>Issued &amp; Subscribed</u>		
3,00,00,000 Equity Shares of Rs. 10 each fully paid-up		30,00,00,000
<u>Paid-up</u>		
2,48,77,184 Equity Shares of Rs. 10 each fully paid-up	24,87,71,840	
51,22,816 Equity Shares of Rs. 10 each, Re. 1 per share paid up	51,22,816	
		<u>25,38,94,656</u>

PART II – DEMERGER

SECTION 1 - DEMERGED BUSINESS

3. (a) Upon the coming into effect of this Scheme and with effect from the Appointed Date, the Demerged Undertaking (including all the estate, assets, rights, claims, title, interest and authorities including accretions and appurtenances of the Demerged Undertaking) shall, subject to the provisions of this Clause 3 in relation to the mode of vesting and pursuant to Section 394 (2) of the Act and without any further act or deed, be demerged from the Demerged Company and be transferred to and vested in or be deemed to have been demerged from the Demerged Company and transferred to and vested in the Resulting Company as a going concern so as to become as and from the Appointed Date, the estate, assets, rights, claims, title, interest and authorities of the Resulting Company subject to Section 3 of Part II of this Scheme in relation to charges thereon in favour of banks and/or financial institutions.
- (b) In respect of such of the assets of the Demerged Undertaking as are movable in nature or are otherwise capable of transfer by delivery of possession, payment or by endorsement and delivery, the same may be so transferred by the Demerged Company, and shall become the property of the Resulting Company as an integral part of the Demerged Undertaking.
- (c) In respect of such of the assets belonging to the Demerged Undertaking other than those referred to in sub-clause (b) above, the same shall, as more particularly provided in sub-clause (a) above, without any further act, instrument or deed, be demerged from the Demerged Company and transferred to and vested in and/or be deemed to be demerged from the Demerged

Company and transferred to and vested in the Resulting Company on the Appointed Date pursuant to the provisions of Section 394 of the Act.

- (d) All assets acquired by the Demerged Company after the Appointed Date but prior to the Effective Date for operation of the Demerged Undertaking shall also without any further act, instrument or deed stand transferred to and vested in or be deemed to have been transferred to or vested in the Resulting Company upon the coming into effect of this Scheme.
  - (e) For the avoidance of doubt, upon coming into effect of this Scheme, all the rights, title, interest and claims of the Demerged Company in any leasehold properties, including the mining leases and the prospecting licences (including in each case any applications made therefor) (the particulars of the mining leases and the prospecting licenses are set out in **Schedule III** hereto) of the Demerged Company in relation to the Demerged Undertaking shall, pursuant to Section 394 (2) 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 Resulting Company.
4. (a) Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to the Demerged Undertaking to which the Demerged Company is a party or to the benefit of which the Demerged Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect on or against or in favour, as the case may be, of the Resulting Company and may be enforced as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party or beneficiary or obligee thereto.
- b) Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Demerged Undertaking occurs by virtue of Part II of this Scheme itself, the Resulting Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, execute deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which the Demerged Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Demerged Company will, if necessary, also be a party to the above. The Resulting Company shall, under the provisions of Part II of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Demerged Company and to carry out or perform all such formalities or compliances referred to above on the part of the Demerged Company to be carried out or performed.
- (c) For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Demerged Company in relation to the Demerged Undertaking shall stand transferred to the Resulting Company as if the same were originally given by, issued to or executed in favour of the Resulting Company, and the Resulting 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 Resulting Company. The Resulting Company shall make applications to any Governmental Authority as may be necessary in this behalf.
- (d) It is clarified that if any assets (estate, claims, rights, title, interest in or authorities relating to such assets) or any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the Demerged Undertaking which the Demerged Company owns or to which the Demerged Company is a party to cannot be transferred to the Resulting Company for any reason whatsoever, the Demerged Company shall hold such asset or contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of the Resulting Company, insofar as it is permissible so to do, till such time as the transfer is effected.
- (e) It is clarified that all obligations, liabilities, claims and demands in relation to and arising from any assignment of the sales tax deferral loans by the Demerged Company pertaining to any part of the Demerged Undertaking prior to the Appointed Date shall be the sole responsibility of the Demerged Company and the Resulting Company shall have no liability

or obligation in relation thereto to any person. The Demerged Company hereby undertakes to fully indemnify the Resulting Company from all claims and demands made on the Resulting Company in regard thereto.

5. All the assets and liabilities of the Demerged Undertaking shall be transferred to the Resulting Company at the values appearing in the books of the Demerged Company immediately before the Demerger and which are set forth in the Opening Financial Statement.
6. (a) It is clarified that, upon the coming into effect of this Scheme, the following debts, liabilities, duties, and obligations of the Demerged Company (as on the Appointed Date) and being a part of the Demerged Undertaking shall, without any further act or deed, be and stand transferred to and be deemed to be transferred to the Resulting Company to the extent that they are outstanding as on the Effective Date, and shall become the debts, liabilities, duties and obligations of the Resulting Company which shall meet, discharge and satisfy the same:
  - (i) the liabilities which arose out of the activities or operations of the Demerged Undertaking and which are more particularly specified in **Schedule IV** hereto; and
  - (ii) the general or multipurpose borrowings of the Demerged Company the amount of which in the aggregate stands in the same proportion which the value of the assets (being the fixed assets, investments, gross current assets) transferred to the Resulting Company bears to the assets of the Demerged Company on the Appointed Date. The amount of the general or multipurpose borrowings which are transferred on this basis are more particularly specified in **Schedule V** hereto.
- (b) Where any of the debts, liabilities, duties and obligations of the Demerged Company as on the Appointed Date deemed to be transferred to the Resulting Company have been discharged by the Demerged Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Resulting Company and all loans raised and used and all liabilities and obligations incurred by the Demerged Company for the operations of the Demerged Undertaking after the Appointed Date and prior to the Effective Date, subject to the terms of this Scheme, shall be deemed to have been raised, used or incurred for and on behalf of the Resulting Company and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to and be deemed to be transferred to the Resulting Company and shall become the debts, liabilities, duties and obligations of the Resulting Company which shall meet discharge and satisfy the same.
7. (a) Upon the coming into effect of this Scheme, all legal, taxation or other proceedings, whether civil or criminal, (including before any statutory or quasi-judicial authority or tribunal) by or against the Demerged Company under any statute, whether pending on the Appointed Date or which may be instituted any time thereafter and in each case relating to the Demerged Undertaking shall be continued and enforced by or against the Resulting Company after the Effective Date. The Demerged Company shall in no event be responsible or liable in relation to any such legal or other proceedings against the Resulting Company. The Resulting Company shall be added as party to such proceedings and shall prosecute or defend such proceedings in co-operation with the Demerged Company. A list of the legal, taxation and other proceedings by or against the Demerged Company and relating to the Demerged Undertaking pending as on the date of filing this Scheme has been separately agreed between the Demerged Company and the Resulting Company.
- (b) If proceedings are taken against the Demerged Company in respect of the matters referred to in sub-clause (a) above, it shall defend the same in accordance with the advice of the Resulting Company and at the cost of the Resulting Company, and the latter shall reimburse and indemnify the Demerged Company against all liabilities and obligations incurred by the Demerged Company in respect thereof.
- (c) The Resulting Company undertakes to have all legal or other proceedings initiated by or against the Demerged Company referred to in sub-clause (a) above transferred to its name as soon as is reasonably possible after the Effective Date and to have the same continued, prosecuted and enforced by or against the Resulting Company to the exclusion of the Demerged Company. Both companies shall make relevant applications in that behalf.

8. The Demerged Company, with effect from the Appointed Date and up to and including the Effective Date:
- (a) subject to Clause 41 hereof, shall be deemed to have been carrying on and to be carrying on all business and activities relating to the Demerged Undertaking and stand possessed of all the estates, assets, rights, title, interest, authorities, contracts, investments and strategic decisions of the Demerged Undertaking for and on account of, and in trust for, the Resulting Company;
  - (b) all profits accruing to the Demerged Company, or losses arising or incurred by it (including the effect of taxes if any thereon), relating to the Demerged Undertaking for the period after the Appointed Date based on the audited accounts of the Demerged Company shall for all purposes, be treated as the profits or losses, as the case may be, of the Resulting Company; and
  - (c) the Demerged Company shall carry on the Remaining Business in terms of Clause 15 of this Scheme distinctly and as a separate business from the Demerged Undertaking.
9. Subject to Clause 41 hereof, the Demerged Company undertakes that it will preserve and carry on the business of the Demerged Undertaking including that of Dakshin Cements and the business of NCCL with reasonable diligence and business prudence and shall not undertake financial commitments on behalf of Dakshin Cements or NCCL or sell, transfer, alienate, charge, mortgage, or Encumber the Demerged Undertaking or any part thereof unless the prior written consent of the board of directors of the Resulting Company has been obtained in relation to any of the above, and agrees that it shall not make any decisions or undertake any business outside the capital expenditure plan and such other plans as have been approved by the board of directors of the Demerged Company without the prior written consent of the board of directors of the Resulting Company.
10. From the date of filing of this Scheme with the High Court and upto and including the Effective Date, the Demerged Company shall not, except in respect of options that may be exercised in terms of L&T's employees stock option scheme(s) and conversion of Series IV Debentures to such extent as may be agreed and save as provided herein, make any change in its capital structure in any manner either by any increase (including by way of issue of equity and/or preference shares on a rights basis or by way of a public issue, bonus shares and/or convertible debentures or otherwise), decrease, reduction, reclassification, sub-division, consolidation, re-organisation, or in any other manner which may, in any way, affect the Share Entitlement Ratio, except with the prior approval of the board of directors of the Resulting Company and Grasim.
11. (a) Upon the coming into effect of this Scheme, all permanent employees of the Demerged Company engaged in the Demerged Undertaking as on such date shall become the permanent employees of the Resulting Company, and, subject to the provisions hereof, on terms and conditions not less favourable than those on which they are engaged in the Demerged Undertaking and without any interruption of service as a result of the transfer of the Demerged Undertaking. A list of the employees relating to the Demerged Undertaking employed by the Demerged Company as on the date of filing this Scheme has been separately agreed between the Demerged Company and the Resulting Company. The Resulting Company agrees that for the purpose of payment of any compensation, gratuity and other terminal benefits, the past services of such employees with the Demerged Company shall also be taken into account, and agrees and undertakes to pay the same as and when payable.
- (b) In so far as the existing gratuity fund and pension and/or superannuation fund trusts (including senior officers superannuation fund) and retirement fund or benefits created by the Demerged Company for its employees (including employees of the Demerged Undertaking) are concerned, such proportion of the investments made by the funds which is referable to the employees of the Demerged Company who are being transferred to the Resulting Company in terms of sub clause (a) above shall be held for their benefit pursuant to this Scheme in the manner provided hereinafter. In the event that the Resulting Company has its own funds in respect of any of the funds referred to above, such investments shall, subject to the necessary approvals and permissions, be transferred to the relevant funds of the Resulting Company. In the event that the Resulting Company does not have its own fund in respect of any of the aforesaid matters, the Resulting Company may, subject to necessary approvals and permissions,

continue to contribute in respect of the employees engaged in the Demerged Undertaking to the relevant funds of the Demerged Company, until such time that the Resulting Company creates its own fund, at which time the investments and contributions pertaining to the employees of the Demerged Undertaking shall be transferred to the funds created by the Resulting Company.

- (c) Insofar as the existing provident fund created by the Demerged Company for its employees (including the employees of the Demerged Undertaking) is concerned, the balance outstanding to the credit with respect to the employees of the Demerged Company who are being transferred to the Resulting Company in terms of sub-clause (a) above shall be transferred to the Awarpur Fund which has been established by the Demerged Company. The Demerged Company shall transfer such proportion of the investments made by the provident fund created by the Demerged Company for its employees which is referable to the employees of the Demerged Undertaking. Upon the coming into effect of this Scheme, the Awarpur Fund shall be for the benefit of the employees who are being transferred to the Resulting Company in the manner provided hereinafter.
  - (d)
    - (i) In respect of the stock options and the stock appreciation rights granted by the Demerged Company under the employees' stock options scheme or the stock appreciation rights scheme, as the case may be, to employees of the Demerged Undertaking which have not been exercised as of the date of filing of this Scheme and are outstanding (the "**L&T Schemes**"), the Demerged Company shall settle such L&T Schemes, and the Resulting Company shall have no obligation to issue options in lieu of the L&T Schemes. The Resulting Company shall have no obligation to issue any stock options or stock appreciation rights to the employees relating to the Demerged Undertaking transferred to the Resulting Company in terms of this Scheme.
    - (ii) For the avoidance of doubt it is hereby clarified that:
      - (A) upon the coming into effect of this Scheme, the options granted, under and pursuant to the employee stock option scheme to the employees of the Demerged Company, would be suitably re-priced as a result of the Demerger;
      - (B) consequently, the options granted but not exercised, up to the date of the approval of the Scheme by the shareholders and creditors of the Demerged Company and the Resulting Company, shall not be eligible to receive equity shares issued by the Resulting Company in terms of this Scheme; and
      - (C) the Series IV Debentures which have been forfeited for non-payment of allotment and/or call monies shall not be entitled to any equity shares of the Demerged Company and the Resulting Company.
12. (a) The transfer and vesting of the assets, liabilities and obligations of the Demerged Undertaking under Clause 3 hereof and the continuance of the proceedings by or against the Resulting Company under Clause 7 hereof shall not affect any transaction or proceedings already completed by the Demerged Company on or before the Appointed Date to the end and intent that, subject to Clause 9, the Resulting Company accepts all acts, deeds and things done and executed by and/or on behalf of the Demerged Company as acts, deeds and things done and executed by and on behalf of the Resulting Company.
- (b) All transactions between Demerged Company and the Resulting Company from the Appointed Date and upto and including the Effective Date shall be completed on an arms length basis on such terms as may be mutually agreed to between the Demerged Company and the Resulting Company.

## **SECTION 2 – REMAINING BUSINESS**

13. The Remaining Business and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by the Demerged Company subject to Section 3 of this Part II of this Scheme in relation to charges thereon in favour of banks, financial institutions and trustees for the debenture-holders.



14. (a) All legal, taxation or other proceedings whether civil or criminal (including before any statutory or quasi-judicial authority or tribunal) by or against the Demerged Company under any statute, whether pending on the Appointed Date or which may be instituted at any time thereafter, and in each case relating to the Remaining Business (including those relating to any property, right, power, liability, obligation or duties of the Demerged Company in respect of the Remaining Business) shall be continued and enforced by or against the Demerged Company after the Effective Date, which shall keep the Resulting Company fully indemnified in that behalf. The Resulting Company shall in no event be responsible or liable in relation to any such legal or other proceeding against the Demerged Company.
- (b) If proceedings are taken against the Resulting Company in respect of the matters referred to in sub-clause (a) above, it shall defend the same in accordance with the advice of the Demerged Company and at the cost of the Demerged Company, and the latter shall reimburse and indemnify the Resulting Company against all liabilities and obligations incurred by the Resulting Company in respect thereof.
15. With effect from the Appointed Date and up to and including the Effective Date:
- (a) the Demerged Company shall carry on and shall be deemed to have been carrying on all business and activities relating to the Remaining Business for and on its own behalf;
- (b) all profits accruing to the Demerged Company thereon or losses arising or incurred by it (including the effect of taxes, if any, thereon) relating to the Remaining Business shall, for all purposes, be treated as the profits or losses, as the case may be, of the Demerged Company.

### **SECTION 3 - LIABILITIES**

#### **16. LOANS, DEBENTURES AND RELATED SECURITY**

- (a) In so far as loans and debentures (whether convertible into equity shares or not) of the Demerged Company are concerned, the loans, borrowings and debentures listed in Schedule IV and such of the general or multipurpose loans, debentures and liabilities listed in Schedule V which are to be transferred to the Resulting Company in terms of this Part II (the “**Transferred Liabilities**”) being a part of the Demerged Undertaking shall, upon coming into effect of this Scheme and subject to sub-clause (b) below, without any further act or deed, become loans, borrowings and debentures of the Resulting Company, and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in and shall be exercised by or against the Resulting Company as if it had entered into such loans, incurred such borrowings or issued such debentures.
- (b) In so far as the existing security in respect of the Transferred Liabilities (more particularly set out in Schedule IV and Schedule V) is concerned, such security shall, without any further act, instrument or deed be modified and shall be extended to and shall operate only over the assets comprised in the Demerged Undertaking which have been charged and secured in respect of the Transferred Liabilities as transferred to the Resulting Company pursuant to Part II of this Scheme. Provided that if any of the assets comprised in the Demerged Undertaking which are being transferred to the Resulting Company pursuant to Part II of this Scheme have not been charged or secured in respect of the Transferred Liabilities, such assets shall remain unencumbered and the existing security referred to above shall not be extended to and shall not operate over such assets. The absence of any formal amendment which may be required by a lender or third party shall not affect the operation of the above.
- (c) In so far as the Transferred Liabilities which have been secured only by the assets of the Remaining Business are concerned, it is clarified that the Resulting Company shall create adequate security equivalent to the value of the security over the assets of the Remaining Business in respect of the Transferred Liabilities, and such security shall extend to and operate over the assets of the Demerged Undertaking that are being transferred to the Resulting Company pursuant to this Scheme.
- (d) In so far as the assets comprising the Remaining Business are concerned, the security over such assets relating to the Transferred Liabilities are concerned, the same shall, without any

further act, instrument or deed be released and discharged from the obligations and security relating to the same. The absence of any formal amendment which may be required by a lender or third party shall not affect the operation of the above.

- (e) Further, in so far as the assets comprised in the Demerged Undertaking are concerned, the security and charge over such assets relating to any loans or debentures which are not transferred pursuant to this Scheme (and which shall continue with the Demerged Company), shall without any further act or deed be released from such encumbrance and shall no longer be available as security in relation to such liabilities.
- (f) Without any prejudice to the provisions of the foregoing clauses and upon the effectiveness of this Scheme, the Demerged Company and the Resulting Company shall execute any instruments or documents or do all the acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the Registrar of Companies, Maharashtra respectively to give formal effect to the above provisions, if required.
- (g) The Demerged Company and the Resulting Company shall enter into and execute such further deeds, documents or writings as may be required to give effect to the provisions of this Clause 16.
- (h) Upon the coming into effect of this Scheme, the Resulting Company alone shall be liable to perform all obligations in respect of the Transferred Liabilities, and the Demerged Company shall not have any obligations in respect of the Transferred Liabilities, and the Resulting Company shall indemnify the Demerged Company in this behalf.
- (i) The listed debentures constituting part of the Transferred Liabilities shall be listed and/or admitted to trading on the relevant stock exchange(s) in India, where the existing debentures of the Demerged Company are listed and/or admitted to trading.
- (j) It is expressly provided that, save as mentioned in this Clause 16, no other term or condition of the Transferred Liabilities is modified by virtue of this Scheme except to the extent that such amendment is required by necessary implication.
- (k) Subject to the necessary consents being obtained, if required, in accordance with the terms of this Scheme, the provisions of this Clause 16 shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings shall stand modified and/or superseded by the foregoing provisions.

#### **SECTION 4 - REORGANISATION OF CAPITAL**

- 17. The provisions of this Section shall operate notwithstanding anything to the contrary in this Scheme.
- 18. In consideration of the provisions of Part II of this Scheme and as an integral part of this Scheme, the share capital of the Demerged Company and the Resulting Company shall be restructured and reorganised in the manner set out in Clauses 19 to 35 below.
- 19. Upon the Effective Date and in consideration of the Demerger, including the transfer and vesting of the Demerged Undertaking in the Resulting Company pursuant to Part II of this Scheme, the Resulting Company shall, without any further act or deed, issue and allot to each member of the Demerged Company whose name is recorded in the register of members of the Demerged Company on the Record Date, in the ratio of 2 equity shares in the Resulting Company of Rs. 10/- each credited as fully paid-up for every 5 equity shares of Rs.10/- each fully paid up held by such member in the Demerged Company (the “**Share Entitlement Ratio**”).
- 20. The shares issued to the members of the Demerged Company pursuant to Clause 19 above shall be issued in dematerialised form by the Resulting Company, unless otherwise notified in writing by the shareholders of the Demerged Company to the Resulting Company on or before such date as may be determined by the board of directors of the Resulting Company or a committee thereof. In the event that such notice has not been received by the Resulting Company in respect of any of the members of the Demerged Company, the shares shall be issued to such members in dematerialised form provided that the members of the Demerged Company shall be required to have an account

with a depository participant and shall provide details thereof and such other confirmations as may be required. It is only thereupon that the Resulting Company shall issue and directly credit the dematerialised securities to the account of such member with the shares of the Resulting Company. In the event that the Resulting Company has received notice from any member that shares are to be issued in certificate form or if any member has not provided the requisite details relating to the account with a depository participant or other confirmations as may be required, then the Resulting Company shall issue shares in certificate form to such member.

21. Equity shares to be issued by the Resulting Company pursuant to Clause 19 in respect of such of the equity shares of the Demerged Company which are held in abeyance shall also be kept in abeyance.
22. In case any member's holding in the Demerged Company is such that the member becomes entitled to a fraction of an equity share of the Resulting Company, the Resulting Company shall not issue fractional share certificates to such member but shall instead consolidate all such fractional entitlements to which the members of the Demerged Company may be entitled on the issue and allotment of equity shares of the Resulting Company, and thereupon issue and allot consolidated equity shares to a trustee nominated by the Resulting Company in that behalf.
23. The trustee nominated by the Resulting Company under Clause 22 above shall, at its discretion, either tender such shares in the Open Offer or sell such shares in the open market and distribute the net sale proceeds (after deduction of the expenses incurred) to the shareholders respectively entitled to the same in proportion to their fractional entitlements.
24. In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Demerged Company, the board of directors or any committee thereof of the Demerged Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer in the Demerged Company as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor of the share in the Resulting Company and in relation to the shares issued by the Resulting Company after the effectiveness of this Scheme. The board of directors of the Demerged Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new members in the Resulting Company on account of difficulties faced in the transaction period.
25. The equity shares to be issued and allotted by the Resulting Company in terms of Clause 19 above shall rank *pari passu* in all respects with the existing equity shares of the Resulting Company.
26. Equity shares of the Resulting Company issued in terms of Clause 19 above and equity shares of the Resulting Company that have been issued to the Demerged Company at the time of incorporation and are being held by the Demerged Company, shall be listed and/or admitted to trading on the relevant stock exchange/s in India, where the equity shares of the Demerged Company are listed and/or admitted to trading as on the Effective Date.
27. Unless otherwise determined by the board of directors or any committee thereof of the Demerged Company and the board of directors or any committee thereof of the Resulting Company, issuance of shares in terms of Clause 19 of this Part shall be done within 40 days from the Effective Date.
28. (a) Upon the coming into effect of this Scheme, and the issue of shares in the Share Entitlement Ratio by the Resulting Company pursuant to the provisions of Clause 19, the Resulting Company shall issue to the depository or a custodian on its behalf (the "**New Depository**"), appointed by the Resulting Company pursuant to a deposit agreement entered into between the Resulting Company and the New Depository (the "**New Deposit Agreement**"), an appropriate number of underlying shares in accordance with the Share Entitlement Ratio and procure that the New Depository shall issue GDRs with respect to the Resulting Company to (i) the depository that issued the GDRs with respect to the Demerged Company (the "**Demerged Depository**") so that it may distribute them to the existing holders of the GDRs of the Demerged Company in an appropriate manner in accordance with the terms of the deposit agreement entered into between the Demerged Company and that depository (the "**Deposit Agreement**") or (ii) directly to the existing holders of GDRs of the Demerged Company as instructed by the Demerged Company or the Demerged Depository.

- (b) The Resulting Company, the New Depository, the Demerged Company and/or the Demerged Depository shall enter into such further documents and may take such further actions, including but not limited to amending the Deposit Agreement, disseminating certain notices, certifications and information to existing GDR holders and providing the New Depository with certain information relating to the existing GDR holders, all as may be necessary and appropriate in this behalf, which shall contain all detailed terms and conditions with respect to such issue of GDRs of the Resulting Company.
  - (c) In lieu of issuing GDRs with respect to the Resulting Company, the Resulting Company may determine that it is in its best interest to allot the shares to a trustee that will either tender such shares in the Open Offer or sell such shares in the open market in terms of Clause 23 of this Scheme and distribute the net sale proceeds after the deduction of expenses incurred to the existing GDR holders. Such determination shall be at the sole discretion of the Resulting Company.
29. The GDRs issued pursuant to Clause 28 above shall not be listed unless required by any regulations, laws or permits, in which event the same may be listed in the Luxembourg Stock Exchange and the Resulting Company shall take such additional steps and do all such acts, deeds and things as may be necessary for purposes of listing the GDRs.
  30. The GDRs and the equity shares underlying the GDRs issued to the New Depository or a custodian on its behalf will not be registered under the Securities Act of 1933, as amended, of the United States of America (the “**Securities Act**”) and will not be registered, approved or qualified under any other laws unless the Resulting Company elects to do so. If required to register or qualify under the Securities Act or other laws, the Resulting Company may elect, in its sole discretion, to cash out existing GDR holders by treating the shares underlying the Resulting Company’s GDRs as fractional shares pursuant to Clause 31 below.
  31. If, on account of the Share Entitlement Ratio, fractional GDRs of the Resulting Company have to be issued, then in lieu of delivering fractional receipts, either (i) the New Depository shall instruct the custodian to deliver the shares represented by the fractional GDRs to the trustee nominated by the Resulting Company under Clause 22 above, so that the trustee, at its discretion, may either tender such shares in the Open Offer or sell such shares in the open market and distribute the net sales proceeds (after deduction of the expenses incurred) to the shareholders entitled to the same in proportion to their fractional entitlements in terms of Clause 23 above or (ii) the Demerged Depository, in accordance with the provisions of the Deposit Agreement, may, in its discretion, sell the shares represented by the aggregate of such fractions, at public or private sale, at such place or places and at such price or prices as it may deem proper, and distribute the net proceeds of any such sale in accordance with the terms of the Deposit Agreement.
  32. The provisions of the New Deposit Agreement with respect to GDRs issued in relation to the equity shares to the existing GDR holders of the Demerged Company pursuant to Clause 28 shall, subject to the provisions of this Scheme, be similar in all material respects with the provisions of the Deposit Agreement with respect to existing GDRs of the Demerged Company, provided that the Resulting Company may agree with the New Depository to such variations as it shall consider in its absolute discretion to be justified by changes in law, regulations or practice or otherwise not to be materially prejudicial to the interests of the holders of the GDRs.
  33. (a) As an integral part of the Scheme, and, upon the coming into effect of this Scheme, with effect from the Appointed Date, the issued, subscribed and paid-up capital of the Demerged Company shall be reorganised as follows:
    - (i) The issued, subscribed and paid up capital of the Demerged Company shall be reduced by Rs.223,86,56,318/- (Rupees Two Hundred and Twenty Three Crores Eighty Six Lacs Fifty Six Thousand Three Hundred and Eighteen Only) as being no longer represented by assets of the Demerged Company and such reduction shall be effected by reducing the face value of the equity shares of the Demerged Company from Rs.10/- per equity share to Re.1/- per equity share.
    - (ii) Simultaneously with the reduction of share capital of the Demerged Company in accordance with sub-clause (i) above, 24,87,39,591 equity shares (including equity

shares represented by GDRs) of the reduced face value of Re.1/- each shall be consolidated into 12,43,69,796 equity shares of Rs.2/- each fully paid-up. Accordingly, the Demerged Company shall issue, to its shareholders (including the custodian, on behalf of the GDR holders), 1 equity share of the face value of Rs.2/- fully paid-up for every 2 equity shares of the face value of Rs.10/- each fully paid-up.

- (iii) In case any equity shareholders' holding in the Demerged Company is such that the equity shareholders become entitled to a fraction of an equity share, the Demerged Company shall not issue fractional share certificates to such equity shareholders but shall instead consolidate all such fractional share certificates to which the equity shareholders of the Demerged Company shall be entitled on account of reorganization of the capital in terms of sub-clause (ii) above and thereupon issue consolidated equity shares to a trustee nominated by the Demerged Company in that behalf.
- (iv) The trustee nominated by the Demerged Company under sub-clause (iii) above shall sell such shares in the open market and distribute the net sale proceeds (after deduction of expenses incurred) to the shareholders respectively entitled to the same in proportion to their fractional entitlements.
- (b) The capital clause of the Memorandum of Association of the Demerged Company and Article 4 of the Articles of Association of the Demerged Company shall, upon the coming into effect of this Scheme and without any further act or deed, respectively be replaced by the following clauses:

#### **MEMORANDUM OF ASSOCIATION**

- “V. The Authorised Capital of the Company is Rs.325,00,00,000/- (Rupees three hundred twenty five crores) divided into 162,50,00,000/- (One hundred sixty two crore fifty lacs) Equity Shares of Rs.2/- each with power to the Company to increase or reduce the said capital and to issue any part of its capital, original or increased, with or without any preference, priority or special privilege or subject to any postponement of rights, or to any conditions or restrictions or as redeemable preference shares and so that unless the conditions of issue shall otherwise expressly declare every issue of shares whether declared to be preference or otherwise, shall be subject to the power hereinbefore contained, but, upon any increase in capital, new shares with preferential, deferred, qualified or special rights, privileges or conditions attached thereto, may not be issued so as to prejudice the then existing preferential shares, redeemable or otherwise.”

#### **ARTICLES OF ASSOCIATION**

- “4. The Authorised Capital of the Company is Rs.325,00,00,000/- (Rupees Three hundred twenty five crores) divided into 162,50,00,000 (One hundred sixty two crore fifty lacs) Equity Shares of Rs.2/- each.”
- 34. (a) As an integral part of the Scheme, 51,22,186 equity shares of Rs.10/- each of the Resulting Company in respect of which only Re.1/- is paid up on the Effective Date shall be extinguished on the Effective Date and the amount paid thereon shall be refunded to the respective shareholders of the Resulting Company and the paid up equity share capital of the Resulting Company shall stand reduced accordingly.
- (b) The capital clause of the Memorandum of Association of the Resulting Company and Article 3 of the Articles of Association of the Resulting Company shall, upon the coming into effect of this Scheme and without any further act or deed, be replaced by the following clause:

#### **MEMORANDUM OF ASSOCIATION**

“The authorized share capital of the Company is Rs.130,00,00,000/- (Rupees One Hundred and Thirty Crores Only) divided into 13,00,00,000 (Thirteen Crore) equity shares of Rs.10/- (Rupees Ten) each, with the rights, privileges and conditions attached thereto with the power to vary, modify or abrogate such rights, privileges and conditions as may be provided by the Articles of Association

of the Company for the time being. The Board of Directors shall have the power to classify as and when required the shares as equity or preference shares and attach thereto respectively such preferential, deferred, qualified or special rights, privileges and conditions and also the power to increase or reduce the capital of the Company as may be determined in accordance with the Articles of Association of the Company.”

## **ARTICLES OF ASSOCIATION**

“The share capital of the company shall be Rs.130,00,00,000/- (Rupees One Hundred and Thirty Crores Only) divided into 13,00,00,000 (Thirteen Crore) equity shares of Rs.10/- (Rupees Ten) each with the power to increase or reduce such capital from time to time in accordance with the regulations of the company and the legislative provisions for the time being in force in this behalf and with the power also to divide the shares in the capital for the time being into equity share capital and preference share capital and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions.”

35. The registered office of the Resulting Company shall be shifted to Awarpur (or any other place in Maharashtra) after the Effective Date, and the Resulting Company shall take such action as may be necessary and shall file the necessary applications and forms with the Regional Director and/or the Registrar of Companies in this regard.

## **SECTION 5 - GENERAL TERMS & CONDITIONS**

36. (a) Upon the coming into effect of this Scheme, certain specified reserves and the share capital account of the Demerged Company shall stand reduced as follows :
- (i) Debenture Redemption Reserve Account – Rs. 177.46 Crores (One Hundred and Seventy Seven Crores Forty Six Lacs Only);
  - (ii) Cash Subsidy Reserve – Rs. 0.25 Crores (Rupees Twenty Five Lacs only);
  - (iii) General Reserve – Rs. 875.78 Crores (Rupees Eight Hundred and Seventy Five Crores Seventy Eight Lacs Only);
  - (iv) Securities Premium Account – Rs. 1287.63 Crores (Rupees One Thousand Two Hundred and Eighty Seven Crores Sixty Three Lacs Only); and
  - (v) Share Capital – Rs. 24.87 Crores (Rupees Twenty Four Crores Eighty Seven Lacs Only).
- After accounting for the excess of the assets over the liabilities of the Demerged Undertaking being transferred to the Resulting Company.
- (b) Upon the coming into effect of this Scheme:
- (i) An amount equal to Rs. 122.54 Crores (Rupees One Hundred and Twenty Two Crores and Fifty Four Lacs Only), towards the Debenture Redemption Reserve relating to transferred debentures in the books of the Demerged Company shall be credited by the Resulting Company to its Debenture Redemption Reserve Account; and
  - (ii) An amount equal to Rs. 0.10 Crores (Rupees Ten Lacs Only), towards the Capital Subsidy Reserve in the books of the Demerged Company shall be credited by the Resulting Company to its Capital Subsidy Account.
  - (iii) The balance amount of Rs.771.22 Crores (Rupees Seven Hundred and Seventy One Crores Twenty Two Lacs Only) being the amount representing the excess of the net assets (after deducting the liabilities) transferred by the Demerged Company to the Resulting Company over the aggregate face value of the share capital issued by the Resulting Company shall be credited to the General Reserve in the books of the Resulting Company.
37. (a) The Demerged Company and the Resulting Company shall be entitled to declare and pay dividends, whether interim or final, to their respective shareholders in respect of the accounting period prior to the Effective Date.

- (b) The equity shares of the Resulting Company to be issued and allotted to the equity shareholders of the Demerged Company as provided in Clause 19 hereof shall be entitled to dividends from the Appointed Date. The holders of the shares of the Demerged Company and the Resulting Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.
  - (c) It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any member of the Demerged Company and/or the Resulting Company to demand or claim any dividends which, subject to the provisions of the said Act, shall be entirely at the discretion of the respective boards of directors of the Demerged Company and the Resulting Company and subject to the approval of the shareholders of the Demerged Company and the Resulting Company respectively.
38. (a) The Resulting Company shall have the right to use the “L&T Cement” brand for a period of seven (7) months from the Effective Date. In computing the said period, the intervening monsoon months (being the months of July, August and September) shall be excluded such that the Resulting Company will have not more than ten (10) months in the aggregate within which to complete the brand transition. For this purpose, the Demerged Company shall enter into an arrangement (whether in the form of a licensing agreement or otherwise) pursuant to which the Demerged Company shall license the “L&T Cement” brand to the Resulting Company for a token fee and on such terms and conditions as may be mutually agreed to between the Demerged Company and the Resulting Company.
- (b) The Resulting Company shall be entitled to engage in all or any part of the Cement Derivatives Business.
39. (a) The Demerged Company and the Resulting Company shall enter into transitional arrangements (on the same basis as currently adopted for Cement Business) in respect of premises that are leased to the Demerged Company and partly occupied by the Demerged Undertaking.
- (b) In respect of the office premises which are owned by the Demerged Company but used partly or fully by the Demerged Undertaking, the Demerged Company and the Resulting Company shall enter into a transitional arrangement (by way of lease or sublease or otherwise) in terms of which the Resulting Company shall be entitled to use such premises on commercial terms to be mutually agreed.

### **PART III – OPEN OFFER ESCROW ARRANGEMENT, MANAGEMENT OF THE CEMENT BUSINESS, SHARE ESCROW ARRANGEMENT, OPEN OFFER, PURCHASE AND SALE OF THE CEMCO SHARES, SALE AND PURCHASE OF THE L&T SHARES AND ACQUISITION OF MANAGEMENT CONTROL**

#### **SECTION 1 – OPEN OFFER ESCROW ARRANGEMENT**

40. (a) Grasim shall deposit the consideration for the Open Offer in escrow with an escrow agent (to be appointed in terms of the Open Offer Escrow Agreement) in the following manner:
- (i) deposit of an amount equal to 10% of the gross value of the Open Offer within 1 business day of filing of this Scheme of Arrangement before the High Court;
  - (ii) deposit of an amount equal to the remaining 90% of the gross value of the Open Offer within 90 days of the date of filing of the report by the chairman of the meeting of L&T’s shareholders and creditors, approving this Scheme.

The aggregate of the amounts deposited pursuant to sub-clauses (i) and (ii) above is hereinafter referred to as the “**Open Offer Consideration**”.

- (b) On the announcement being made to the public in relation to the Open Offer, the Open Offer Consideration together with the interest, if any, accrued on the same till the making of the public announcement shall be appropriated to an escrow account maintained by a designated investment banker or such other person nominated by Grasim (to be appointed in terms of the Open Offer Escrow Agreement) on an interest earning basis, and shall be held in escrow by

such person until the completion of the Open Offer, and shall be distributed to the successful offerees of the Open Offer in accordance with the terms of the offer letter.

- (c) The amounts held in escrow pursuant to sub clauses (a) and (b) above shall be invested as provided in the Open Offer Escrow Agreement.
- (d) The interest earned on the amount of the Open Offer Consideration held in escrow or invested in accordance with the Open Offer Escrow Agreement shall accrue on a proportionate basis to the successful offerees of the Open Offer. In the event that the Open Offer is not fully subscribed, the distribution of interest to the successful offerees will be limited pro rata to the extent of subscription to the Open Offer. It is clarified that such interest shall not be considered as an increase in the Offer Price.

The arrangements set out in sub sections (a), (b), (c) and (d) above shall hereinafter be referred to as the **“Open Offer Escrow Arrangement”**.

## **SECTION 2 – MANAGEMENT OF THE CEMENT BUSINESS**

- 41. (a) Until the deposit of the Open Offer Consideration in escrow, the Cement Business would be managed by the board of directors of Demerged Company supported by an Operations Committee consisting of three representatives each from the Demerged Company and Grasim which would function solely for the purpose of reviewing and overseeing the business of the Demerged Undertaking.
  - (b) (i) Upon the deposit of 10% of the Open Offer Consideration in escrow in accordance with Clause 40(a)(i) above, one nominee of Grasim shall be invited to be a member of the board of directors of CemCo;
  - (ii) Upon the deposit of the entire Open Offer Consideration in terms of Clause 40(a) above, the operations committee referred to in Clause 41(a) above shall stand dissolved and the board of directors of the Demerged Company shall constitute a sub-committee of the Board of Directors called the Cement Business Management Committee (the **“Cement Business Management Committee”**) comprising of the following directors of the Demerged Company: (A) Mr. Kumarmangalam Birla (who shall be the chairman of the Cement Business Management Committee), (B) Mrs. Rajashree Birla, (C) 2 nominees of the Financial Institutions, and (D) 2 executive directors of the Demerged Company. In the event of a vacancy in the office of the directors mentioned in (A) and (B) above, such vacancy shall be filled by the nominees of Grasim who fill the vacancy on the board of directors of the Demerged Company.
  - (iii) 4 key executives of the Cement Business of the Demerged Company and 1 nominee of Grasim on the board of directors of the Resulting Company shall be permanent invitees on the Cement Business Management Committee.
  - (iv) The Cement Business Management Committee shall oversee the day to day operations of the Cement Business subject to the overall superintendence and control of the board of directors of the Demerged Company till the Effective Date.
  - (iv) The Cement Business Management Committee shall meet as often as its Chairman deems fit for the proper conduct of the Cement Business, but shall meet at least two times each month.
  - (v) Any activity undertaken by the Cement Business in accordance with a decision of the Cement Business Management Committee in relation to which both nominees of Grasim on the Cement Business Management Committee have voted affirmatively shall not be considered to be in breach of the Demerged Company’s obligation to carry on the cement business in trust for the Resulting Company.
42. Upon the Effective Date, the board of directors of CemCo shall be reconstituted so as to mirror the composition of the Committee and the Cement Business Management Committee shall stand dissolved. The Board of Directors of CemCo shall appoint an additional director to be agreed to amongst all the directors. The board of directors of CemCo shall constitute a committee (the **“CemCo**



**Committee**”) which shall mirror the composition of the Cement Business Management Committee. The CemCo Committee shall oversee the operations of the Cement Business of CemCo subject to the overall superintendence and control of the board of directors of CemCo until the Acquisition of Management Control.

### SECTION 3 - OPEN OFFER PROCESS

43. On the Effective Date, Grasim shall make a public announcement in relation to the Open Offer.
44. Not later than 120 days from the Effective Date but prior to listing of the shares of CemCo, Grasim shall make the Open Offer in accordance with applicable law and the terms as set out in this Scheme.
45. The Open Offer shall be effected in the following manner:
  - (a) Grasim shall send an offer letter (along with relevant details) (the “**Offer Letter**”) to the equity shareholders of the Demerged Company as on the Record Date in terms of which Grasim shall make an offer to the shareholders of CemCo, to purchase up to such number of fully paid up equity shares of Rs. 10/- each of CemCo representing 30% of the subscribed and paid-up share capital of CemCo on the Effective Date at Rs. 342.60 per CemCo share (the “**Offer Price**”).
  - (b) Following the receipt of such Offer Letter, and within the time prescribed therein, the equity shareholders may tender their equity shares to Grasim.
  - (c) The detailed procedure and the manner in which the equity shares shall be purchased from the public shareholders by Grasim shall be prescribed in the guidelines issued to the equity shareholders along with the Offer Letter.
  - (d) The number of equity shares of CemCo accepted by Grasim in terms of the Open Offer shall not exceed such number of fully paid-up equity shares which represents 30% of the subscribed and paid-up equity share capital of CemCo on the Effective Date. It is hereby clarified that if the equity shares tendered exceeds the aforesaid limit, then Grasim shall be entitled to accept the equity shares on a proportionate basis taking care to ensure that the basis of acceptance is decided on a fair and equitable manner. The decision of the board of directors (or a committee thereof) of Grasim in this behalf shall be final and binding.
  - (e) L&T shall not be entitled to participate in the Open Offer.
  - (f) For the avoidance of doubt it is clarified that the Open Offer shall be made pursuant to and is an integral part of this Scheme, and consequently, the acquisition of the shares of CemCo would be exempt under Regulations 3(1)(j)(ii) and 3(1)(k) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, from the application of Regulations 10, 11 and 12 of the said Regulations.

### SECTION 4 – SHARE ESCROW ARRANGEMENT AND PURCHASE AND SALE OF CEMCO SHARE AND L&T SHARES

46. (a) Upon the Effective Date, and concurrently with the announcement being made to the public of the Open Offer, L&T shall deposit the CemCo Shares and Grasim and Samruddhi shall deposit the L&T Shares in escrow. Concurrently therewith, Grasim shall deposit the Purchase Consideration and the Trust shall deposit the Sale Consideration in escrow. The escrow arrangement will occur in the manner as more particularly provided in the Share Escrow Agreement.
- (b) Upon the deposit of the CemCo Shares and the L&T Shares in escrow in terms of sub-clause (a) above, the following voting arrangement shall come into effect:
  - (i) the voting rights in relation to the CemCo Shares, shall be exercised by L&T only in accordance with the directions of Grasim, other than to acquire management control of CemCo;
  - (ii) the voting rights in relation to the L&T Shares, shall be exercised by Grasim and Samruddhi only in accordance with the directions of the Trust, provided however, in

either case, such exercise in accordance with the direction is not in any material conflict with or materially prejudicial to the interests of L&T and its shareholders or Grasim and/or Samruddhi and their shareholders as the case may be. For the avoidance of doubt it is clarified that Grasim shall be entitled to exercise its voting rights attached to the L&T Shares in relation to all matters relating to the Cement Business at its sole discretion.

- (c) The escrow agent(s) appointed in terms of the Share Escrow Agreement shall hold the CemCo Shares, the L&T Shares, the Purchase Consideration and the Sale Consideration in escrow in accordance with the terms of the Share Escrow Agreement, until Grasim's holding in CemCo amounts to at least one share more than 41.5% of the shares of CemCo pursuant to this Scheme and the Open Offer.
- (d) Upon the shareholding of Grasim (along with that of its associates) in CemCo amounting to at least one share more than 41.5% of the shares of Cemco, the escrow agent shall simultaneously release the CemCo Shares in favour of Grasim and the Purchase Consideration in favour of L&T. Concurrently therewith, the escrow agent shall simultaneously release the L&T Shares in favour of the Trust and the Sale Consideration in favour of Grasim and Samruddhi in the following proportion: the consideration for the sale of 14.86% L&T Shares shall be released to Grasim, and the consideration in relation to 0.09% L&T Shares shall be released to Samruddhi. Upon such release, the voting arrangement in relation to the CemCo Shares and the L&T Shares as provided in sub-clause (b) above, shall no longer be valid and effective.

The arrangements set out in sub sections (a), (b), (c) and (d) above shall hereinafter be referred to as the "Share Escrow Arrangement".

For the avoidance of doubt it is hereby clarified that except for the arrangement in relation to the exercise of the voting rights in terms of sub section (b) above, all other rights and obligations attached to the CemCo Shares and the L&T Shares shall continue with L&T and Grasim/Samruddhi respectively for so long as the Share Escrow Arrangement continues and shall only vest in Grasim and the Trust respectively upon the release of the shares from escrow and in accordance with the terms of this Clause and the Share Escrow Agreement. Provided however, that any dividends which accrue in relation to the L&T Shares for and from the financial year 2003-2004 shall accrue to the Trust.

- 47. (a) Upon the shareholding of Grasim (along with that of its associates) in CemCo amounting to at least one share more than 41.5% of the shares of CemCo and the release of the Share Escrow Arrangement in accordance with the provisions hereinabove, Grasim shall acquire management control of CemCo and the board of directors of CemCo shall stand reconstituted, upon which a majority of the directors shall be nominees of Grasim and 2 of the directors shall be nominated by L&T and agreed to by Grasim.
- (b) Upon the Acquisition of Management Control, the CemCo Committee shall stand dissolved.
- (c) It is clarified that the release of the Share Escrow Arrangement and completion of the purchase of the CemCo Shares by Grasim and the sale of the L&T Shares by Grasim and Samruddhi to the Trust as set out above, and the Acquisition of Management Control shall occur simultaneously and concurrently on the same date after the completion of the Open Offer.
- (d) It is also clarified that Open Offer, purchase of CemCo Shares by Grasim, the sale of L&T Shares by Grasim and Samruddhi and the Acquisition of Management Control form consideration for each other and are thus integral to each other.

#### **PART IV - OTHER TERMS & CONDITIONS**

**The provisions of this Part shall be applicable to both the Demerger pursuant to Part II as well as the purchase and sale of CemCo Shares and the Open Offer pursuant to Part III hereof.**

- 48. L&T and CemCo shall make necessary applications before the High Court for the sanction of this Scheme of Arrangement under Sections 391 and 394 of the Act.
- 49. (a) L&T (by its Board of Directors) and CemCo (by its Board of Directors), either by themselves or through a committee appointed by them in this behalf, may, in their full and absolute

discretion, assent to any alteration or modification to this Scheme which the Court may deem fit to approve or impose. Any modification to this Scheme by the Court shall not be binding on L&T, Grasim and the Trust except where the prior consent of L&T, Grasim and the Trust has been obtained. L&T and Grasim shall have the option of terminating the Restructuring Agreement if such modification or amendment is not acceptable to any party to the Restructuring Agreement, whereupon L&T and CemCo shall withdraw this Scheme;

- (b) L&T (by its Board of Directors) and CemCo (by its Board of Directors), (either by themselves or through a committee appointed by them in this behalf), may give such directions as they may consider necessary to settle any question or difficulty arising under this Scheme or in regard to and of the meaning or interpretation of this Scheme or implementation thereof or in any matter whatsoever connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholders, depositors or debenture holders of the respective companies), or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary, to waive any of those (to the extent permissible under law).
- (c) L&T (by its Board of Directors) and CemCo (by its Board of Directors), (either by themselves or through a committee appointed by them in this behalf), may, in their full and absolute discretion, modify, vary or withdraw this Scheme prior to the Effective Date in any manner at any time. L&T (by its Board of Directors) and CemCo (by its Board of Directors), (either by themselves or through a committee appointed by them in this behalf) may also at any time make such modifications as they may consider necessary in relation to the procedure and modalities of effecting the transactions contemplated herein. CemCo shall waive compliance of any conditions precedent to the effectiveness of this Scheme, as are capable of being waived, only if, and to the extent, required by Grasim. Any such waiver by CemCo shall be binding on L&T.
- (d) Any issue as to whether any asset, liability, employee, legal or other proceedings pertains to the Demerged Undertaking or not shall be decided by the Boards of Directors of L&T and CemCo, either by themselves or through a committee appointed by them, in consultation with Grasim, in this behalf on the basis of any evidence that they may deem relevant for this purpose.

50. This Scheme is conditional upon and subject to:

- (a) this Scheme being agreed to by the respective requisite majorities of the various classes of members and creditors (where applicable) of the Demerged Company and the Resulting Company as required under the Act and the requisite orders of the High Court referred to in Clause 48 hereof being obtained;
- (b) such other sanctions and approvals including but not limited to in principle approvals, sanctions of any Governmental Authority (in relation to transfer of mining leases/prospecting licenses, sales tax benefits or entitlements or loans), as may be required by law in respect of this Scheme being obtained; and
- (c) the certified copies of the orders of the High Court referred to in this Scheme being filed with the Registrar of Companies, Maharashtra.

51. Upon the effectiveness of this Scheme in accordance with the terms hereof, the Open Offer, the Share Escrow Arrangement and the completion of the purchase of the CemCo Shares by Grasim and the sale of the L&T Shares by Grasim and Samruddhi to the Trust shall become irrevocable and none of L&T, CemCo or Grasim shall thereafter have a right to terminate its obligations in relation thereto.

52. In the event of non-fulfillment of any or all obligations under this Scheme by any party towards any other party, inter-se or to third parties and non-performance of which will place the other party under any obligation, then such defaulting party will indemnify all costs and interest to such other affected party.

- 53. (a) Each party shall bear its own costs until the date of sanction of this Scheme by the High Court.
- (b) After the date of sanction of this Scheme by the High Court, all costs in relation to the Demerger shall be borne by the Resulting Company.
- (c) All income tax liabilities in relation to the Demerger shall be borne by the Demerged Company.

SCHEME OF ARRANGEMENT BETWEEN

Larsen & Toubro Limited ... Demerged Company  
UltraTech CemCo, Limited ... Resulting Company  
and  
their respective shareholders and creditors  
and  
Grasim Industries Limited as shareholder ... Grasim  
of the Demerged Company  
and  
L&T Employees Welfare Foundation ... Trust

Schedules to the Scheme of Arrangement annexed to the Notice dated 19th December 2003 convening the meetings pursuant to the orders of the Hon’ble High Court, Bombay

SCHEDULE - I : BALANCE SHEET ON CEMENT DIVISION  
AS AT 1ST APRIL, 2003

	Cement	
	Rs. Cr.	Rs. Cr.
SOURCES OF FUNDS:		
Net Worth (Balancing Figure)		1018.25
LOAN FUNDS :Secured Loans	1542.84	
Unsecured Loans	190.34	
TOTAL		1733.18
		2751.43
APPLICATION OF FUNDS :		
Fixed Assets :		
Gross Block	4261.74	
Less : Depreciation	1337.49	
Net Block	2924.25	
Less : Lease Adjustment	—	
	2924.25	
Capital work-in-progress	12.39	2936.64
Fixed assets held for sale		—
Investments		235.24
Current Assets, Loans and Advances :		
Inventories	248.43	
Sundry Debtors	189.71	
Cash and Bank Balances	0.09	
Other Current Assets	—	
Loans and Advances	102.86	
	541.09	
Less : Current Liabilities and Provisions:		
Liabilities	311.13	
Provisions	7.55	
	318.68	
Net Current Assets		222.41
Deferred Tax		
Deferred Tax Assets	11.51	
Deffered Tax Liabilities	(670.50)	(658.99)
Deferred Revenue items		
Miscellaneous Expenditure	16.13	
(to the extent not written-off or adjusted)		
Deffered Income	—	16.13
Total		2751.43
Contingent Liabilities		243.41

SCHEDULE - II : LIST OF LEASED OFFICE PREMISE1. Mahesh Babaria Vaidarbhi Complex, Gidc Char Rasta Vallabh Vidyanagar Anand. 2. Olympic Transport Corporation 5, Vir Nagar Society Near S. T. Workshop, Mehsana. 3. V.K. Jain & D.D. Jain, 503, Shikhar Complex Near Navrangpura Rly Crossing Navrangpura, Ahmedabad, 4. Mahesh Sabana Turning Point, Kalanala Bhavnagar. 5. Darshana Devi Jain, Ahmedabad.

LIST OF LEASED GODOWNS

1. Mahesh Babaria. 237, Navagam Kardej. Bhavnagar. 2. Vicky Clearing & Transport Co. Kamrej Seva Sahakari Mandli, Kamrej-Surat Road, Besides S. T. Depot, Kamrej. Surat. 3. P. P. Trust Estate, Station Road, Ranoli, Baroda. 4. Mehta Investment Co., Jamnagar Road, Raghuveer Indu Area, Madhapar, Rajkot. 5.V.K.Agrawal & Others, Village Ulariya, Sanand Highway, Teluka Sanand, Ahmedabad. 6. Shri M. John Verghese, 105/K-31, Bypass Road Ariem. Margao Goa. 7. R. K. Agrawal, Ahmedabad. 8. VickyClearing & Transport (Co. Surat (Rooms)

LIST OF LEASED RESIDENTIAL PREMISES

1. Flat No. B 215. The Shelter No. 15 Palmgrove Road, Victoria Layout Bangalore 560 047. 2. Flat No. A-6, Vaishali Apartments, V. Cross, Gandhinagar, Mangalore - 575 003. 3. No. 2-49 Kulal P. O. Hosabellu, Surathkai Mangalore 574176. 4. No. 2-57/2(1).1 Floor Near Hosabettu Bus Stand, Surathkal Mangalore 575 026. 5. ‘Raghavendra Krupa No.2, 130/6 (3). Kulai Hosabettu MANGALORE. 6. “Shri Krishna” Behind Shanta Trading Co.Honakatta Mangalore. 7. 3B, III Floor, PGP Manor, Barnaby Road, Kilpauk, Chennai 10. 8. Flat 27/6, III Main Road, Kasturba Nagar, Chennai 600 020. 9. 104/2, Mookambika Apartments, P. S. Sivasami Salai, Mylapore. Chennai - 600 030. 11. Gr. Floor, No.7, Mahadavan Street, Chennai 33. 12. Flat 403, Jayanagar, Bowenpally, Secunderabad. 13. Flat No. 215, Majestic Mansion, Begumpet. 14. No. 704, I Floor, 3rd A Cross, 7th Main, 80 Feet Road, Kalyan Nagar, Block HRBR Layout, Bangalore 560 043.15. Flat B3, Garden Court Apartments, Alinchuvadu, KOCHI 25.16. M-504, Sarjan Tower, Gurukul Road, Momnagar, Ahmedabad, 17, 204, Neerja Apartments, B/H. Navrangpura Post Office Navrangpura, Ahmedabad, 18. C/25, Shital Kiran Apartments, Nr. Rangwala Tower, Law Garden, Ahmedabad. 19. C2/24, 2nd Floor Goyal Intercity, Drive In Road Ahmedabad. 20. C/302, Prestige Apartments, Nr. Rangwala Tower, Law Garden, Ahmedabad. 20. C/302, Prestige Apartments, Bodarkev, Vastrapur, Ahmedabad. 21.C-91, Lajpal Nagar N Delhi-22 E-7/N 150, Arera Colony Bhopal 23. D/13, Sriam Nagar, Rajpur, 24, B-002, 1st Floor Naisarg Complex, Diwalipura Road Baroda. 25. C-66, Sector 1, Devendra Nagar, Raipur. 26. 106, Vimla Apartment, Nageshwar Colony, Boring Road, Patna. 27. Flat No. 402, Atul Vilas Kunj, Kidwaipuri, Patna. 28. Flat No. 304, Shree Ganesh Enclave, Magistrate Road, Doranda, Ranchi. 29. Bang 126. G. T.Road, Burdwan 713 101. 30. 17, Haren Mukherji Road, Hakimpura Siliguri. 31. 38/1, Mahim Halder Street, Kolkata 26.32. Lalita Das Flat No. 3, 18/19, Kolkata 700 029. 33. Bhupesh Kapoor/Suman Kapoor, S. A. Roudan Height, Rouden Street, Kolkata. 34. Flat No. 4 c Ajanta Apartment 10, Gurusaday Road, Kolkata - 19. 35. Flat No. A-210 Eravat Complex, Padmanabhpur, Durg. 36. 33, Hemendra Naskar, Koltata 700010. 37. 20 Sheila Mansion, Ratha Road, Bhubaneswar.

## LIST OF OFFICE CUM-RESIDENTIAL PREMISES

(1) Flat No. 201, Gurukul Palace Apartments, II Floor, Rpd Cross, Khanapur Road, Tilakwadi, Belgaum, (2) No. 131, Main Vinobha Nagar, II Stage, II Block, Shimoga. (3) Chicka Honnenahall, Jayanagar Extension, Behind Malad Engineering College, Hassan. (4) Upstaris, Nityananda Road, Marathi Koppa Sirs 581 402, (5) Cls No. 129, Plot No. 29/2a, Vijayanagar Colony, Vidhyagiri Bagalkot 587 402, (5) Cls No. 129, Plot No. 29/2a Vijayanagar Colony, Vidhyagiri Bagalkot 587 102. (6) No. 3369 9, I Floor "Ambika Nilaya" III (Cross MCC B Block Kuvempunagar, Davangera 4, (7) D.No. 753/534, Ward 31 "Latithadri" 5th A Cross, 40Ft. Road Maruti Nagar, TUMKUR. (8) 59-A Bharathi Nagar, Mohanur Road, Namakkal 637 001. (9) 82-A, Roja Street, Kvr Nagar Villuparam 605, 602. (10) II Floor, 7, First Street, Municipal Colony, Tanjore 613 009. (11) No. 2, 1 Floor, 2nd Cross Main Street, Jhansi Nagar, Pondicherry 605 004. (12) 5-7-624/2, First Floor, Khaleel Wadi, Nizamebad -503002, (13) Flat No. 301 Third Floor, Pavani Villa, Vadayapalem, Nallore. (14) 18-3-58/3, Shanti Nagar, Khadi Colony, Tirupati. (15) 11-25-65, Vasavi Colony, Warangal -500 012. (16) 8-31, First Floor, Opp. Belhun Nursing Home, Mangamuri Road, Lawer Peta, Ongole 523002. (17) 06-9/61, Gr. Floor, Plot No. 18, Vipuram, Tilak Road, Rajahmundry. (18) 45-203/A/59, Venkatramana colony, Kurnool. (19) 6-538/3, Ramnagar, Near RTO Office, Anantapur. (20) 8-3-136/12, Bhagat Nagar, Karimnagar - 505001. (21) Flat No. 302, Laxmi Towers, Behind Rtd Bussland, Cuddapah. (22) Flat No.: G1, Vijaya Towers Laxmi Puram First Lane, Guntur-522007. (23) 15/512-4, Dno:610-A/3, Second Floor, Sadasiva Rao Compound. Tadipetri. (24) House No.3/1256. Ayyamjulangara, Valiyathodi, Calicut - 673011. (25) 'Chautanya P4, Housing Colony, Dewanpuram, Kolleyam 26. (26) Puncheri, Door No. IV-290A, Near Jaimatha Convent, Kottakkanni, Kasargode 6001121. (27) Chellath House, Manjadi P. O. Tiruvalla. (28) Road No. 4, Patel Colony, Jamnagar. (29) Apurva

Flats, 2nd Floor, Block-D, Mahavirnagar Himmatnagar. (30) Ground Floor, City Survey No. 14442/A, Plot No. 3260. Nr. Telephone Bhavan, Ajab Nagar, Aurangabad - 431 005. (31) Block E, Fa - 2, Bharti Complex, Wadgaon Road, Yavatmal. (32) Flat No. 11, Ganesh Apartment Plot No. 12/13, Ganapati Nagar, Jalgaon. (33) Plot No.3, Kalpataru Housing Society, Near Vallabh Nagar, Dhule. (34) Saraswati Apartment, Flat No. 8, Vidyanagar, Nagpur Road, Wardha. (35) Salnati Colony, (Master Colony) T.B.Toly, Gondia (Maharashtra) (36) "Govind Arcade, 484-B1/2, Wing A, Flat No. T-13, Near Old RTO Sadarbazar, Camp SATARA - 415 001. (37) G - 207, Krishna Enclave Poojara Complex, Block G, Near RTO Office, Ahmednagar - 414 001. (38) Flat No. 10, Siddharth Arcade, Old Auss Road, Latur. (39) Ground Floor, Rakha Niwas, Behind B & C Dak Bungalow, Vidyanagar, Parli. (40) Pradhanpada, Alinthapalli Road, Budharaja, Sambalpur. (41) Infront of Durga Saw Mill Sahadevkhuntha, Balasore. (42) Salandi By-Pass Road, Dhadrak. (43) Near Utsav Palace Bus Stand, By-Pass Road, Jaipur Road, (44) Al-Kunjakata, Near Mahavir Kalyan Mandap, Dhenkarai. (45) 1st Lane, Jaiprakash Nagar, Ephramur. (46) Lane No. 1, Indra Nagar, Rayagada. (47) J. K. Bera, Kaushaliya, Kharagpur. (48) Leena Dey, A-5, 5th Floor, Sneha Apartments Burnpore Road, Asansol-4. (49) Ramala Bala Daripa, 2nd Feeder Road, Bankura. (50) 4-Love Kusn Nagar, Sect. II Khandwa. (51) Door No. 19, Mandhata Colony Near T.V. Sanatorium, Chhindwara. (52) Plot No. 103, Pt. H.N.Bajpai, Tower Idgah Road, Bilaspur. (53) C/O Lalita devi, Daudpur Kothi, Near MIT, Muzaffarpur 842003. (54) Flat No. 101, Krishna Apartment, Shanti Bhavan, Complex, Ba More Dhanbad. (55) Shradanjali, Kachi Dharamshala Road, Castle Town, Deoghar. (56) Senjuthi Ghosh, Deer Park, Shanti Niketan, Bopur /31235. (57) Sujata Basak, 1st Floor, Holding No. 188, Ward No. 19, PS English Bazar, Malda. (58) Chittaranjan Basak, Holding No. 29A, Purbachai Ground Floor, P O Barasat.

## SCHEDULE - III : Schedule of Mining Leases / Prospecting Licenses of the Dermerged Company in relation to the Demerged undertaking

1. Mining lease covering 1030.58 hectares at Awarpur Cement Works. Larsen & Toubro Limited, Dist. Chandrapur, Maharashtra vide Registration Number 200CH dt. 13/12/2000.
2. Mining lease covering 997.355 hectares at Hirmi Cement Works, Larsen & Toubro Limited, Dist. Raipur, Chattisgarh vide Registration Number 3-89/91/12/3 dt.15/12/1992.
3. Mining lease covering 953.3253 hectares at Gujarat Cement Works Larsen & Toubro Limited. Dist. Amreli, Gujarat vide. Registration Number 542/2001 dt. 20/06/2001.
4. Mining lease covering 844.939 hectares at Andhra Pradesh Cement Works - Tadipatri, Larsen & Toubro Limited, Dist. Kurnool, Andhra Pradesh vide Registration Number 3120M4/95 dt. 28/11/1995.

5. Mining lease covering 292.010 hectares at villages Shind and Baroh Dist. Chamba, Himachal Pradesh vide reference number Udyog Bhu (Khani-4) Major - 573/90-II-7062 dt. 24-09-1998.
6. Prospecting License No.3336 dt. August 7, 2000 over 1592.18 Hectares at villages Nirbudhal, Jalageri, Gangabudihal, Karkalametti and Kagolabm, Talux Badami, District Bijapur, Karnataka.
7. Prospecting License issued vide Govt. of Rajasthan's letter under reference 16/22/Khan/Croup-1/95 Jaipur Dt.05/08/1998 covering 24 sq. kms at villages Mohrai, Dagla, Nimbhera, Khurd, Asaralai Tehsil, District Jaitaran, Rajasthan.
8. Letter from Government of Rajasthan - P 16:3 Khani/ Group-1/2000 dated 16/3/2002 stating that the Government intends to issue LOI for grant of Mining Lease.

SCHEDULE - IV : Details of specific Debentures & Loans arising out of the activities and operation of the Demerged Undertaking and being transferred to the Resulting Company (o/s as on 31-03-2003)

Sr. No.	Particulars	Date of Availment	Date of Maturity	Amount (Rs.crore)
1	ABN Amro Bank - External Commercial Borrowing	30/07/2001	30/01/2005	240.97
2	HDFC Foreign Currency Loan	09/09/1998	14/08/2020	54.38
3	Industrial Development of India Rupee Loan	24/09/1996	30/06/2005	52.40
4	Canara Bank FCNR Loan	01/11/2001	01/11/2004	53.98
5	Union Bank of India - FCNR Loan I	01/11/2001	01/11/2003	18.99
6	Union Bank of India - FCNR Loan II	05/11/2001	05/11/2003	18.93
7	Secured Redeemable Non-convertible Bonds 1996 - FD - Bonds	05/11/2001	05/11/2003	30.34
8	12.60% Secured Redeemable Non Convertible Debentures September or 2002	17/09/1999	17/09/2006	6.65
9	Bharat Overseas Bank FCNR Loan	17/06/2002	17/06/2005	16.82
10	8.09% Secured Redeemable Non Convertible Debentures July 2002	25/07/2002	25/07/2007	45.00
11	8.25% Secured Redeemable Non Convertible Debentures September 2002	02/09/2002	02/09/2012	65.10
12	Call Rate Linked Secured Redeemable Non Convertible Debentures June 2002	25/06/2002	24/06/2003	25.00
13	8.40% Secured Redeemable Non Convertible Debentures July 2002	22/07/2002	22/07/2007	50.00
14	8.30% Secured Redeemable Non Convertible Debentures September 2002	02/05/2002	02/09/2012	25.00
15	Secured Redeemable Non Convertible Debentures September 2002	16/09/2002	02/09/2012	25.00
16	Sales Tax Deferral Loans			113.00
17	HSBC FCNR Loan	25/02/2003	25/02/2004	47.49
18	6.6% Secured Redeemable Non Convertible Debentures February 2003	26/02/2003	26/05/2004	50.00
19	Call Rate Linked Secured Redeemable Non Convertible Debentures March 2003	31/03/2003	15/04/2004	35.00
20	Working Capital and Other Loans	31/03/2003	15/04/2004	86.65
	<b>Total</b>			<b>1,033.46</b>

SCHEDULE -V : Allocation of Multipurpose Borrowings to the Demerged Undertaking (o/s as at 31.03.2003)

Sr. No.	Particulars	Date of Availment	Date of Maturity	Amount (Rs.crore)
1	ABN Amro Bank - External Commercial Borrowing	30/07/2001	30/01/2005	145.75
2	HDFC Foreign Currency Loan	09/09/1998	14/08/2020	36.25
3	Canara Bank FCNR Loan	01/11/2001	01/11/2004	14.25
4	Union Bank of India - FCNR Loan I	01/11/2001	01/11/2003	4.75
5	Union Bank of India - FCNR Loan II	05/11/2001	05/11/2003	17
6	Secured Redeemable Non-convertible Bonds 1996 - FD - Bonds	01/11/1996	01/11/2003	0.09
7	12.60% Secured Redeemable Non Convertible Debentures September or 1999	17/09/1999	17/09/2006	24.35
8	SBI Rupee Loan	25/10/1999	25/10/2003	75.00
9	10.80% Secured Redeemable Non Convertible Debentures May 2000	12/05/2000	10/05/2005	50.00
10	12.65% Secured Redeemable Non Convertible Debentures October 1999	29/10/1999	29/10/2009	50.00
11	12.65% Secured Redeemable Non Convertible Debentures October 1999	29/10/1999	29/10/2009	25.00
12	11.75% Secured Redeemable Non Convertible Debentures January 2001	11/01/2001	11/01/2006	50.00
13	12.75% Secured Redeemable Non Convertible Debentures November 1998	24/11/1998	20/09/2003	20.00
14	13% Secured Redeemable Non Convertible Debentures January 1999	05/01/1999	05/01/2004	20.00
15	13% Secured Redeemable Non Convertible Debentures June 1999	25/06/1999	25/06/2009	100.00
16	12% Secured Redeemable Non Convertible Debentures December 1999	25/06/1999	25/06/2009	50.00
17	Working Capital and Other Loans	22/12/1999	22/12/2005	29.52
	<b>Total</b>			<b>699.72</b>

**SCHEME OF AMALGAMATION  
BETWEEN**

**Narmada Cement Company Limited       .....   Amalgamating Company**

**And**

**UltraTech Cement Limited               .....   Amalgamated Company**

**And**

**Their Respective Shareholders**

**BOARD FOR INDUSTRIAL AND FINANCIAL RECONSTRUCTION**  
**CASE NO.75/2004 : M/S. NARMADA CEMENT COMPANY LTD.**

**SUMMARY RECORD OF THE PROCEEDINGS OF THE HEARING HELD ON  
15.05.2006 BEFORE BENCH – I CONSISTING OF S/SHRI RAVINDRA GUPTA,  
CHAIRMAN AND A.K. GOSWAMI, MEMBER**

<b>Present</b>	<b>Name and Designation of the Representatives</b>
<b>M/s. Narmada Cement Co. Ltd.</b>	<b>1. Alok Dhir, Advocate 2. Nilesh Sharma, FCA 3. K. C. Birla, Director 4. J. Kadra, Manager</b>
<b>M/s. UltraTech Cement Ltd.</b>	<b>1. J. Bajaj, Joint President 2. Sanjeeb Chatterjee, Secretary</b>
<b>DIT (R)</b>	<b>D.R. Jain, Advocate</b>

The Bench recalled that the above company was declared sick under section 3(1)(o) of the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA) in the hearing held on 19.12.2005 and ICICI Bank was appointed as the Operating Agency (OA) u/s. 17 (3) of SICA to prepare a rehabilitation scheme for the company. OA's (revised) report was received by BIFR vide letter dt. 14.2.2006. Based on the OA's DRS, the Board prepared a Draft Scheme for the revival of the company which was circulated as required under Section 19(2) read with Section 19(1) of SICA. Today's hearing was fixed for hearing objection / suggestions to the DRS.

**2. Today's Proceedings :**

- 2.1 The id. Standing Counsel of the Income Tax Department submitted that since para 12.3 of the DRS specified reliefs from Central Government which included the IT Department and the company had not submitted the desired information to IT Department the whole para may be preceded by the words 'to consider'.
- 2.2 The ld. Counsel representing the company submitted that IT Dept. should only asked for specific reliefs. The relief specified under 12.3 (c) was the right of the company as per law. The ld. Counsel of the IT Dept. quipped that in that case there was no need to mention the relief at all. The Id. Counsel representing the company submitted that it would have no objection if IT Department was excluded from the applicability of clauses (a), (b) & (d) of para 12.3 of the DRS.
- 2.3 On consideration of the facts of the case and the submissions made at today's hearing, the Bench noted that there was a general consensus on the provisions contained in the DRS circulated vide order dated 24.2.2006 albeit with changes as listed below. Having regard to the fact that all parties concerned had given their consent under Section 19(2) of SICA to the various provisions in the rehabilitation scheme, the Bench sanctioned the Scheme (hereinafter called the 'Sanctioned Scheme') in exercise of the powers conferred under Section 18 (4) of SICA read with Section 19(3) of SICA with the modifications in para 12.3 of the DRS agreed to at today's hearing as detailed hereunder :-
  - (i) At the end of sub-para (a) the following words shall be added :

'This clause shall not be applicable in the case of reliefs expected from the income Tax Department'.



- (ii) At the end of sub-para (c) the following words shall be added before the fullstop: ‘in accordance with the provisions of the Income Tax Act’.
- (iii) At the end of sub-para (d) the following words shall be added before the fullstop; ‘but excluding Income Tax’.

3.1 The duly modified sanctioned scheme is enclosed for implementation by all concerned and would come into force with immediate effect.

**(A.K. Goswami)**  
Member

**(Ravindra Gupta)**  
Chairman

# SCHEME OF AMALGAMATION BETWEEN

Narmada Cement Company Limited      ...      Amalgamating Company

And

UltraTech Cement Limited      ...      Amalgamated Company

And

**Their Respective Shareholders**

## **PART I – GENERAL**

1. The Amalgamating Company is engaged in the business of manufacture and sale of clinker and cement and has been declared as a sick industrial company within the meaning of Section 3(1)(o) of the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA) by the the Hon'ble Board for Industrial & Financial Reconstruction, New Delhi (BIFR).
2. The Amalgamated Company is engaged in the business of manufacture and sale of clinker and cement.
3. This Scheme of Amalgamation provides for the amalgamation of Narmada Cement Company Limited with UltraTech Cement Limited, pursuant to the provisions of Section 18(1)(c) and other applicable provisions of SICA.
  - 3.1 The Amalgamated Company, holding 97.80% of paid up equity capital of the Amalgamating Company, has proposed the amalgamation of the Amalgamating Company with itself to facilitate the Amalgamating Company's revival.
  - 3.2 The business of the Amalgamated Company and the Amalgamating Company is inextricably linked with each other. This Scheme for Amalgamation of the Amalgamating Company with the Amalgamated Company has been prepared for long-term rehabilitation of the Amalgamating Company's operations. With the amalgamation, the Amalgamating Company's manufacturing capacities shall be suitably exploited for optimal utilization and shall bring about the synergy of operations between the two. The Amalgamated Company's financial and managerial capabilities and infrastructure facilities shall also be available to the Amalgamating Company. The Scheme would result in consolidation of the business of manufacturing of cement and clinker in one entity and would be a step in the direction to enable the Amalgamated Company to augment its market share and would be in the best interests of the Amalgamating Company, the Amalgamated Company and their respective stakeholders.

## **4. Definitions:**

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meaning:

- 4.1 **"Amalgamated Company"** means UltraTech Cement Limited, a company incorporated under the Companies Act, 1956 and having its registered office at 'B' Wing, Ahura Centre, 2<sup>nd</sup> Floor, Mahakali Caves Road, Andheri (East), Mumbai 400 093.
- 4.2 **"Amalgamating Company"** means Narmada Cement Company Limited, a company incorporated under the Companies Act, 1956 and having its registered office at Ahura Centre, 'B' Wing, 2<sup>nd</sup> Floor, 82, Mahakali Caves Road, Andheri (East), Mumbai 400 093.
- 4.3 **"Appointed Date"** means October 1, 2005.
- 4.4 **"BIFR"** means Board for Industrial & Financial Reconstruction.
- 4.5 **"Companies Act"** means the Companies Act, 1956 or any statutory modification or re-enactment thereof,

- 4.6 **“Effective Date”** means the date on which all the conditions and matters in relation to the Scheme referred to in Clause 30 of this Scheme have been fulfilled or waived. References in this Scheme to the date of “coming into effect of this Scheme” or “effectiveness of this Scheme” shall mean the Effective Date.
- 4.7 **“Record Date”** shall have the meaning ascribed to it in Clause 15 hereof.
- 4.8 **“Scheme”** means this Scheme of Amalgamation in its present form including any modifications or amendments thereto.
- 4.9 **“Share Exchange Ratio”** shall have the meaning ascribed to it in Clause 15 hereof.
- 4.10 **“SICA”** means Sick Industrial Companies (Special Provisions) Act, 1985 or any statutory modification or re-enactment thereof.
- 4.11 **“Undertaking”** shall mean the undertaking and entire business of the Amalgamating Company and shall include as of the Appointed Date (without limitation):
- (a) all assets and property wherever situate, whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal of whatsoever nature, including land (whether freehold or leasehold), plant and machinery, buildings, offices (including marketing offices and liaison offices), any interests in properties co-owned, schools, hospitals, temples, townships, premises, capital work-in-progress, rolling stock, current assets (including inventories, sundry debtors, bills of exchange, loans and advances), vehicles, D.G. sets, godowns, cement dumps, stocks and stores, warehouses, furniture, fixtures, office equipment, appliances, accessories, power lines, railway lines and sidings, water pipelines, depots, power plants, right to use jetties and ports, share of any joint assets, and other facilities and all present and future liabilities (including obligations arising out of contingent liabilities, if any) and all cash and bank balances appertaining or relatable to the Amalgamating Company;
  - (b) all permits, quotas, rights, entitlements, export/import incentives and benefits including Duty Exemption Passbook Scheme (DEPB) and advance licenses, industrial and other licences, bids, tenders, letters of intent, memoranda of understanding, expressions of interest, development rights (whether vested or potential) and whether under agreements or otherwise, licences, permissions, approvals, consents from various authorities including municipal (whether granted or pending), subsidies, receivables, trade marks, patents, copyrights, all other intellectual property, benefit of any deposits, assets, properties or other interests, financial assets including investments of all kinds, funds belonging to or utilized for the Amalgamating Company, bank accounts, privileges and all other rights and benefits including any tax direct or indirect including advance tax paid or any tax deducted in respect of any income received, sales tax deferrals and exemptions and other benefits, lease, rights, prospecting licenses and mining leases (in each case including the benefit of any applications made therefore) and the surface rights in relation thereto, water-front and jetty, exemptions, tenancies in relation to office and/or residential properties for the employees, memberships, lease rights, powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and other services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Amalgamating Company;
  - (c) all earnest moneys and/or security deposits paid by the Amalgamating Company;
  - (d) all records, files, papers, engineering and process information, computer programmes, websites, domain names, software licenses (including SAP), drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records whether in physical or electronic form in connection with or relating to the Amalgamating Company; and

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the

Companies Act, SICA, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof from time to time.

**PART II – SHARE CAPITAL:**

5. (a) The Share Capital structure of the Amalgamating Company as on October 1, 2005 was as follows:

	Rs. in Crores
<u>Authorised</u>	
7,50,00,000 Equity Shares of Rs.10/- each	75.00
5,00,000 Redeemable Cumulative Preference Shares of Rs.100/- each	5.00
	<u>80.00</u>
<u>Issued and Subscribed</u>	
7,13,98,700 Equity shares of Rs.10/- each fully paid-up	<u>71.39</u>
<u>Paid-up</u>	
7,13,73,950 Equity shares of Rs.10/- each fully paid-up *	<u>71.38</u>

\* includes forfeited equity shares of Rs.1.24 Lacs

- (b) The Share Capital structure of the Amalgamated Company as on October 1, 2005 was as follows:

	Rs. in Crores
<u>Authorized</u>	
13,00,00,000 Equity Shares of Rs.10/- each	<u>130.00</u>
<u>Issued, Subscribed and Paid-up</u>	
12,43,98,621 Equity Shares of Rs.10/- each fully paid-up *	<u>124.40</u>

\* Of the above, 9,95,21,437 Equity Shares of Rs.10/- each issued as fully paid up, for acquiring the Cement business of Larsen & Toubro Limited pursuant to Scheme of Arrangement sanction by the Hon’ble High Court, Bombay vide its order dated 22nd April, 2004, without payment being received in Cash.

**PART III – TRANSFER AND VESTING**

6. (a) Upon the coming into effect of this Scheme and with effect from the Appointed Date and subject to the provisions of this Scheme, the Undertaking shall, without any further act, instrument or deed, be and stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in the Amalgamated Company as a going concern so as to become as and from the Appointed Date, the estate, assets, rights, title, interests and authorities of the Amalgamated Company.
- (b) Without prejudice to sub-clause (a) above, in respect of such of the assets of the Undertaking as are movable in nature or are otherwise capable of transfer by manual delivery or by paying over or endorsement and/or delivery, the same may be so transferred by the Amalgamating Company, and shall, upon such transfer, become the property, estate, assets, rights, title, interests and authorities of the Amalgamated Company as an integral part of the Undertaking.
- (c) In respect of such of the assets of the Undertaking other than those referred to in sub-clause (b) above, the same shall, as more particularly provided in sub-clause (a) above, 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 Amalgamated Company on the Appointed Date. It is hereby clarified that all the investments made by the Amalgamating Company and all the rights, title and interests of the Amalgamating Company in any leasehold properties in relation to the Undertaking shall, pursuant to the provisions of this Scheme, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in the Amalgamated Company.

- (d) All debts, outstandings and receivables of the Amalgamating Company shall on and from the Appointed Date stand transferred to and vested in the Amalgamated Company without any notice or other intimation to the debtors, and the debtors shall be obliged to make payments to the Amalgamated Company on and after the Effective Date.
  - (e) All estates, assets, rights, title, interests and authorities accrued to and/or acquired by the Amalgamating Company after the Appointed Date and prior to the Effective Date shall be deemed to have been accrued to and/or acquired for and on behalf of the Amalgamated Company and shall, upon the coming into effect of this Scheme, without any further act, instrument or deed be and stand transferred to or vested in or be deemed to have been transferred to or vested in the Amalgamated Company to that extent and shall become the estates, assets, right, title, interests and authorities of the Amalgamated Company.
7. Upon the coming into effect of this Scheme and with effect from the Appointed Date:
- (a) All secured and unsecured debts (whether in rupees or foreign currency), all liabilities, duties, obligations and undertakings of the Amalgamating Company of any nature whatsoever along with any charge, encumbrance, lien or security thereon (hereinafter referred to as the “Liabilities”) shall, without any further act, instrument or deed, be and stand transferred to and vested in or be deemed to have been transferred to and vested in, the Amalgamated Company, so as to become the Liabilities of the Amalgamated Company.
  - (b)
    - (i) Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangements which may give rise to a contingent liability in whatever form), if any, due or which may at any time in the future become due between the Amalgamating Company and the Amalgamated Company shall stand discharged and there shall be no liability in that behalf on either party.
    - (ii) All debentures, bonds, notes or other debt securities of the Amalgamating Company, whether convertible into equity or otherwise, (the “Securities”), if any, shall, without any further act, instrument or deed become securities of the Amalgamated Company and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in or deemed to have been transferred to and vested in and shall be exercised by or against the Amalgamated Company as if it were the Amalgamating Company in respect of the Securities so transferred.
  - (c) It is clarified that, unless otherwise determined by the Board of Directors of the Amalgamated Company, in so far as the assets comprising the Undertaking are concerned:
    - (i) the security or charge relating to loans, debentures or borrowings of the Amalgamating Company shall without any further act or deed continue to relate to the said assets after the Effective Date; and
    - (ii) the assets of the Amalgamated Company shall not relate to or be available as security in relation to the said borrowings of the Amalgamating Company.
  - (d)
    - (i) Where any of the liabilities and obligations of the Amalgamating Company as on the Appointed Date transferred to the Amalgamated Company have been discharged by the Amalgamating Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Amalgamated Company.
    - (ii) All loans raised and utilized and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Amalgamating Company in relation to or in connection with the Undertaking after the Appointed Date and prior to the Effective Date shall subject to the provisions of this Scheme be deemed to have been raised, used, incurred or undertaken for and on behalf of the Amalgamated Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme, without any further act, instrument or deed be and stand transferred to or vested in or be deemed to have been transferred to and vested in the Amalgamated Company and shall become the debt, duties, undertakings, liabilities and obligations of the Amalgamated Company which shall meet, discharge and satisfy the same.

8. (a) With effect from the Appointed Date and up to and including the Effective Date:
- (i) The Amalgamating Company shall carry on and shall be deemed to have carried on all its business and activities as hitherto and shall hold and stand possessed of the Undertaking and shall be deemed to have held and stood possessed of the Undertaking on account of, for the benefit of and in trust for, the Amalgamated Company;
  - (ii) All the profits or income accruing or arising to the Amalgamating Company, or expenditure or losses arising or incurred (including the effect of taxes, if any, thereon) by the Amalgamating Company shall, for all purposes, be treated and be deemed to be and accrue as the profits or income or expenditure or losses or taxes of the Amalgamated Company, as the case may be;
  - (iii) No assets of the Amalgamating Company shall be alienated, charged, mortgaged or encumbered and the Amalgamating Company shall carry on the business and activities not expressly prohibited herein with reasonable diligence and business prudence and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments either for itself or any third party, except in each case in the following circumstances:
    - (A) if the same is in the ordinary course of business;
    - (B) if the same is expressly permitted by this Scheme; or
    - (C) if prior written consent of the Amalgamated Company has been obtained.
- (b) All taxes (including income tax, sales tax, excise duty, customs duty, service tax, VAT, etc.) paid or payable by the Amalgamating Company in respect of the operations and/or the profits of the business before the Appointed Date, shall be on account of the Amalgamating Company and, insofar as it relates to the tax payment (including, without limitation, sales tax, excise duty, custom duty, income tax, service tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Amalgamating Company in respect of the profits or activities or operation of the business after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Amalgamated Company, and, shall, in all proceedings, be dealt with accordingly.
9. The Amalgamating Company is entitled to various benefits under incentive schemes and policies and pursuant to this Scheme it is declared that upon the coming into effect of this Scheme, the benefits under all of such schemes and policies shall be transferred to and vested in the Amalgamated Company and all benefits, entitlements and incentives of any nature whatsoever including sales tax concessions and incentives shall be claimed by the Amalgamated Company and these shall relate back to the Appointed Date and as if the Amalgamated Company was originally entitled to all benefits under such incentives schemes and/or policies, subject to continued compliance by the Amalgamated Company of all the terms and conditions subject to which the benefits under the incentive schemes were made available to the Amalgamated Company:
10. (a) Upon the coming into effect of this Scheme, all suits, actions and proceedings by or against the Amalgamating Company pending and/or arising on or before the Effective Date shall be continued and be enforced by or against the Amalgamated Company as effectually as if the same had been pending and/or arising by or against the Amalgamated Company.
- (b) The Amalgamated Company undertakes to have all legal or other proceedings initiated by or against the Amalgamating Company referred to in sub-clause (a) above transferred to its name and to have the same continued, prosecuted and enforced by or against the Amalgamated Company.
11. (a) Upon the coming into effect of this Scheme, and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, arrangements, assurances and other instruments of whatsoever nature to which the Amalgamating Company is a party, including without limitation to its mining leases or to the benefit of which the Amalgamating Company may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall be in

full force and effect against or in favour of the Amalgamated Company as the case may be and may be enforced as fully and effectually as if, instead of the Amalgamating Company, the Amalgamated Company had been a party or beneficiary or obligee thereto. The Amalgamated Company shall, wherever necessary, enter into and/or issue and/or execute deeds, writings or confirmations at any time, enter into any tripartite arrangements, confirmations or novations prior to the Effective Date to which the Amalgamating Company will, if necessary, also be a party in order to give formal effect to the provisions of this Clause 11.

- (b) The Amalgamated Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of any party to any contract or arrangement to which the Amalgamating Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Amalgamated Company shall, under the provisions of Part III of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Amalgamating Company and to carry out or perform all such formalities or compliances referred to above on the part of the Amalgamating Company to be carried out or performed.
12. (a) The Amalgamated Company undertakes to engage, on and from the Effective Date, all employees of the Amalgamating Company who are in the employment of the Amalgamating Company as on the Effective Date, on terms and conditions not less favourable than those on which they are engaged by the Amalgamating Company, without any interruption of service as a result of the transfer. The Amalgamated Company undertakes to continue to abide by any agreement/settlement entered into by the Amalgamating Company with any union/employee of the Amalgamating Company. The Amalgamated Company agrees that for the purpose of payment of any compensation, gratuity and other terminal benefits, the past services of such employees with the Amalgamating Company shall also be taken into account, and agrees and undertakes to pay the same as and when payable.
- (b) In so far as the existing provident fund trusts, gratuity fund and pension and/or superannuation fund/schemes/trusts created by the Amalgamating Company for its employees are concerned, such funds/schemes/trusts shall, subject to the necessary approvals and permissions, be transferred to or merged with the relevant funds/schemes/trusts as determined by the Amalgamated Company, pending which such funds/schemes/trusts shall be maintained separately.

#### **PART IV - ISSUANCE OF SHARES**

13. The provisions of Part IV shall operate notwithstanding anything to the contrary in any other instrument, deed or writing.
14. In consideration of the provisions of this Part IV of the Scheme and as an integral part of this Scheme, the issued, subscribed and paid-up share capital of the Amalgamated Company shall be increased in the manner set out in Clauses 15 to 22 below.
15. Upon the coming into effect of the Scheme, in consideration of the transfer of and vesting of the Undertaking and the Liabilities of the Amalgamating Company to the Amalgamated Company in terms of Part III of this Scheme, the Amalgamated Company shall without any further application, act or deed, issue and allot to the equity shareholders of the Amalgamating Company whose names are recorded in the Register of Members and records of the Depository as Members of the Amalgamating Company, on a date (the "Record Date") to be fixed in that behalf by the Board of Directors or a Committee thereof of the Amalgamated Company in the ratio of 1 (one) equity share in the Amalgamated Company of Rs. 10/- credited as fully paid up for every 18 (eighteen) equity shares of Rs. 10/- each held by such member in the Amalgamating Company (the "Share Exchange Ratio").
16. The shares or the share certificates of the Amalgamating Company in relation to the shares held by its members shall, without any further application, act, instrument or deed other than what is specified hereinabove in Clause 15, be deemed to have been automatically cancelled and be of no effect on and from the Record Date. In so far as the issue of the Equity Shares pursuant to Clause 15 above

is concerned, the same shall be issued in dematerialised form. However, each of the members holding shares in physical form shall have the option, exercisable by notice in writing by them to the Amalgamated Company on or before such date as may be determined by the Board of Directors of the Amalgamated Company or a Committee of such Board of Directors, to receive, either in physical form or in dematerialised form, the shares of the Amalgamated Company in lieu thereof in accordance with the terms hereof. In the event that such notice has not been received by the Amalgamated Company in respect of any of the Members, the shares of the Amalgamated Company shall be issued to such members in physical form. Those of the members exercising the option to receive the shares in dematerialised form shall be required to have an account with a depository participant and shall provide details thereof and such other confirmations as may be required. It is only thereupon that the Amalgamated Company shall issue and directly credit the demat/dematerialised securities account of such member with the shares of the Amalgamated Company. It is clarified that each of the members holding shares in the Amalgamating Company in dematerialised form shall be issued the shares of the Amalgamated Company in dematerialised form as per the records maintained by the depositories on the Record Date.

17. In case any member's holding in the Amalgamating Company is such that the member becomes entitled to a fraction of an equity share of the Amalgamated Company, the Amalgamated Company shall, on behalf of all such shareholders who are entitled to fractional shareholding, issue consolidate equity shares to a trustee nominated by the Amalgamated Company in that behalf, who shall sell such shares and distribute the net sale proceeds (after deduction of the applicable taxes and expenses incurred) to the shareholders respectively entitled to the same in proportion to their fractional entitlements.
18. No allotment shall be made in respect of the equity shares of the Amalgamating Company that are held by the Amalgamated Company and the same shall stand cancelled.
19. In so far as the forfeited shares of the Amalgamating Company are concerned, no shares shall be issued by the Amalgamated Company in lieu thereof.
20. The equity shares of the Amalgamated Company to be issued and allotted in terms of Clause 15 above shall rank pari passu in all respects with the existing equity shares of the Amalgamated Company.
21. Equity shares of the Amalgamated Company issued in terms of Clause 15 above, shall, subject to applicable regulations, be listed and/or admitted to trading on the relevant Stock Exchange/s in India, where the existing equity shares of the Amalgamated Company are listed and/or admitted to trading.
22. Unless otherwise determined by the Board of Directors or any Committee thereof of the Amalgamating Company and the Board of Directors of the Amalgamated Company or any Committee thereof, allotment of shares in terms of Clause 15 of this Part shall be done within 90 days from the Effective Date.

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

23. (a) Until the coming into effect of this Scheme, Amalgamating Company and the Amalgamated Company shall, with the prior consent of the Board of Directors of the other company, be entitled to declare and pay dividends, whether interim or final, to their respective shareholders in respect of the accounting period after the Appointed Date and prior to the Effective Date.
- (b) Until the coming into effect of this Scheme, the holders of the shares of the Amalgamating Company and the Amalgamated Company shall continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.
- (c) It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any member of the Amalgamating Company and/or the Amalgamated Company to demand or claim any dividends which, subject to the provisions of the said Act, shall be entirely at the discretion of the respective Boards of Directors of the Amalgamating Company and the Amalgamated Company respectively, and subject to the approval of the shareholders of the Amalgamating Company and the Amalgamated Company respectively.



## PART VI – ACCOUNTING TREATMENT

24. (a) The Amalgamated Company shall credit in its books of account the aggregate face value of the Equity Shares issued by it to the members of the Amalgamating Company pursuant to this Scheme, to the Share Capital Account and shall correspondingly debit the Amalgamation Adjustment Account with the like amount;
- (b) The Amalgamated Company shall record the assets, liabilities and reserves of the Amalgamating Company at the values appearing in the books of the Amalgamating Company;
- (c) The excess of the value of the assets over the value of the liabilities of the Amalgamating Company vested in the Amalgamated Company pursuant to this Scheme as recorded in the books of the account of the Amalgamated Company shall be credited to the Amalgamation Adjustment Account;
- (d) The book value of investments in the Equity Shares of the Amalgamating Company shall be transferred to the debit of the Amalgamation Adjustment Account and the amount of provision made for diminution in the value of such investments shall be transferred to the credit of the Amalgamation Adjustment Account;
- (e) On the net result of the foregoing, the balance remaining in the Amalgamation Adjustment Account, debit or credit, as the case may be, shall be transferred to debit or credit of the General Reserve Account.
25. Upon coming into effect of this Scheme the resolutions, if any, of the Amalgamating Company, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Amalgamated Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Companies Act, or any other applicable provisions, then the said limits shall be added and shall constitute the aggregate of the said limits in the Amalgamated Company.
26. Upon coming into effect of this Scheme, the activities of the Amalgamating Company will be carried on in the name and style of “Narmada Cement - a unit of ‘UltraTech Cement Limited’”. The Registered Office of the Amalgamating Company shall cease to be in existence upon amalgamation.
27. Upon coming into effect of this Scheme, the Amalgamating Company shall stand dissolved, without winding up.
28. The Amalgamated Company and/or the Amalgamating Company shall make necessary application before BIFR for the sanction of this Scheme under the provisions of SICA and obtain all approvals as may be required under the respective laws.
29. (a) The Amalgamating Company and the Amalgamated Company through their respective Board of Directors or a Committee thereof in their full and absolute discretion, may at any time assent on behalf of all persons concerned to any modification(s) or amendment(s) to the Scheme which the BIFR, shareholders of Amalgamated Company and/or any other competent authority or person, may deem fit to approve/impose and/or effect any other modification or amendment which the Boards of the Amalgamating Company or Amalgamated Company may consider necessary or desirable and give such directions as they may consider necessary or desirable for settling any question, doubt or difficulty arising under the Scheme or in regard to its implementation or in any matter connected therewith (including any question, doubt or difficulty arising in connection with any deceased or insolvent shareholder of the Amalgamating Company or the Amalgamated Company) and to do all acts, deeds and things as may be necessary desirable or expedient for carrying the Scheme into effect, or to review the position relating to the satisfaction of the conditions to this Scheme and if necessary, to waive any of those (to the extent permissible under law) for bringing this Scheme into effect.

In the event that any modification or amendment to the Scheme or any condition imposed in relation to the Scheme is unacceptable to the Amalgamating Company and/or to the Amalgamated Company for any reason whatsoever, the Amalgamating Company and/or the Amalgamated Company shall be at liberty to withdraw the Scheme at any time.

- (b) For the purpose of giving effect to the Scheme or to carry out any modifications or amendments thereto, the Boards of Directors of the Amalgamating Company and the Amalgamated Company or any Committee thereof is authorized to give such directions and/or to take such steps as may be necessary or desirable including any directions for settling any question, doubt or difficulty whatsoever that may arise and such directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.
  - (c) In the event of there being any pending share transfers with respect to the application lodged for transfer by any shareholder of the Amalgamating Company, the Board of Directors or any committee thereof of the Amalgamating Company if in existence, or failing which the Board of Directors or any committee thereof of the Amalgamated Company shall be empowered in appropriate case, even subsequent to the Record Date to effectuate such a transfer in the Amalgamated Company as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor or the transferee of the share(s) in the Amalgamated Company and in relation to the new shares after the Scheme becomes effective.
30. The Scheme is conditional upon and subject to:
- (a) The Scheme being approved, with or without modification, by a special resolution passed by the shareholders of the Amalgamated Company as required under SICA
  - (b) Sanction of the Scheme by the Hon'ble BIFR.
  - (c) The certified copies of the BIFR order referred to in this Scheme being filed with the Registrar of Companies, Maharashtra.
31. In the event of this Scheme failing to take effect finally by June 30, 2006 or by such later date as may be agreed by the respective Board of Directors of the Amalgamating Company and the Amalgamated Company, this Scheme shall become null and void and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter se by the parties or their shareholders or creditors or employees or any other person. In such case the Amalgamated Company shall bear all costs.
32. If any part or provisions of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Amalgamating Company and the Amalgamated Company, affect the validity or implementation of the other parts and/or provisions of this Scheme.
33. All costs, charges, levies, fees, duties and expenses in relation to or in connection with or incidental to this Scheme or the implementation thereof shall be borne by the Amalgamated Company.

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**SCHEME OF AMALGAMATION**  
**UNDER SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956**  
**OF**  
**Samruddhi Cement Limited**                      ...                      Transferor Company  
**WITH**  
**UltraTech Cement Limited**                      ...                      Transferee Company

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY**  
**ORDINARY ORIGINAL CIVIL JURISDICTION**  
**COMPANY SCHEME PETITION NO.178 OF 2010**  
**CONNECTED WITH**  
**COMPANY SUMMONS FOR DIRECTION NO.27 OF 2010**

In the matter of the Companies Act, 1956:

-And-

In the matter of Petition under Sections 391 to 394 of the Companies Act, 1956;

-And-

In the matter of UltraTech Cement Limited, a company incorporated under the Companies Act, 1956 having its registered office at B-Wing, Ahura Centre, 2<sup>nd</sup> Floor, Mahakali Caves Road, Andheri (East), Mumbai - 400093.

-And-

In the matter of Scheme of Amalgamation of Samruddhi Cement Limited with UltraTech Cement Limited.

UltraTech Cement Limited,	)	
a company incorporated under	)	
the Companies Act, 1956,	)	
having its registered office at	)	
B-Wing, Ahura Centre, 2 <sup>nd</sup> Floor,	)	
Mahakali Caves Road,	)	
Andheri (East), Mumbai-400093.	)	..... Petitioner Company

Mr. Nikhil Sakhardande, along with Mr. Tapan Deshpande, Advocates instructed by M/s. Amarchand & Mangaldas & Suresh A. Shroff & Co., Advocates for the Petitioner Company. Mr. Vishwajit Sawant instructed by Mr. S.K. Mohapatra, Advocate for Regional Director.

Coram: S.J. Vazifdar, J  
Date : 11<sup>th</sup> June 2010

P.C.

1. Heard counsel for the parties.
2. The sanction of this court is sought under Sections 391 to 394 of the Companies Act, 1956 to a Scheme of Amalgamation Samruddhi Cement Limited (the Transferor Company) with UltraTech Cement Limited (the Petitioner/Transferee Company).
3. The Petition is filed by the Transferee Company. It is stated that the Transferor Company has its registered office in the State of Gujarat and necessary proceedings on behalf of Transferor Company has been filed before the High Court of Gujarat at Ahmedabad and the sanction of this court is sought subject to the sanction to the Scheme by the High Court of Gujarat at Ahmedabad.
4. Counsel appearing on behalf of the Petitioner Company has stated that the Petitioner Company has complied with all the requirements as per directions of this Court and it has filed necessary affidavits of compliance in the Court. Moreover, the Petitioner Company undertakes to comply with all statutory requirements, if any, as required under the Companies Act, 1956 and the Rules made thereunder. The Undertaking is accepted.
5. The Regional Director has filed his affidavit in reply and has stated that the Scheme is not prejudicial to the interest of shareholders and public.
6. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy. None of the parties concerned have come forward to oppose the Scheme.
7. There is no objection to the Scheme and since all the requisite statutory compliances have been fulfilled, Company Scheme Petition No.178 of 2010 is made absolute in terms of prayer clauses (a) to (f) of the Petition.
8. The Petitioner Company to lodge a copy of this order and the Scheme duly authenticated by the Company Registrar, High Court ( O.S.), Bombay, with the concerned Superintendent of Stamps for the purpose of adjudication of stamp duty payable, if any, on the same within 60 days from the date of the order and upon sanction to the Scheme by the High Court of Gujarat at Ahmedabad in the Petition filed by the Transferor Company.
9. The Petitioner Company to pay costs of Rs.7,500/- to the Regional Director, Western Region, Mumbai within four weeks from today.
10. Filing and issuance of the drawn up order is dispensed with.
11. All authorities to act on a copy of this order along with Scheme, duly authenticated by Company Registrar, High Court ( O.S.), Bombay.

(S.J. Vazifdar, J)

**Samruddhi Cement Limited** ... Transferor Company

**WITH**

**UltraTech Cement Limited** ... Transferee Company

- A. Samruddhi Cement Limited is a public limited company incorporated under the Act (as hereinafter defined), having its registered office at Birladham, Kharach, Kosamba – 394 120, Gujarat (the “**Transferor Company**”). The Transferor Company has the main object of carrying on the business of manufacture and sale of cement and cement related products.
- B. UltraTech Cement Limited is a public limited company incorporated under the Act, having its registered office at B-Wing, Ahura Centre, 2<sup>nd</sup> Floor, Mahakali Caves Road, Andheri (E), Mumbai – 400093, Maharashtra (the “**Transferee Company**”). The Transferee Company is primarily engaged in the business of manufacture and sale of cement, ready mix concrete and other cement related products. The equity shares of the Transferee Company are listed on the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited (collectively, the “**Stock Exchanges**”).
- C. In terms of a separate scheme of arrangement between Grasim Industries Limited (“**Grasim**”, as more particularly defined herein), the Transferor Company and their respective shareholders and creditors under the provisions of Sections 391 to 394 and other relevant provisions of the Act (the “**Demerger Scheme**”), the undertaking of Grasim which is engaged in the manufacture and sale of cement, ready mix concrete, white cement and other cement related products and activities (the “**Demerged Undertaking**”, as more particularly defined in the Demerger Scheme) is proposed to be and stand transferred to and vested in the Transferor Company as a going concern by way of a demerger. Accordingly, upon the effectiveness of the Demerger Scheme, the Demerged Undertaking of Grasim will stand transferred to and vested in the Transferor Company. The Demerger Scheme has been filed with the High Court of Madhya Pradesh, Indore and the High Court of Gujarat, and its effectiveness is subject to *inter alia* the approval of the shareholders and creditors of Grasim and the Transferor Company and the sanction of the High Court of Madhya Pradesh, Indore and the High Court of Gujarat.
- D. Since the Transferee Company and the Transferor Company will be engaged in substantially similar businesses upon effectiveness of the Demerger Scheme, in the interests of enhancing shareholder value of both the companies and creating a focussed entity engaged in the cement business with all the advantages of economies of scale, the Board of Directors of the Transferor Company as well as the Board of Directors of the Transferee Company have considered and proposed the amalgamation of the Transferor Company (as it exists upon effectiveness of the Demerger Scheme) with the Transferee Company.
- E. Accordingly, this Scheme (as hereinafter defined) provides for the amalgamation of the Transferor Company with the Transferee Company and the consequent issue of equity shares by the Transferee Company to the shareholders of the Transferor Company pursuant to Sections 391 to 394 and other relevant provisions of the Act, and various other matters consequential to or otherwise integrally connected with the above in the manner provided for in the Scheme.
- F. The amalgamation of the Transferor Company with the Transferee Company pursuant to this Scheme shall take place with effect from the Appointed Date and shall be in accordance with the provisions of Section 2(1B) of the Income Tax Act, 1961.

G. This Scheme is divided into the following parts:

- (a) **Part I**, which deals with the introduction and definitions, and sets out the share capital of the Transferor Company and the Transferee Company;
- (b) **Part II**, which deals with the amalgamation of the Transferor Company with the Transferee Company; and
- (c) **Part III**, which deals with the dissolution of the Transferor Company and the general terms and conditions applicable to this Scheme.

## 1. DEFINITIONS AND INTERPRETATION

1.1 In the Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meanings:

“**Act**” means the Companies Act, 1956 or any statutory modification or re-enactment thereof for the time being in force;

“**Appointed Date**” means the opening of business on July 1, 2010 or such other date as may be determined by the Boards of Directors of the Transferor Company and the Transferee Company;

“**Board of Directors**” or “**Board**” in relation to each of the Transferor Company and the Transferee Company, as the case may be, means the board of directors of such company, and shall include a committee duly constituted and authorised for the purposes of matters pertaining to the amalgamation, the Scheme and/or any other matter relating thereto;

“**Debt Securities**” shall have the meaning assigned to it in sub-Clause 6 (f) hereof;

“**Demerger Effective Date**” means the date on which the equity shares of the Transferor Company have been issued pursuant to the Demerger Scheme having become effective in accordance with the terms thereof;

“**Demerger Scheme**” shall have the meaning assigned to it in paragraph C of **Part I** hereof;

“**Effective Date**” means the last of the dates on which all the conditions and matters referred to in sub-Clause 17 (a) of the Scheme occur or have been fulfilled or waived in accordance with this Scheme. References in this Scheme to date of ‘coming into effect of the Scheme’ or ‘effectiveness of the Scheme’ shall mean the Effective Date;

“**Eligible Employees**” means the Employees and the employees of any holding or subsidiary company of the Transferor Company who are entitled to employee stock options under the Transferor Stock Option Scheme, to whom, as on the Record Date, options of the Transferor Company have been granted, irrespective of whether the same are vested or not;

“**Employees**” means all the permanent employees of the Transferor Company as on the Effective Date;

“**Encumbrance**” means any options, pledge, mortgage, lien, security, interest, claim, charge, pre-emptive right, easement, limitation, attachment, restraint or any other encumbrance of any kind or nature whatsoever, and the term “**Encumbered**” shall be construed accordingly;

“**Existing Stock Option Scheme**” means the Employees’ Stock Option Scheme, 2006 (ESOS-2006) of the Transferee Company;

“**Funds**” shall have the meaning assigned to it in sub-Clause 8 (c) hereof;

“**GDRs**” means the outstanding Global Depositary Receipts issued pursuant to the “Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depositary Receipt Mechanism) Scheme, 1993” and other applicable law, and where relevant shall include the underlying equity shares relating thereto;

**“Governmental Authority”** means any applicable central, state or local government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau, instrumentality, judicial or arbitral body;

**“Grasim”** means Grasim Industries Limited, a public limited company governed by the Act, having its registered office at Birlagram, Nagda – 456331, Madhya Pradesh;

**“High Courts”** shall mean the High Court of Gujarat having jurisdiction in relation to the Transferor Company and the High Court of Judicature at Bombay having jurisdiction in relation to the Transferee Company and shall include the National Company Law Tribunal, as applicable or such other forum or authority as may be vested with any of the powers of a High Court under the Act;

**“Liabilities”** shall have the meaning assigned to it in sub-Clause 6 (a) hereof;

**“NCDs”** means non-convertible debentures;

**“Record Date”** means the date to be fixed by the Board of Directors of the Transferee Company for the purpose of determining the equity shareholders of the Transferor Company, to whom shares of the Transferee Company will be allotted pursuant to this Scheme;

**“Registrar of Companies”** means the Registrar of Companies, Gujarat and the Registrar of Companies, Maharashtra, Mumbai, as applicable;

**“Scheme”** means this scheme of amalgamation, as amended or modified in accordance with the provisions hereof;

**“Securities Act”** shall have the meaning ascribed to it in sub-Clause 15 (e) hereof;

**“Share Exchange Ratio”** shall have the meaning assigned to it in sub-Clause 14 (b) hereof;

**“Stock Exchanges”** shall have the meaning ascribed to it in paragraph B of **Part I** hereof;

**“Transferee Company”** shall have the meaning assigned to it in paragraph B of **Part I** hereof;

**“Transferee Company Depositary”** shall mean the depositary engaged by the Transferee Company in relation to the existing GDRs of the Transferee Company;

**“Transferee Stock Option Scheme”** shall have the meaning assigned to it in sub-Clause 8 (e) (i) hereof;

**“Transferor Company”** shall have the meaning assigned to it in paragraph A of **Part I** hereof;

**“Transferor Company Deposit Agreement”** shall mean the deposit agreement (including any amendments thereto) executed between the Transferor Company and the Transferor Company Depositary;

**“Transferor Company Depositary”** shall mean the depositary engaged by the Transferor Company in relation to the Transferor Company GDRs;

**“Transferor Company GDRs”** shall mean the GDRs representing equity shares of the Transferor Company as shall be outstanding as of the Record Date;

**“Transferor Stock Option Scheme”** shall have the meaning assigned to it in sub-Clause 8 (e) (i) hereof; and

**“Undertaking”** means all the undertakings and entire business of the Transferor Company as a going concern, including, without limitation:

- (a) all the assets and properties (whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent of whatsoever nature) of the Transferor Company, whether situated in India or abroad, including, without limitation, all the integrated cement manufacturing units, the cement grinding units, the white cement units, the ready-mix concrete units, other cement and cement related product manufacturing units including paver block manufacturing, bricks and autoclave



brick manufacturing and glass reinforced concrete manufacturing units, cement terminals, processing plant for conversion of municipal sewerage waste, all lands (whether leasehold or freehold), plants, machinery, equipment, buildings and structures, offices, residential and other premises, capital work-in-progress, furniture, fixtures, office equipment, computers, appliances, accessories, power lines, all stocks, stocks of fuel, rolling stock, current assets (including inventories, sundry debtors, bills of exchange, loans and advances), investments of all kinds (including shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates), cash and bank accounts (including bank balances), contingent rights or benefits, benefits of any deposits, receivables, advances or deposits paid by or deemed to have been paid by the Transferor Company, financial assets, benefit of any bank guarantees, performance guarantees and letters of credit, leases (including lease rights), hire purchase contracts and assets, lending contracts, prospecting licenses and mining leases (in each case including the benefit of any applications made therefor) and the surface rights in relation thereto, receivables and liabilities related thereto, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, tenancies in relation to the office and/or residential properties for the employees or other persons, vehicles, D.G. sets, guest houses, godowns, warehouses, cement dumps, cement stocks and stores, railway lines and sidings, water pipelines, depots, the power generation undertakings including power plants, fly ash handling systems, share of any joint assets, and other facilities, right to use jetties and ports, fixed and other assets, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, privileges, liberties and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company or in connection with or relating to the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company, whether in India or abroad;

- (b) all permits, quotas, rights, entitlements, industrial and other licences, bids, tenders, letters of intent, expressions of interest, development rights (whether vested or potential and whether under agreements or otherwise), municipal permissions, approvals, consents, subsidies, privileges, income tax benefits and exemptions including the right to deduction under Section 80IA of the Income Tax Act, 1961 (or any statutory modification or re-enactment thereof for the time being in force) in respect of the profits of the undertaking for the residual period, i.e., for the period remaining as on the Appointed Date out of the total period for which the deduction is available in law if the amalgamation pursuant to this Scheme does not take place, all other rights including sales tax deferrals and exemptions and other benefits, receivables, and liabilities related thereto, licenses, powers and facilities of every kind, nature and description whatsoever, provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Transferor Company;
- (c) all earnest moneys and/or security deposits paid or deemed to have been paid by the Transferor Company;
- (d) all debts, borrowings, obligations, duties and liabilities, both present and future (including deferred tax liabilities, contingent liabilities and the Liabilities and obligations under any licenses or permits or schemes) of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized, whether secured or unsecured, whether in Indian rupees or foreign currency, whether provided for or not in the books of account or disclosed in the balance sheet of the Transferor Company; and
- (e) all intellectual property rights, trade and service names and marks, patents, copyrights, designs and other intellectual property rights of any nature whatsoever, books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), drawings, computer programmes, manuals, data, catalogues, quotations, sales and advertising material, lists of present and former customers and suppliers, other customer information,

customer credit information, customer pricing information and all other records and documents, whether in physical or electronic form relating to business activities and operations of the Transferor Company.

- 1.2 All terms and words used but not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof for the time being in force.
- 1.3 References to clauses and recitals, unless otherwise provided, are to clauses and recitals of and to this Scheme.
- 1.4 The headings herein shall not affect the construction of this Scheme.
- 1.5 The singular shall include the plural and vice versa; and references to one gender include all genders.
- 1.6 Any phrase introduced by the terms “including”, “include”, “in particular” or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 1.7 References to a person include any individual, firm, body corporate (whether incorporated), government, state or agency of a state or any joint venture, association, partnership, works council or employee representatives body (whether or not having separate legal personality).

## 2. SHARE CAPITAL

### (a) Transferor Company

The share capital structure of the Transferor Company as on October 31, 2009 is as under:

<b>A. Authorised Share Capital</b>	<b>Amount in Rs.</b>
20,20,00,000 equity shares of Rs. 5/- each	1,01,00,00,000
<b>Total</b>	<b>1,01,00,00,000</b>
<b>B. Issued and Subscribed Share Capital</b>	<b>Amount in Rs.</b>
17,00,00,000 equity shares of Rs. 5/- each	85,00,00,000
<b>Total</b>	<b>85,00,00,000</b>
<b>C. Paid-up Share Capital</b>	<b>Amount in Rs.</b>
1,00,000 equity shares of Rs. 5/- each fully paid up	5,00,000
16,99,00,000 equity shares of Rs. 5/- each partly paid up (called & paid up of Re.1 each)*	16,99,00,000
<b>Total</b>	<b>17,04,00,000</b>

\*The balance payable on the partly paid shares of the Transferor Company shall be called prior to the effectiveness of the Demerger Scheme in order to make such shares fully paid-up.

As an integral part of the Demerger Scheme, and, upon the coming into effect of the Demerger Scheme, (i) the authorised share capital of the Transferor Company shall stand increased to Rs. 135,00,00,000 (Rupees One Hundred Thirty Five Crores) comprising of 27,00,00,000 equity shares of Rs. 5/- each; and (ii) upon issuance of shares pursuant to the Demerger Scheme, the issued share capital of the Transferor Company shall also stand further increased. Some equity shares issued by the Transferor Company pursuant to the Demerger Scheme may be represented by GDRs.

The Demerger Scheme provides that upon the effectiveness of the Demerger Scheme, the Transferor Company shall issue certain employee stock options. The exercise of such stock options may also result in an increase in the issued and paid-up share capital of the Transferor Company.

The Demerger Scheme provides that upon the effectiveness of the Demerger Scheme, all equity shares of the Transferor Company (including those issued in terms of the Demerger Scheme) shall be listed and/or admitted to trading on the Stock Exchanges.

(b) Transferee Company

The share capital structure of the Transferee Company as on October 31, 2009 is as under:

<b>A. Authorised Share Capital</b>	<b>Amount in Rs.</b>
13,00,00,000 equity shares of Rs. 10/- each	1,30,00,00,000
<b>Total</b>	<b>1,30,00,00,000</b>
<b>B. Issued, Subscribed and paid up Share Capital</b>	<b>Amount in Rs.</b>
12,44,85,879 equity shares of Rs. 10/- each*	1,24,48,58,790
<b>Total</b>	<b>1,24,48,58,790</b>

\* Includes 1,84,450 equity shares represented by GDRs

The Transferee Company has outstanding employee stock options under the Existing Stock Option Scheme, the exercise of which may result in an increase in the issued and paid-up share capital of the Transferee Company.

The equity shares of the Transferee Company are listed on the Stock Exchanges. The GDRs representing the underlying equity shares of the Transferee Company are not listed on any stock exchange.

**PART II – AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE TRANSFEE COMPANY**

**Section 1 – Transfer**

3. Upon the coming into effect of the Scheme and with effect from the Appointed Date, the Undertaking of the Transferor Company shall, pursuant to the sanction of the Scheme by the High Courts and pursuant to the provisions of Sections 391 to 394 and other applicable provisions, if any, of the Act, be and stand transferred to and vested in and/or be deemed to have been transferred to and vested in the Transferee Company, as a going concern without any further act, instrument, deed, matter or thing so as to become, as and from the Appointed Date, the undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme.
4. Transfer of Assets

(a) Without prejudice to the generality of Clause 3 above, upon the coming into effect of the Scheme and with effect from the Appointed Date, all the estate, assets, properties, rights, claims, title, interest and authorities including accretions and appurtenances comprised in the Undertaking of whatsoever nature and wheresoever situate shall, under the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Act, without any further act or deed, be and stand transferred to and vested in the Transferee Company and/or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become, as and from the Appointed Date, the estate, assets, properties, rights, claims, title, interest and authorities of the Transferee Company.

(b) Without prejudice to the provisions of sub-Clause (a) above, in respect of such of the assets and properties of the Transferor Company as are movable in nature or incorporeal property or are otherwise capable of transfer by delivery or possession, or by endorsement and/or delivery, the same shall stand so transferred by the Transferor Company upon the coming into effect of the Scheme, and shall, become the assets and property of the Transferee Company with effect from the Appointed Date pursuant to the provisions of Section 394 of the Act, without requiring any deed or instrument of conveyance for transfer of the same.

- (c) In respect of such of the assets and properties belonging to the Transferor Company (other than those referred to in sub-Clause (b) above) including sundry debtors, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any Government, quasi government, local or other authority or body or with any company or other person, the same shall stand transferred to and vested in the Transferee Company and/or deemed to have been transferred to and vested in the Transferee Company, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party, upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 391 to 394 of the Act.
- (d) All assets and properties of the Transferor Company as on the Appointed Date, whether or not included in the books of the Transferor Company, and all assets and properties, which are acquired by the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of the Transferee Company, and shall under the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of the Scheme pursuant to the provisions of Sections 391 to 394 of the Act.
- (e) All the licenses, permits, entitlements, quotas, approvals, permissions, registrations, incentives, sales tax deferrals, exemptions and benefits, subsidies, concessions, grants, rights, claims, leases, mining leases, prospecting licenses, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether on, before or after the Appointed Date, including income tax benefits and exemptions including the right to deduction under Section 80IA of the Income Tax Act, 1961 (or any statutory modification or re-enactment thereof for the time being in force), shall, under the provisions of Sections 391 to 394 of the Act and all other applicable provisions, if any, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in and/or be deemed to be transferred to and vested in and be available to the Transferee Company so as to become licenses, permits, entitlements, quotas, approvals, permissions, registrations, incentives, sales tax deferrals, exemptions and benefits, subsidies, concessions, grants, rights, claims, leases, mining leases, prospecting licenses, tenancy rights, liberties, special status and other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.

5. Contracts, Deeds etc.

- (a) Upon the coming into effect of the Scheme, and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature, to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect on or against or in favour, as the case may be, of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto or thereunder.
- (b) Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of the Scheme, in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or arrangements with any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed.

- (c) For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of the Scheme and with effect from the Appointed Date, all consents, permissions, licences, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company shall stand transferred to 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 thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company.

6. Transfer of Liabilities

- (a) Upon the coming into effect of this Scheme and with effect from the Appointed Date all liabilities of the Transferor Company including all secured and unsecured debts (whether in Indian rupees or foreign currency), liabilities (including contingent liabilities), duties and obligations and undertakings of the Transferor Company of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised for its business activities and operations along with any charge, encumbrance, lien or security thereon (herein referred to as the “**Liabilities**”) shall, pursuant to the sanction of this Scheme by the High Courts and under the provisions of Sections 391 to 394 and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing, be transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company, and the same shall be assumed by the Transferee Company to the extent they are outstanding on the Effective Date so as to become as and from the Appointed Date the Liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company, and the Transferee Company shall meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such Liabilities have arisen in order to give effect to the provisions of this Clause 6.
- (b) All debts, liabilities, duties and obligations of the Transferor Company shall, as on the Appointed Date, whether or not provided in the books of the Transferor Company, and all debts and loans raised and used, and duties, liabilities and obligations incurred or which arise or accrue to the Transferor Company on or after the Appointed Date till the Effective Date shall be deemed to be and shall become the debts, loans raised and used, duties, liabilities and obligations incurred by the Transferee Company by virtue of this Scheme.
- (c) Where any such debts, liabilities, duties and obligations of the Transferor Company as on the Appointed Date have been discharged by the Transferor Company on or after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to be for and on account of the Transferee Company upon the coming into effect of this Scheme.
- (d) All loans raised and utilised and all liabilities, duties and obligations incurred or undertaken by the Transferor Company on or after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme and under the provisions of Sections 391 to 394 of the Act, without any further act, instrument or deed be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company and shall become the loans and liabilities, duties and obligations of the Transferee Company which shall meet, discharge and satisfy the same.
- (e) Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Company and the Transferee Company shall, ipso facto, stand discharged and come to an end and there shall be no liability in that behalf on any party and the appropriate effect shall be given in the books of accounts and records of the Transferee Company.
- (f) Without prejudice to the foregoing provisions of this Clause 6 upon the coming into effect of this Scheme, all debentures (including NCDs), bonds, notes or other debt securities and other

instruments of like nature (whether convertible into equity shares or not), if any, of the Transferor Company (hereinafter referred to as the “**Debt Securities**”) shall, under the provisions of Sections 391 to 394 and other relevant provisions of the Act, without any further act, instrument or deed, become the Debt Securities of the Transferee Company on the same terms and conditions and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in and be deemed to have been transferred to and vested in and shall be exercised by or against the Transferee Company to the same extent as if it were the issuer of the Debt Securities so transferred and vested. If the Debt Securities are listed on any stock exchange, the same shall, subject to applicable laws and regulations, be listed and/or admitted to trading on the relevant stock exchanges in India where the Debt Securities were listed and/or admitted to trading, on the same terms and conditions, unless otherwise modified in accordance with applicable law.

## 7. Encumbrances

- (a) The transfer and vesting of the assets comprised in the Undertaking to and in the Transferee Company under Clause 3 and Clause 4 of this Scheme shall be subject to the Encumbrances, if any, affecting the same as hereinafter provided.
- (b) All Encumbrances, if any, existing prior to the Effective Date over the assets of the Transferor Company which secure or relate to the Liabilities shall, after the Effective Date, without any further act, instrument or deed, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Transferee Company. Provided that if any of the assets of the Transferor Company have not been Encumbered in respect of the Liabilities, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. Further, such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of the above.
- (c) The existing Encumbrances over the other assets and properties of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the Effective Date shall continue to relate to such assets and properties and shall not extend or attach to any of the assets and properties of the Transferor Company transferred to and vested in the Transferee Company by virtue of the Scheme.
- (d) Any reference in any security documents or arrangements (to which the Transferor Company is a party) to the Transferor Company and its assets and properties, shall be construed as a reference to the Transferee Company and the assets and properties of the Transferor Company transferred to the Transferee Company by virtue of the Scheme. Without prejudice to the foregoing provisions, the Transferee Company may execute any instruments or documents or do all the acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge, with the Registrar of Companies to give formal effect to the above provisions, if required.
- (e) Upon the coming into effect of the Scheme, the Transferee Company shall be liable to perform all obligations in respect of the Liabilities, which have been transferred to it in terms of the Scheme.
- (f) It is expressly provided that, save as herein provided, no other term or condition of the Liabilities transferred to the Transferee Company is modified by virtue of the Scheme except to the extent that such amendment is required statutorily or by necessary implication.
- (g) The provisions of this Clause 7 shall operate notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings shall stand modified and/or superseded by the foregoing provisions.

## 8. Employees

- (a) Upon the coming into effect of this Scheme, all Employees shall become the employees of the Transferee Company and on terms and conditions not less favourable than those on which

they are engaged by the Transferor Company and without any interruption of or break in service as a result of the amalgamation of the Transferor Company with the Transferee Company. For the purpose of payment of any compensation, gratuity and other terminal benefits, the past services of such Employees with the Transferor Company and such benefits to which the Employees are entitled in the Transferor Company shall also be taken into account, and paid (as and when payable) by the Transferee Company.

- (b) It is clarified that save as expressly provided for in this Scheme, the Employees who become the employees of the Transferee Company by virtue of this Scheme, shall not be entitled to the employment policies and shall not be entitled to avail of any schemes and benefits that may be applicable and available to any of the other employees of the Transferee Company (including the benefits of or under any employee stock option schemes applicable to or covering all or any of the other employees of the Transferee Company), unless otherwise determined by the Transferee Company. The Transferee Company undertakes to continue to abide by any agreement/settlement, if any, entered into or deemed to have been entered into by the Transferor Company with any union/employee of the Transferor Company.
- (c) Insofar as the provident fund, gratuity fund and superannuation fund, trusts, retirement fund or benefits and any other funds or benefits created by the Transferor Company for the Employees or to which the Transferor Company is contributing for the benefit of the Employees and other such funds, trusts, the benefits of which the Employees enjoy pursuant to the Demerger Scheme (collectively referred to as the “**Funds**”), all the contributions made to such Funds for the benefit of the Employees and the investments made by the Funds in relation to the Employees shall be transferred to the Transferee Company and shall be held for the benefit of the concerned Employees. In the event the Transferee Company has its own funds in respect of any of the Funds referred to above, such contributions and investments shall, subject to the necessary approvals and permissions and at the discretion of the Transferee Company, be transferred to the relevant funds of the Transferee Company. In the event that the Transferee Company does not have its own funds in respect of any of the above or if deemed appropriate by the Transferee Company, the Transferee Company may, subject to necessary approvals and permissions, maintain the existing funds separately and contribute thereto until such time that the Transferee Company creates its own funds, at which time the Funds and the investments and contributions pertaining to the Employees shall be transferred to the funds created by the Transferee Company.
- (d) In relation to those Employees for whom the Transferor Company is making contributions to the government provident fund, the Transferee Company shall stand substituted for the Transferor Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions of such fund, bye laws, etc. in respect of such Employees.
- (e)
  - (i) In respect of the stock options of the Transferor Company granted by the Transferor Company under an employees’ stock option scheme (the “**Transferor Stock Option Scheme**”), upon the effectiveness of the Scheme, the Transferee Company shall issue stock options to the Eligible Employees taking into account the Share Exchange Ratio on terms and conditions not less favourable than those provided under the Transferor Stock Option Scheme. Such stock options may be issued by the Transferee Company either under the Existing Stock Option Scheme or under a separate employee stock option scheme created by the Transferee Company *inter alia* for the purpose of granting stock options to the Eligible Employees pursuant to this Scheme (“**Transferee Stock Option Scheme**”).
  - (ii) It is hereby clarified that the options granted by the Transferee Company to the Eligible Employees pursuant to this sub-Clause 8 (e), in lieu of options granted to them under the Transferor Stock Option Scheme would be granted on the basis of the Share Exchange Ratio, i.e., for every seven (7) options held by an Eligible Employee which entitle such Eligible Employee to acquire seven (7) equity shares in the Transferor Company, such Eligible Employee will be conferred four (4) options in the Transferee Company which shall entitle him to acquire four (4) equity shares in the Transferee Company. 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.

- (iii) The total exercise price payable for options granted by the Transferee Company to the Eligible Employees shall be equivalent to the total exercise price payable by such Eligible Employees under the Transferor Stock Option Scheme, for such options.
- (iv) The grant of options to the Eligible Employees pursuant to this Clause 8 (e) of this Scheme shall be effected as an integral part of the Scheme and the consent of the shareholders of the Transferee Company to this Scheme shall be deemed to be their consent in relation to all matters pertaining to the Transferee Stock Option Scheme and the Existing Stock Option Scheme, including without limitation, for the purposes of creating the Transferee Stock Option Scheme and/or modifying the Transferee Stock Option Scheme and/or the Existing Stock Option Scheme (including increasing the maximum number of equity shares that can be issued consequent to the exercise of the stock options granted under the Existing Stock Option Scheme, and/or modifying the exercise price of the stock options under the Transferee Stock Option Scheme and/or the Existing Stock Option Scheme), and all related matters. No further approval of the shareholders of the Transferee Company would be required in this connection under Section 81(1A) of the Act and/or any other applicable law.
- (v) It is hereby clarified that in relation to the options granted by the Transferee Company to the Eligible Employees pursuant to this Scheme, in lieu of options granted to them under the Transferor Stock Option Scheme, 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 for stock options granted under the Transferee Stock Option Scheme or the Existing Stock Option Scheme, as the case may be. Subject to applicable laws, the adjustments to the exercise price per option and option entitlement of the Eligible Employees proposed under this sub-Clause 8 (e) shall be appropriately reflected in the accounts of the Transferee Company.
- (vi) The Boards of Directors of the Transferor Company and the Transferee Company 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 8.

9. Legal, Taxation and other Proceedings

Upon the coming into effect of this Scheme, all suits, actions, and other proceedings including legal and taxation proceedings, (including before any statutory or quasi-judicial authority or tribunal) by or against the Transferor Company, whether pending and/or arising on or before the Effective Date shall be continued and / or enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been instituted and/or pending and/or arising by or against the Transferee Company.

10. Without prejudice to the provisions of Clauses 3 to 9, with effect from the Appointed Date, all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes from the Appointed Date.

**Section 2 – Conduct of Business**

11. With effect from the Appointed Date and up to and including the Effective Date:

- (a) the Transferor Company shall carry on and be deemed to have carried on all business and activities and shall hold and stand possessed of and shall be deemed to hold and stand possessed of all its estates, assets, rights, title, interest, authorities, contracts, investments and strategic decisions for and on account of, and in trust for, the Transferee Company;
- (b) all profits and income accruing or arising to the Transferor Company, and losses and expenditure arising or incurred by it (including taxes, if any, accruing or paid in relation to any profits or income) for the period commencing from the Appointed Date shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure (including taxes), as the case may be, of the Transferee Company;



- (c) any of the rights, powers, authorities or privileges exercised by the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of, and in trust for and as an agent of the Transferee Company. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken for and on behalf of and as an agent for the Transferee Company; and
  - (d) all taxes (including, without limitation, income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.) paid or payable by the Transferor Company in respect of the operations and/or the profits of the Undertaking before the Appointed Date, shall be on account of the Transferor Company and, insofar as it relates to the tax payment (including, without limitation, income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the Undertaking with effect from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and, shall, in all proceedings, be dealt with accordingly.
12. Subject to the terms of the Scheme, the transfer and vesting of the Undertaking of the Transferor Company as per the provisions of the Scheme shall not affect any transactions or proceedings already concluded by the Transferor Company on or before the Appointed Date or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things made, done and executed by the Transferor Company as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.

### **Section 3: Issue of equity shares by Transferee Company**

13. The provisions of this Section 3 of the Scheme shall operate notwithstanding anything to the contrary in this Scheme or in any other instrument, deed or writing.
14. *Issue of new equity shares*
- (a) Upon the coming into effect of the Scheme and in consideration of the transfer and vesting of the Undertaking of the Transferor Company in the Transferee Company in terms of the Scheme, the Transferee Company shall, without any further application, act, instrument or deed, issue and allot to each member of the Transferor Company, whose name is registered in the Register of Members of the Transferor Company on the Record Date or his/her/its legal heirs, executors or successors as the case may be, equity shares in the Transferee Company, in the ratio of four (4) equity shares of the face value of Rs. 10/- (Rupees Ten) each (credited as fully paid up) of the Transferee Company for every seven (7) equity shares of the face value of Rs. 5/- (Rupees Five) each (credited as fully paid-up) held by such member or his/her/its respective legal heirs, executors or successors in the Transferor Company.
  - (b) The ratio in which equity shares of the Transferee Company are to be issued and allotted to the members of the Transferor Company is herein referred to as the “**Share Exchange Ratio**”.
  - (c) Upon the Scheme becoming effective, the issued, subscribed and paid-up share capital of the Transferee Company shall stand suitably increased consequent upon the issuance of new equity shares in accordance with sub-Clause 14 (a) above. It is clarified that no special resolution under Section 81(1A) of the Act shall be required to be passed by the Transferee Company separately in a general meeting for issue of shares to the members of the Transferor Company under this Scheme and on the shareholders of the Transferee Company approving this Scheme, it shall be deemed that they have given their consent to the issue of equity shares of the Transferee Company to the members of the Transferor Company in the Share Exchange Ratio.
  - (d) As an integral part of the Scheme, and, upon the coming into effect of the Scheme, the authorised share capital of the Transferee Company shall automatically stand increased, without any further act, instrument or deed on the part of the Transferee Company including payment of stamp duty and fees payable to Registrar of Companies, by the authorised share capital of the Transferor Company. In addition to the increase of the authorised share capital of the Transferee Company by the authorised share capital of the Transferor Company, the authorised

share capital of the Transferee Company shall stand increased by a further amount of Rs. 15,00,00,000 (Rupees Fifteen Crores) comprising of 1,50,00,000 equity shares of Rs. 10/- each, without any further act, instrument or deed, such that upon the effectiveness of the Scheme the authorised share capital of the Transferee Company shall be Rs. 280,00,00,000 (Rupees Two Hundred Eighty Crores) comprising of 28,00,00,000 equity shares of Rs. 10/- (Rupees Ten) each, without any further act or deed.

- (e) The capital clause of the Memorandum of Association of the Transferee Company and Article 3 of the Articles of Association of the Transferee Company shall, upon the coming into effect of this Scheme and without any further act or deed, be replaced by the following clause:

#### **MEMORANDUM OF ASSOCIATION**

“The authorised share capital of the Company is Rs. 280,00,00,000 (Rupees Two Hundred Eighty Crores) divided into 28,00,00,000 (Twenty Eight Crore) equity shares of Rs. 10/- (Rupees Ten) each, with the rights, privileges and conditions attached thereto with the power to vary, modify or abrogate such rights, privileges and conditions as may be provided by the Articles of Association of the Company for the time being. The Board of Directors shall have the power to classify as and when required the shares as equity or preference shares and attach thereto respectively such preferential, deferred, qualified or special rights, privileges and conditions and also the power to increase or reduce the capital of the Company as may be determined in accordance with the Articles of Association of the Company.”

#### **ARTICLES OF ASSOCIATION**

“The Share Capital of the Company shall be Rs. 280,00,00,000 (Rupees Two Hundred Eighty Crores) divided into 28,00,00,000 (Twenty Eight Crore) equity shares of Rs. 10/- (Rupees Ten) each, with the power to increase or reduce such capital from time to time in accordance with the regulations of the Company and the legislative provisions for the time being in force in this behalf and with the power also to divide the shares in the capital for the time being into equity share capital and preference share capital and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions.”

- (f) It is hereby clarified that for the purposes of sub-Clause 14 (d) and (e) above, the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting the above amendment or increase in authorised share capital of the Transferee Company, and no further resolution under Section 16, Section 31, Section 94 or any other applicable provisions of the Act, would be required to be separately passed. The stamp duties and fees (including registration fee) paid on the authorised share capital of the Transferor Company shall be utilized and applied to the increased authorised share capital of the Transferee Company and there would be no requirement for any further payment of stamp duty and/or fee (including registration fee) by the Transferee Company for increase in the authorised share capital to that extent.
- (g) The shares issued to the members of the Transferor Company by the Transferee Company pursuant to sub-Clause 14 (a) above shall be issued in dematerialised form by the Transferee Company, unless otherwise notified in writing by the members of the Transferor Company to the Transferee Company on or before such date as may be determined by the Board of Directors of the Transferee Company or a committee thereof. In the event that such notice has not been received by the Transferee Company in respect of any of the members of the Transferor Company, the shares shall be issued to such members in dematerialised form provided that the members of the Transferor Company shall be required to have an account with a depository participant and shall be required to provide details thereof and such other confirmations as may be required. It is only thereupon that the Transferee Company shall issue and directly credit the dematerialised shares to the account of such member with the shares of the Transferee Company. In the event that the Transferee Company has received notice from any member that shares are to be issued in physical form or if any member has not provided the requisite details relating to his/her /its account with a depository participant or other confirmations as may be required, then the Transferee Company shall issue shares in physical form to such member.

- (h) In the event of there being any pending share transfers, whether lodged or outstanding, of any member of the Transferor Company, the Board of Directors of the Transferee Company 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 registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor of the share in the Transferor Company and in relation to the shares issued by the Transferee Company after the effectiveness of the Scheme. The Board of Directors of the Transferee Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new shareholders in the Transferee Company on account of difficulties faced in the transaction period.
- (i) Equity shares to be issued by the Transferee Company pursuant to sub-Clause 14 (a) above in respect of such of the equity shares of the Transferor Company which are held in abeyance under the provisions of Section 206A of the Act or otherwise shall, pending allotment or settlement of dispute by order of Court or otherwise, also be kept in abeyance by the Transferee Company.
- (j) The equity shares issued and allotted by the Transferee Company in terms of this Scheme shall rank pari passu in all respects with the then existing equity shares of the Transferee Company.
- (k) The equity shares of the Transferee Company issued in terms of this Scheme will be listed and/or admitted to trading on the Stock Exchanges where the shares of the Transferee Company are listed and/or admitted to trading. The shares allotted pursuant to this Scheme shall remain frozen in the depositories system till relevant directions in relation to listing/trading are given by the relevant stock exchanges.
- (l) In case any shareholder's holding in the Transferor Company is such that the shareholder becomes entitled to a fraction of an equity share of the Transferee Company, the Transferee Company shall not issue fractional share certificates to such shareholder but shall consolidate such fractions and issue consolidated equity shares to a trustee nominated by the Transferee Company in that behalf, who shall sell such shares and distribute the net sale proceeds (after deduction of applicable taxes and other expenses incurred) to the shareholders respectively entitled to the same in proportion to their fractional entitlements.

#### 15. GDRs

- (a) Upon the coming into effect of this Scheme, and the issue of shares in the Share Exchange Ratio by the Transferee Company pursuant to the provisions of sub-Clause 14 (a) above, subject to the cash-out option described in sub-Clauses 15 (e) and (f) being exercised, the Transferee Company shall procure the issuance of GDRs of the Transferee Company by the Transferee Company Depositary, with the cooperation of the Transferor Company Depositary, to the holders of the Transferor Company GDRs who are entitled to the same in an appropriate manner in accordance with the terms of the deposit agreement entered into between the Transferee Company and the Transferee Company Depositary (the “**Transferee Company Deposit Agreement**”). The Transferee Company and the Transferee Company Depositary shall enter into such further documents as may be necessary and appropriate with respect to such issuance, which shall contain all detailed terms and conditions with respect to such issuance of GDRs of the Transferee Company.
- (b) If, on account of the Share Exchange Ratio, fractional GDRs of the Transferee Company have to be issued, then, in accordance with the provisions of the Transferor Company Deposit Agreement or the Transferee Company Deposit Agreement as applicable, in lieu of delivering receipts for fractional GDRs, the Transferor Company Depositary or the Transferee Company Depositary, as applicable, may, in its discretion, sell the equity shares of the Transferee Company represented by the aggregate of such fractions, at public or private sale, at such place or places and at such price or prices as it may deem proper, and distribute the net proceeds of any such sale (after deduction of taxes and expenses incurred) in accordance with the terms of the relevant Deposit Agreement.

- (c) The Transferee Company shall take all such additional steps and do all such acts, deeds and things as may be necessary for the issue of GDRs pursuant to sub-Clause 15 (a) above.
- (d) The GDRs of the Transferee Company issued pursuant to sub-Clause 15 (a) above shall not be listed unless required by any regulations or laws.
- (e) The equity shares of the Transferee Company issued pursuant to this Scheme, including, without limitation, the equity shares underlying such GDRs, shall not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”) in reliance upon the exemption under Section 3(a)(10) of the Securities Act. The sanction of the High Courts to this Scheme will be relied upon for the purpose of qualifying the issuance and distribution of the equity shares of the Transferee Company issued pursuant to this Scheme, including, without limitation, the equity shares underlying the GDRs, for such an exemption from the registration requirements of the Securities Act under Section 3(a)(10) thereof. The Transferee Company may elect, in its sole discretion, to (i) cash out holders of the Transferor Company GDRs in the manner set out in sub-Clause 15 (f) below in lieu of issuing GDRs, or (ii) register its GDRs issued pursuant to this Scheme on Form F-6, as required by the Securities Act.
- (f) If the Transferee Company elects to cash out the holders of the Transferor Company GDRs pursuant to sub-Clause 15 (e) above, then the shares (which represent the entitlement of the holders of the Transferor Company GDRs) issued by the Transferee Company to the Transferor Company Depositary or the Transferee Company Depositary shall be sold by the Transferor Company Depositary or the Transferee Company Depositary as applicable, in the open market and the net sales proceeds (after the deduction of taxes and expenses incurred) shall be distributed to the holders of the Transferor Company GDRs in the same proportion as their entitlements. The Transferee Company, the Transferee Company Depositary, the Transferor Company and/or the Transferor Company Depositary shall enter into such further documents and take such further actions as may be necessary or appropriate with respect to this paragraph and to enable the actions contemplated herein.
- (g) It is clarified that the provisions of sub-Clauses 15 (a) to (f) above shall also be applicable to any GDRs that the Transferor Company Depositary may issue prior to the Record Date.

### **PART III – DISSOLUTION OF TRANSFEROR COMPANY AND OTHER TERMS AND CONDITIONS**

#### **16. Accounting Treatment**

- (a) Save as hereinafter provided, the reserves of the Transferor Company shall be accounted for, while incorporating the assets and liabilities of the Transferor Company in the accounts of the Transferee Company, in accordance with Accounting Standard 14 (“**Accounting for Amalgamations**”) issued by the Institute of Chartered Accountants of India. Upon the Scheme becoming effective and with effect from the Appointed Date:
  - (i) The Transferee Company shall record the assets and liabilities of the Transferor Company pursuant to this Scheme at their respective book values as appearing in the books of the Transferor Company.
  - (ii) The Transferee Company shall credit its Share Capital account with the aggregate face value of the equity shares issued to the shareholders of the Transferor Company pursuant to Clause 14 of the Scheme.
  - (iii) The Debenture Redemption Reserve relating to NCDs of the Transferor Company and lying in the books of the Transferor Company, shall be credited by the Transferee Company to its Debenture Redemption Reserve account.
  - (iv) The Capital Subsidy Reserve relating to and lying in the books of the Transferor Company shall be credited by the Transferee Company to its Capital Subsidy Reserve account.
  - (v) The excess or deficit, if any, remaining after recording the aforesaid entries, the costs, charges and expenses (including but not limited to any taxes, duties, stamp duty, registration charges, etc.) in relation to any matter arising out of the Scheme including

transfer of assets of the Transferor Company to the Transferee Company in accordance with the Scheme, shall be credited or debited, as the case may be, by the Transferee Company to its General Reserve. General Reserve, created if any, shall be treated for all purposes as free reserves as per the Act.

17. Scheme Conditional on

- (a) The Scheme is conditional upon and subject to:
  - (i) the Demerger Effective Date having occurred;
  - (ii) the Scheme being agreed to by the respective requisite majorities of the various classes of shareholders and/or creditors of the Transferor Company and the Transferee Company as required under the Act and the requisite orders of the High Court of Judicature at Bombay and High Court of Gujarat being obtained;
  - (iii) such other sanctions and approvals as may be required by law in respect of this Scheme being obtained; and
  - (iv) the certified copies of the court orders referred to in this Scheme being filed with the Registrar of Companies, Mumbai and Registrar of Companies, Gujarat.
- (b) In the event of this Scheme failing to take effect by October 31, 2010 or such later date as may be agreed by the respective Boards of Directors of the Transferor Company and the Transferee Company, this Scheme shall stand revoked, cancelled and be of no effect and become null and void, and in that event, no rights and liabilities shall accrue to or be incurred inter se between the parties or their shareholders or creditors or employees or any other person. In such case, each of the Transferor Company and the Transferee Company shall bear its own costs and expenses or as may be otherwise mutually agreed.

18. Upon the coming into effect of the Scheme, the Transferor Company shall stand dissolved without winding-up.

19. Dividends

- (a) The Transferor Company and the Transferee Company shall be entitled to declare and pay dividends, whether interim or final, to their respective shareholders in respect of the accounting period prior to the Effective Date. Provided that the shareholders of the Transferor Company shall not be entitled to dividend, if any, declared and paid by the Transferee Company to its shareholders for the accounting period prior to the Appointed Date.
- (b) The holders of the shares of the Transferor Company and the Transferee Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.
- (c) It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any shareholder of the Transferor Company and/or the Transferee Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of the Transferor Company and the Transferee Company respectively, and subject to the approval, if required, of the shareholders of the Transferor Company and the Transferee Company respectively.

20. Applications

The Transferor Company and the Transferee Company shall make necessary applications before the respective High Courts for the sanction of this Scheme under Sections 391 and 394 of the Act.

21. Resolutions

Upon the coming into effect of the Scheme, the resolutions, if any, of the Transferor Company, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of 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 the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

22. Modifications to the Scheme

- (a) The Transferor Company (by its Board of Directors) and the Transferee Company (by its Board of Directors), may, in their full and absolute discretion, assent to any alteration or modification to this Scheme which either the Board of Directors of the Transferor Company or the Board of Directors of the Transferee Company, as the case may be, deem fit, or which the Court and/or any other Governmental Authority may deem fit to approve or impose.
- (b) The Transferor Company (by its Board of Directors) and the Transferee Company (by its Board of Directors), may give such directions as they may consider necessary to settle any question or difficulty arising under the Scheme or in regard to and of the meaning or interpretation of the Scheme or implementation hereof or in any matter whatsoever connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholders, depositors or debenture-holders of the respective companies), or to review the position relating to the satisfaction of various conditions to the Scheme and if necessary, to waive any of those (to the extent permissible under law).

23. The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to any Governmental Authority, if required, under any law for such consents and approvals which the Transferee Company may require to carry on the business of the Transferor Company.

24. Severability

If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Transferor Company and the Transferee Company, affect the validity or implementation of the other parts and/or provisions of this Scheme.

25. Upon this Scheme becoming effective, the accounts of the Transferee Company, as on the Appointed Date shall be reconstructed in accordance with the terms of this Scheme.
26. The Transferee Company shall be entitled to file/revise its income tax returns, TDS certificates, TDS returns, wealth tax returns and other statutory returns, if required, and shall have the right to claim refunds, advance tax credits, credit of tax under Section 115JB of the Income Tax Act, 1961, credit of tax deducted at source, credit of foreign taxes paid/ withheld etc, if any, as may be required consequent to implementation of this Scheme.

27. Costs

Subject to the provisions of sub-Clause 17 (b) of the Scheme, all costs, charges and expenses (including, but not limited to, any taxes and duties, stamp duty, registration charges, etc.) of / payable by the Transferor Company and the Transferee Company in relation to or in connection with the Scheme and incidental to the completion of the amalgamation of the Transferor Company with the Transferee Company in pursuance of the Scheme shall be borne and paid by the Transferee Company.

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**SCHEME OF ARRANGEMENT**  
**UNDER SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956**  
**BETWEEN**  
**ULTRATECH CEMENT LIMITED**  
**AND**  
**JAYPEE CEMENT CORPORATION LIMITED**  
**AND**  
**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY**

**ORDINARY ORIGINAL CIVIL JURISDICTION**

**COMPANY SCHEME PETITION.80 OF 2014**

**CONNECTED WITH**

**COMPANY SUMMONS FOR DIRECTION N0.798 OF 2013**

UltraTech Cement Limited

...Petitioner/

[CIN: L26940MH2000PLC128420]

Company

In the matter of the Companies Act, 1956

*And*

In the matter of Sections 391 to 394 of the Companies Act, 1956

*And*

In the matter of Arrangement between Jaypee Cement Corporation  
Limited

*And*

UltraTech Cement Limited and their respective shareholders and  
creditors;

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**Mr. Virag Tulzapurkar**, *Sr. Advocate a/w. Mr. Tapan Deshpande*  
*i/b. Amarchand & Mangaldas for the Petitioners.*

**Mr. C.J. Joy** *a/w K.R. Choudhary i/b. H.P. Chaturvedi and for the*  
*Respondents.*

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**CORAM:**

**G.S. PATEL, J**

**DATED:**

**APRIL 04, 2014.**

**PC:-**



1. Heard learned counsel for the Petitioner Company.
2. None appears before the Court to oppose the Petition nor has any party controverted averments made in the Petition.
3. Learned Advocate for the Petitioner Company states that the Petition has been filed to seek sanction to the Scheme of Arrangement between Jaypee Cement Corporation Limited and UltraTech Cement Limited and their respective shareholders and creditors (Scheme), pursuant to the provisions of Sections 391 to 394 and other relevant provisions of the Companies Act, 1956.
4. The Petitioner/Transferee Company is engaged in the business of manufacture and sale of various grades and types of cement, ready mix concrete and other cement related products . The Transferor Company is *inter alia* engaged in the business of manufacture and sale of cement and clinker in the State of Gujarat and in other parts of India. The Learned Advocate for the Petitioner /Transferee Company says that the benefits of the Demerger of the Demerged Undertaking pursuant to the Scheme (A) For the Transferor Company: (a) unlocking of value for the Transferor Company by demerger of part of its assets; and (b) helping the Transferor Company in deleveraging its balance sheet, including reduction of debt and interest outgo as well as creation of value for the shareholders of the Transferor Company; (B) For the Petitioner/Transferee Company (a) availability of land and mining lease in Gujarat to cater to the growing western market; (b) strategic fit for serving existing market and also to cater additional volume linked to costal markets; (c) synergies in manufacture and distribution process and logistics alignment leading to economies of scale and creation of efficiencies by reducing time to market and benefiting consumers; (d) create value for shareholders of the Petitioner Company. The Board of Directors of the Petitioner/ Transferee Company and the Transferor Company, have approved the said Scheme by passing their respective board resolutions which are annexed to the Petition.
5. The Learned Advocate for the Petitioner/Transferee Company states that the Petitioner/Transferee has complied with all the directions passed in the Company Summons for Direction and that the Company Scheme Petition has been filed in consonance with the order passed in the Company Summons for Direction.
6. The Learned counsel appearing on behalf of the Petitioner/ Transferee Company has stated that the Petitioner/Transferee Company has complied with all requirements as per directions of this Court and they have filed necessary Affidavits of compliance in the Court. Moreover the Petitioner/ Transferee Company undertakes to comply with all statutory requirements if any, as required under the Companies Act, 1956 and the Rules made thereunder. The said undertaking is accepted.
7. The Regional Director has filed an Affidavit dated 1st April, 2014 stating therein that save and except as stated in paragraph 6, of the said affidavit, it appears that the Scheme is not prejudicial to the interest of shareholders and public. In paragraph 6 of the said affidavit it is stated that:  
 “6. That the Deponent further submits that:-
  - (a) Clause 13 of the scheme provides for accounting treatment in the books of Resulting Company. In this regard, it is further submitted that in addition to compliance of AS 14 Resulting Company shall pass such accounting entries as may be necessary in connection with the scheme to comply with other applicable accounting standards.
  - (b) It is submitted that though it is mentioned in clause 14 of the scheme that the proposed scheme is in compliance with Income Tax Act, it is observed that the Demerged Undertaking is loss making company, Hence, on transfer of assets/liabilities of Demerged Company with Resulting Company, any tax issue if any, arising out of this scheme is subject to decisions of Income Tax Authority and the approval of this scheme by Hon’ble High Court may not deter the power of Income Tax Authority to examine the tax issue independently and the decision of Income tax authority is binding on the petitioner company.
  - (c) It is observed that the mines/mining licenses granted to Demerged Company is proposed to be transferred to Resulting Company. Both the companies shall ensure, that the approval of Regulatory Authority be obtain before transfer of such mines/license etc.

- (d) Clause 1(d) of the Scheme defines ‘Appointed date’, “shall be the effective date as defined in the scheme”

Clause 1(s) of the scheme defines “Effective date means the date on which the scheme becomes effective in accordance with its terms, which shall be the closing date” it is observed that there is no mention of specific date as appointed date.

The specific date is required in as much as to ascertain what is the value of assets and liabilities as on appointed date are going to be transferred to Resulting Company from Demerged Company and also to ascertain the correctness of the consideration payable by the Resulting Company to the shareholders of Demerged Company. In view of the above the petitioner Company may be directed to clarify the same.

- (e) That the Registered Office of the Transferor Company is situated in the State of Uttar Pradesh. Hence the Transferor Company has to file similar petition before the Hon’ble High Court of Allahabad for approving the said Scheme.”

8. As far as the observation in paragraph 6 (a) of the said Affidavit is concerned, the Petitioner/Transferee Company through its counsel submits that the Petitioner/Transferee Company will in addition to compliance of AS 14, will comply with all the Accounting Standard, as applicable under law.
9. As far as the observation in paragraph 6 (b) of the Affidavit of the Regional Director is concerned, the Petitioner/Demerged/ Transferee Company is bound to comply with all applicable provisions of Income Tax Act and all tax issues arising out of Scheme will be met and answered in accordance with law.
10. As far as the observation in paragraph 6 (c) of the Affidavit of the Regional Director is concerned, the Petitioner/Transferee Company through its counsel undertakes that the Petitioner/ Transferee Company and the Transferor Company shall ensure that the approval of Regulatory Authority, if required, will be obtained before the transfer of mines/ mining licenses granted to the Demerged Company which are proposed to be transferred to the Petitioner/Transferee Company under the Scheme.
11. As far as the observation in paragraph 6 (d) of the Affidavit of the Regional Director is concerned, the Petitioner /Transferee Company through its counsel submits that in the present scheme, clause 9 elaborates the matter in which the valuation of the assets and liabilities to be transferred to and vested in the Petitioner Company would be done, based on which the consideration payable by the Petitioner Company to the shareholders of the Demerged Company would be determined. Accordingly, the Regional Director’s concern that the value of the assets and liabilities being transferred should be ascertained so as to ascertain the correctness of the consideration being paid to the shareholders of the Demerged Company is taken care of, since the value will be determined as set out in the Scheme and the consideration will get adjusted depending on the value of the assets and liabilities being transferred.
12. In terms of clause of the Scheme, within five (5) days of the later of (a) receipt of the last High Court Order, (b) approval of the CCI under the Competition Act, 2002 and the Combination Regulations and (c) approval of the Securities Exchange Board of India (SEBI) in terms of the SEBI Circulars, the Demerged Company shall deliver to the Petitioner Company *inter alia among* others the estimated Net Working Capital Statement, the estimated Financial Indebtedness; the fixed asset register etc. Within two days of the receipt of the said information /documents the Petitioner Company shall be entitled to conduct a limited review of the financial statements and conduct a physical verification of assets, in order to confirm the adjustments to the Consideration for the purpose of Clause 9 (b) of the Scheme. The Petitioner Company thereafter shall complete the said verification prior to the Closing Date, which shall be the date 28th day following the later of (a) receipt of the last High Court, Order; (b) approval of the SEBI in terms of the SEBI Circulars; (c) approval of the CCI under the Competition Act, 2002 and the Combination Regulations (which approval has already been received).

13. Although the “Appointed Date” is not specified in terms of mentioning a date, month and year as the Appointed Date, the method of determining the Appointed Date is clearly specified.
14. The process of ascertaining the value of the assets and liabilities of the Demerged Undertaking to be transferred to and vested in Petitioner Company and to fix the consideration in the manner set out in the Scheme is the commercial undertaking arrived at between the Demerged Company and the Petitioner Company. Before the Scheme was filed in this Court to seek sanction thereto, the said Scheme was approved by the BSE Limited and National Stock Exchange of India Limited vide their letters both dated 24th October, 2013 (being Exhibits “C1” and “C2” to the Petition) after obtaining necessary approval from the SEBI. The said Scheme was also approved with the requisite majority by shareholders and creditors of the Petitioner Company in their court convened meetings, held on 20th January 2014.
15. As far as the observation in paragraph 6(e) of the said Affidavit is concerned, the Petitioner/Transferee Company through its counsel submits that the Transferor Company has also filed Petition under Sections 391 to 394 of the Companies Act, 1956 in the High Court of Allahabad seeking sanction to the Scheme and the same is pending for final hearing.
16. The Learned Counsel for the Regional Director on instructions of Mr. M. Chandanamuthu, Joint Director Legal, in the office of the Regional Director, Ministry of Corporate Affairs, Western Region, Mumbai states that they are satisfied with the undertakings given hereinabove by the Petitioner/Transferee Company through its counsel.
17. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy.
18. Since all the requisite statutory compliances have been fulfilled, Company Scheme Petition No. 80 of 2014 filed by the Petitioner/Transferee Company is made absolute in terms of prayer clauses (a) and (b), subject to sanction and approval to the Scheme by the High Court of Allahabad.
19. The Petitioner Company to lodge a copy of this order and the Scheme, duly authenticated by the Company Registrar, High Court (O.S.), Bombay with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable, if any, within 60 days from the date of the order.
20. The Petitioner Company is directed to file a copy of this order along with a copy of the Scheme, duly authenticated by the Company Registrar, High Court [O.S.], Bombay, with the concerned Registrar of Companies, electronically, along with e- Form 21/INC 28 in addition to physical copy as per the provisions of Companies Act, 1956/ 2013, whichever is applicable.
21. The Petitioner/Transferee Company to pay costs of this Company Scheme Petition of Rs.10,000/- to the Regional Director, Western Region , Mumbai. Costs to be paid within four weeks from today.
22. Filing and issuance of the drawn up order is dispensed with.
23. All concerned authorities to act on a copy of this order along with the Scheme, duly authenticated by the Company Registrar, High Court (O. S.), Bombay.

**(G. S. PATEL, J.)**

**SCHEME OF ARRANGEMENT**  
**UNDER SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956**  
**BETWEEN**  
**ULTRATECH CEMENT LIMITED**  
**AND**  
**JAYPEE CEMENT CORPORATION LIMITED**  
**AND**  
**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

**I. INTRODUCTION:**

- (a) Jaypee Cement Corporation Limited is a public limited company incorporated under the Act (*as defined hereinafter*), having its registered office at Sector 128, Noida, Uttar Pradesh, 201304 (“**Transferor Company**”). The Transferor Company is a wholly owned subsidiary of Jaiprakash Associates Limited, a public limited company incorporated under the Act, having its registered office at Sector 128, Noida, Uttar Pradesh - 201304 (“**Parent Shareholder**”). The Transferor Company is engaged, *inter alia*, in the business of manufacture and sale of cement and clinker in the State of Gujarat and in other parts of India.
- (b) UltraTech Cement Limited is a public limited company incorporated under the Act, having its registered office at 2<sup>nd</sup> floor, Ahura Centre, B-Wing, Mahakali Caves Road, Andheri (E), Mumbai - 400093 (“**Transferee Company**”). The Transferee Company is primarily engaged in the business of manufacture and sale of various grades and types of cement, ready mix concrete and other cement related products. The equity shares of the Transferee Company are listed on Stock Exchanges (*as defined hereinafter*).
- (c) Pursuant to Sections 391 to 394 read with other relevant provisions of the Act, this Scheme (*as defined hereinafter*) provides for demerger of the Demerged Undertaking (*as defined hereinafter*) of the Transferor Company and shall vest in and be merged with the Transferee Company and the consequent issue of (i) Demerger Shares (*as defined hereinafter*) to the equity and preference shareholders of the Transferor Company and (ii) if required to be issued, equity shares referred to in Clause 9(e)(iv) herein below, by the Transferee Company to the equity shareholders of the Transferor Company.

## **II. FACTS, RATIONALE AND BENEFITS:**

- (a) The Transferor Company and the Transferee Company have entered into an agreement dated September 11, 2013 (“**Implementation Agreement**”), pursuant to which it has been agreed to demerge the Demerged Undertaking as a going concern to the Transferee Company on the agreed terms and conditions as set out herein below and in compliance with the provisions of Section 2(19AA), Section 2(19AAA) and 2(41A) of IT Act (*as defined hereinafter*).
- (b) The demerger of the Demerged Undertaking pursuant to this Scheme would *inter alia* result in following benefits:
  - (i) In case of the Transferor Company:
    - (a) unlocking of value for the Transferor Company by demerger of part of its assets; and
    - (b) helping the Transferor Company in deleveraging its balance sheet, including reduction of debt and interest outgo as well as creation of value for the shareholders of the Transferor Company.
  - (ii) In case of the Transferee Company:
    - (a) Availability of land and mining leases in Gujarat to cater to the growing western market;
    - (b) strategic fit for serving existing market and also to cater additional volume linked to coastal markets;
    - (c) synergies in manufacture and distribution process and logistics alignment leading to economies of scale and creation of efficiencies by reducing time to market and benefitting consumers;
    - (d) create value for shareholders of the Transferee Company.

## **III. PARTS OF THE SCHEME:**

The Scheme is divided into the following parts:

- (a) Part I deals with the definitions and share capital of the Transferor and Transferee Company;
- (b) Part II deals with demerger of the Demerged Undertaking from the Transferor Company and its vesting in and merger with the Transferee Company for consideration and matters incidental thereto; and
- (c) Part III deals with the general terms and conditions that would be applicable to the Scheme.

## PART – I

### DEFINITIONS AND SHARE CAPITAL

#### 1. DEFINITIONS:

In this Scheme unless repugnant to the meaning or context thereof, the following expressions shall have the following meanings:

- (a) “**Act**” means the Companies Act, 1956 and rules and regulations made thereunder and shall include any statutory modifications, amendments or re-enactment thereof for the time being in force;
- (b) “**Adjustment Statement**” shall have the meaning set forth in Clause 9(e)(i);
- (c) “**Affiliates**” means, in relation to any Person, any other Person that directly or indirectly through one (1) or more Person(s), Controls, is Controlled by, or is under common Control with, the Person specified; and in the case of a natural Person, shall mean any Relative of such natural Person;
- (d) “**Appointed Date**” shall be the Effective Date as defined hereinafter in the Scheme;
- (e) “**Applicable Law(s)**” means (a) all applicable statutes, enactments, acts of legislature, laws, ordinances, rules, bye-laws, regulations, Listing Agreements, notifications, guidelines or policies of any Relevant Authority and (b) administrative interpretations, writs, injunctions, directions, directives, judgments, arbitral awards, decree, orders or governmental approvals of, or agreements with, any Relevant Authority, as may be in force from time to time;
- (f) “**Board**” or “**Board of Directors**” means the board of directors of the Transferor Company or the Transferee Company as the context may require and shall include a committee of such board duly constituted and authorized;
- (g) “**BSE**” means BSE Limited;
- (h) “**Business Day**” means any day, other than a Saturday and Sunday, on which banks are generally open for business in Delhi, India;
- (i) “**CCI**” means the Competition Commission of India, as established under the Competition Act, 2002;
- (j) “**Closing Balance Sheet**” shall have the meaning set forth in Clause 9(e)(i);
- (k) “**Closing**” means demerger of the Demerged Undertaking from the Transferor Company and its vesting in and merger with the Transferee Company in terms of Clause 10;

- (l) “**Closing Date**” shall have the meaning set forth in Clause 10(a);
- (m) “**Combination Regulations**” shall have the meaning set forth in Clause 19(h);
- (n) “**Consideration**” shall have the meaning set forth in Clause 9(a)(iii);
- (o) “**Control**” means (A) in relation to a body corporate, (i) the beneficial ownership, directly or indirectly, of more than fifty percent (50%) of the voting securities of that body corporate; or (ii) the ability to appoint a majority of the board of directors or equivalent of that body corporate; or (iii) the power to direct the management and policies of that body corporate, including through contractual arrangements or otherwise, and (B) in relation to any Person which is not a body corporate, the right or power to direct, whether directly or indirectly, the policy decisions of that Person; and the terms “**Controlled by**” and “**under common Control with**” shall be construed accordingly;
- (p) “**Demerger Shares**” means such number of equity shares of the Transferee Company as are required to be issued to the equity and preference shareholders of the Transferor Company on the Closing Date in accordance with the Share Entitlement in consideration for the Demerged Undertaking and the term “**Demerger Share**” shall be construed accordingly;
- (q) “**Demerged Undertaking**” means the Transferor Company’s entire undertaking and business units engaged in the manufacture and sale of cement and cement packaging bags in the State of Gujarat, including all the assets (including goodwill) and liabilities of such undertaking, as more particularly described in **Annexure I** hereto;
- (r) “**Doubtful Receivables**” means the following receivables of the Demerged Undertaking: - (a) the institutional sales receivables that are outstanding for a period of more than one hundred eighty (180) days from the date of invoicing of such receivables and (b) other receivables that are outstanding for a period of more than ninety (90) days from the date of invoicing of such receivables;
- (s) “**Effective Date**” means the date on which the Scheme becomes effective in accordance with its terms, which shall be the Closing Date;

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

- (t) “**Encumbrance**” means: (i) any mortgage, charge (*whether fixed or floating*), pledge, lien, hypothecation, assignment, attachment by any Relevant Authority, deed of trust, title retention, security interest or other encumbrance or interest of any kind securing, or conferring any priority of payment in respect of any obligation of any Person, including any right granted by a transaction which, in legal terms, is not the granting of

security but which has an economic or financial effect similar to the granting of security under Applicable Law; (ii) a contract to give any of the foregoing; (iii) any interest, option, right of first offer, refusal or transfer restriction in favour of any Person; and (iv) any adverse claim as to title, possession or use; and “**to Encumber**” means to create or allow or suffer an Encumbrance to subsist;

- (u) “**Escrow Agent**” means Axis Trustee Services Limited, a company incorporated under the laws of the India having its principal office at 2nd Floor, Axis House, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai – 400025;
- (v) “**Escrow Agreement**” means the escrow agreement executed on 11th September, 2013 between the Transferee Company, the Transferor Company and the Escrow Agent;
- (w) “**Escrow Amount**” means the amount equivalent to the higher of:
  - (i) twenty percent (20%) of the Net Working Capital determined in accordance with Clause 9(i) and Clause 9(j) of this Scheme; and
  - (ii) an amount equal to Rs. 25,00,00,000/- (Rupees twenty five crores only);
- (x) “**Escrow Guarantee**” means an unconditional and irrevocable bank guarantee equivalent to the Escrow Amount to be dealt with by the Escrow Agent in the manner set out in the Escrow Agreement;
- (y) “**Expert**” shall have the meaning set forth in Clause 9(e)(ii);
- (z) “**Financial Indebtedness**” means, in relation to the Transferor Company, the following items pertaining to the Demerged Undertaking, which shall be assumed by the Transferee Company immediately at the end of Closing: all crystallized liabilities, outstanding borrowings under any instrument by whatsoever name called, debts, bills of exchange, long term advances, letters of credit (except for letters of credit against supplies of goods and services, which letters of credit will be replaced by the Transferee Company on Closing), mark to market loss on outstanding derivatives at Closing, structured debt obligations, outstanding amounts under leases of a capital nature; along with any interest outstanding on any or all of the aforesaid. It is clarified that (A) all prepayment charges applicable to any of the items mentioned hereinabove shall form part of such indebtedness; and (B) any liability as mentioned above in relation to the Demerged Undertaking shall not be ignored and shall not be counted more than once. Provided that guarantees listed in **ANNEXURE II** or any similar instruments by whatsoever name called which have not been advanced against disputes related to the Demerged Undertaking existing on the Closing Date, shall not be included in the Financial Indebtedness. It is clarified that (A) contingent liabilities as on the Closing Date, being in nature of disputed claims, which are not crystallized on the Closing Date, and (B) guarantees or any similar instrument by whatsoever name called



given in respect of any dispute related to the Demerged Undertaking existing on the Closing Date, shall not be included in the Financial Indebtedness and shall not form part of the Demerged Undertaking;

- (aa) “**GAAP**” means Indian generally accepted accounting principles;
- (bb) “**High Court**” means the High Court of Judicature at Allahabad having jurisdiction in relation to the Transferor Company and the High Court of Judicature at Bombay having jurisdiction in relation to the Transferee Company and shall include the National Company Law Tribunal, as applicable or such other forum or authority as may be vested with any of the powers of a High Court in relation to the Scheme under the Act;
- (cc) “**High Court Orders**” means the orders passed by the High Court sanctioning the Scheme;
- (dd) “**IT Act**” means the Income Tax Act, 1961 and rules and regulations made there under and shall include any statutory modification, amendment or re-enactment thereof for the time being in force;
- (ee) “**Listing Agreement**” means: (a) the listing agreement executed between the Transferee Company and the BSE; and (b) the listing agreement executed between the Transferee Company and the NSE, in each case, as amended from time to time;
- (ff) “**Long Stop Date**” means the date after the expiry of 12 (twelve) months from the execution of the Implementation Agreement or such other date which is mutually agreed in writing between the Transferor Company and the Transferee Company;
- (gg) “**Net Working Capital**” means, in relation to the Demerged Undertaking, the aggregate value as determined in accordance with GAAP applying consistent accounting policies and procedures, of: all current assets solely of the Demerged Undertaking including the stock in trade, debtors and pre-payments and loans and advances; less the current liabilities and provisions of the Demerged Undertaking including the creditors, advances, deposits, wages and accruals, provisions/accruals including those for product replacement or product warranty, amount payable under all incentive, bonus, retirement or superannuation benefit (however described), gratuity or other arrangements for payment to employees, any other statutory dues including on account of Taxes; provided however that the following shall be specifically excluded from the definition of Net Working Capital (a) deferred tax assets and liabilities; (b) capital expenditure related advances and liabilities (it being understood that such liability will form part of Financial Indebtedness); (c) all deferred revenue expenditure including unamortized financial charges; and (d) capital work-in-progress advances;
- (hh) “**NSE**” means the National Stock Exchange of India Limited;
- (ii) “**Non-Moving Inventory**” shall mean stores and spares older than fifteen

(15) months or which are damaged or obsolete;

- (jj) “**Person**” means any individual, entity, joint venture, company, corporation, partnership (whether limited or unlimited), proprietorship or other enterprise (whether incorporated or not), Hindu undivided family, union, association of persons, government (central, state or otherwise), or any agency, department, authority or political subdivision thereof, and shall include their respective successors and in case of an individual shall include his/her legal representatives, administrators, executors and heirs and in case of a trust shall include the trustee or the trustees and the beneficiary or beneficiaries from time to time;
- (kk) “**Price Per Share**” shall have the meaning as set forth in Clause 9(a)(iv)(B);
- (ll) “**ROC**” means the respective Registrar of Companies having jurisdiction over the Transferor Company and the Transferee Company;
- (mm) “**Related Party**” means, with respect to any Person, (i) any of its Affiliates, and (ii) any Person identified as a related party under accounting standard 18 as notified by the Institute of Chartered Accountants of India;
- (nn) “**Relative**” shall have the meaning given to it in Section 6 of the Act;
- (oo) “**Regulatory Approvals**” shall have the meaning as set forth in Clause 19;
- (pp) “**Relevant Authority**” means any regulatory governmental legislative, administrative, local or supervisory body or banking authority or agency or commission, quasi-regulatory agency or body (including any stock or commodity exchange), or court, tribunal, board, bureau, judicial or arbitral body having jurisdiction in India or any part thereof, including but not limited to the CCI, Reserve Bank of India, SEBI, BSE and NSE, along with the authorities before which appeals against the decisions made by any of the foregoing may be brought;
- (qq) “**Representatives**” means the duly authorized directors, officers, managers and employees of Transferor Company or Transferee Company;
- (rr) “**Remaining Business**” means all the remaining businesses and/ or divisions / undertakings of the Transferor Company other than the Demerged Undertaking;
- (ss) “**SEBI**” means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;
- (tt) “**SEBI Circular**” means Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 and Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013, each issued by the SEBI, as amended or replaced from time to time;
- (uu) “**Scheme**” “**the Scheme**” or “**this Scheme**” means this scheme of arrangement in its present form with any amendment/modifications

approved or imposed or directed by the Board and/or shareholders and/or creditors and/or by High Courts and/or any Relevant Authority.

- (vv) **“Share Entitlement”** shall be calculated in accordance with Clause 9(a)(iv)(A);
- (ww) **“Stock Exchanges”** means the BSE and the NSE collectively;
- (xx) **“Tax”** means: (a) all forms of direct tax and indirect tax, fee, levy, duty, charge, cess, impost, withholding or other amount whenever or wherever created or imposed by, or payable to, any Tax Authority; and (b) all charges, interest, penalties and fines incidental or relating to any Tax falling within (a) above or which arise as a result of the failure to pay any Tax on its due date or to comply with any obligation relating to Tax; and the term **“Taxes”** shall be construed accordingly.
- (yy) **“Tax Authority”** means any revenue, customs, fiscal, governmental, statutory, state, provincial, local governmental or municipal authority, body or Person responsible for Tax; and
- (zz) **“Transferred Liabilities”** shall have the meaning ascribed to it in Clause 5(1)(a);

All terms and words which are used but not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act and other Applicable Laws, rules, regulations, bye-laws, as the case may be including any statutory modifications, amendments or re-enactment thereof, for the time being in force.

## 2. SHARE CAPITAL:

- (a) The authorized, issued, subscribed and paid up share capital of the Transferor Company and the Transferee Company as on August 31, 2013 is as under:

### Transferor Company:

<b>Authorized Capital</b>	<b>Amount Rs.</b>
Comprising 150,00,00,000 equity shares of Rs. 10/- each	15,00,00,00,000
Comprising 15,00,00,000 12% non cumulative redeemable preference shares of Rs. 100/- each	15,00,00,00,000
<b>Issued, Subscribed and Paid-Up Equity Share Capital</b>	<b>Amount Rs.</b>
Comprising 62,75,00,000 equity shares of Rs. 10/- each	6,27,50,00,000
Comprising 10,00,00,000 12% non cumulative redeemable preference shares of Rs. 100/- each	10,00,00,00,000

### Transferee Company:

<b>Authorized Capital</b>	<b>Amount Rs.</b>
Comprising 28,00,00,000 equity shares of Rs. 10/- each	2,80,00,00,000
<b>Issued, Subscribed and Paid-Up Capital</b>	<b>Amount Rs.</b>
Comprising 27,41,96,541 equity shares of Rs. 10/- each	2,74,19,65,410

- (b) It is clarified that till the Scheme becomes effective, the Transferor and the Transferee Companies are free to alter their authorized, issued, subscribed or paid up share capital as may be required by respective business requirements. However, the Transferor Company shall remain the wholly owned subsidiary of the Parent Shareholder until the Closing Date and there shall be no increase in the nominee shareholders, which presently number six, until the Closing Date. Further, the Transferor Company shall not permit or record any transfer of the preference shares held by the Parent Shareholder and the Transferor Company shall not issue any further preference shares to any Person other than the Parent Shareholder.

## **PART – II**

### **DEMERGER OF DEMERGED UNDERTAKING**

#### **3. DEMERGER OF DEMERGED UNDERTAKING:**

- (a) Upon the Scheme becoming effective but with effect from the Appointed Date, the Demerged Undertaking in its entirety shall, pursuant to Sections 391 to 394 read with other relevant provisions of the Act and without any further act, instrument, deed, matter or thing be transferred to, vested in and merged with or be deemed to have been transferred to, vested in and merged with the Transferee Company on a 'going concern' basis for the consideration as set out hereinafter, free from all Encumbrances except Encumbrances limited to the Transferred Liabilities.
- (b) In the event any asset, contract, liability or property or the benefit thereof, which is a part of the Demerged Undertaking does not get transferred to the Transferee Company upon the effectiveness of the Scheme, the Transferor Company and the Transferee Company undertake to take all necessary steps, and execute all necessary documents, to ensure the transfer of such asset, contract, liability and property or the benefit thereof to the Transferee Company forthwith without any further consideration. The Transferor Company and the Transferee Company agree that pending such transfer of such assets, contracts, property and benefit to the Transferee Company, the Transferor Company shall hold such assets, contracts, property and benefit in trust for the Transferee Company, and shall put in place necessary arrangements to allow the Transferee Company to enjoy the benefit of the same.
- (c) For avoidance of doubt, the Remaining Business shall continue to vest in the Transferor Company.

- (d) Upon the Scheme becoming effective, the Transferee Company shall carry out or perform all such formalities, compliances under various Applicable Laws or to be carried out or performed in relation to or as a consequence of the vesting of the Demerged Undertaking in and merger with the Transferee Company.

#### **4. ASSETS:**

Without prejudice to the generality of Clause 3 above, the assets of the Demerged Undertaking shall stand transferred to and vested in the Transferee Company in the following manner:

- (a) Such of the assets of the Demerged Undertaking as are movable in nature, and/or otherwise capable of transfer by manual or constructive delivery and/or endorsement and delivery, the same may, upon coming into effect of this Scheme, be so transferred to the Transferee Company without requiring any deed or instrument of conveyance and shall upon such transfer become the property and an integral part of the Transferee Company.
- (b) In respect of assets other than those dealt with in Clause 4 (a) above, including but not limited to sundry debts, receivables, bills, credits, loans, advances and deposits if any, whether recoverable in cash or in kind or for value to be received, bank balances, etc. the same shall stand transferred to and vested in the Transferee Company without any notice or other intimation to any Person in pursuance of the provisions of the Sections 391 to 394 read with other relevant provisions of the Act to the end and intent that the right of the Transferor Company to recover or realise the same stands transferred to the Transferee Company. 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, that the said debt, receivable, bill, credit, loan, advance or deposit stands transferred and vested in the Transferee Company and that appropriate modification should be made in their respective books/records to reflect the aforesaid changes.
- (c) 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, including the mining leases and the prospecting licenses (including in each case, any applications made therefor) of the Transferor Company in relation to the Demerged Undertaking, shall, pursuant to Section 394 (2) 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.
- (d) Without prejudice to aforesaid and Clause 6, the Transferee Company may, if so required under any Applicable Law or otherwise, at any time after the Scheme becoming effective, in accordance with the provisions hereof, execute or enter into any arrangements, conveyance, confirmations, deeds, documents, letters or any other instruments relating to any asset of the Demerged Undertaking with any party to any contract or agreements to

which the Transferor Company is a party. For such purposes, if so requested by the Transferee Company, the Transferor Company shall provide all the necessary assistance.

- (e) In so far as the assets of the Demerged Undertaking are concerned, the security/charge over them, to the extent that such security/charge relate to any liabilities (*other than the Transferred Liabilities*) of the Transferor Company shall without any further act, instrument or deed be released from such Encumbrance and shall no longer be available as a security for the liabilities of the Remaining Business of the Transferor Company. The absence of any formal amendment which may be required by a lender or a third party to effect such release shall not affect the operation of the foregoing sentence.
- (f) In so far as the assets of the Remaining Business are concerned, the security/charge over them, to the extent they relate to the Transferred Liabilities (*other than the other liabilities of the Remaining Business*) shall, without any further act, instrument or deed be released and discharged from such security. The absence of any formal amendment which may be required by a lender or a third party to effect such release shall not affect the operation of the foregoing sentence.
- (g) Without prejudice to what is stated in Clauses 4(e) and 4(f) above, the Transferor Company and the Transferee Company shall execute such documents/instruments or do all such acts and deeds including filing of necessary particulars and/or modification of charge with the concerned ROC to give formal effect to the above Clauses, if required.

## 5. LIABILITIES:

- 5.1 Without prejudice to the generality of Clause 3 above, the liabilities of the Demerged Undertaking shall stand transferred to and vested in the Transferee Company in the following manner:
  - (a) Upon the Scheme becoming effective, all loans, borrowings, debts, liabilities, credit facilities, overdraft facilities, duties and obligations, of the Transferor Company relating to the Demerged Undertaking, which may accrue or arise or relate to the period on or before the Effective Date, (collectively “**Transferred Liabilities**”) shall, to the extent they are outstanding on the Effective Date, without any further act or deed become the loans, borrowings, debts, liabilities, credit facilities, overdraft facilities, duties and obligations of the Transferee Company and all rights, powers, duties and obligations in relation thereto shall stand transferred to, vested in, and shall be exercised by or against the Transferee Company, as if it has entered into such loans, credit facilities, overdraft facilities or incurred such borrowing, debts, liabilities, duties and obligations. The Transferee Company shall undertake to meet, discharge and satisfy the same to the exclusion of the Transferor Company.
  - (b) Upon the Scheme becoming effective, all loans, borrowings, debts, liabilities, credit facilities, overdraft facilities, duties and obligations of the

Transferor Company relating to the Remaining Business, whether provided for or not in the books of account of the Transferor Company and other liabilities relating to the Remaining Business shall continue to remain as the loans, borrowings, debts, liabilities, duties and obligations of the Transferor Company. The Transferor Company shall undertake to meet, discharge and satisfy the same to the exclusion of the Transferee Company.

- (c) On transfer to and vesting of the Demerged Undertaking in the Transferee Company, the mortgages and charges, if any affecting the same shall be as hereinafter provided:
  - (i) The Encumbrances relating solely to the business of the Demerged Undertaking, whether existing or those created by the Transferor Company, over the assets comprised in the Demerged Undertaking or any part thereof transferred to the Transferee Company by virtue of this Scheme, shall after the Effective Date continue to relate and attach to such assets or any part thereof to which they are related or attached, prior to Effective Date and as are transferred to the Transferee Company. Such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company or to any other assets forming part of the Demerged Undertaking or to any assets of the Transferor Company-.
  - (ii) The Encumbrances, whether existing or those created by the Transferor Company over the assets comprised in the Remaining Business or any part thereof, shall after the Effective Date continue to relate and attach to such assets or any part thereof to which they are related or attached, prior to Effective Date. Such Encumbrances shall not relate or attach to any of the other assets comprised in the Remaining Business or to any other assets forming part of the Demerged Undertaking.
- (d) Without any prejudice to the provisions of the foregoing Clauses and with effect from the Effective Date, the Transferor Company and the Transferee Company shall enter into and execute such other deeds, instruments, documents and/or writings and/or do all acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the concerned ROC to give formal effect to the provisions of this Clause, if required.
- (e) With effect from the Effective Date, the Transferee Company alone shall be liable to perform all obligations in respect of the Transferred Liabilities and the Transferor Company shall not have any obligations in respect of the Transferred Liabilities.
- (f) With effect from the Effective Date, the Transferor Company alone shall be liable to perform all obligations in respect of all debts, liabilities, duties and obligations pertaining to the Remaining Business and the Transferee Company shall not have any

obligations in respect of the Remaining Business.

- (g) It is expressly provided that, save as mentioned in this Clause, no other terms or conditions of the Transferred Liabilities is modified by virtue of this Scheme except to the extent that such amendment is required by necessary implication.
- (h) Subject to the necessary consents being obtained, if required, in accordance with the terms of this Scheme, the provisions of this Clause shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document all of which instruments, deeds or writings shall stand modified and/or superseded by the foregoing provisions.

5.2 For the removal of doubts, and without prejudice to the generality of Clause 5.1 above, it is provided that the liabilities relatable to the Demerged Undertaking being transferred to the Transferee Company by virtue of the Demerger shall include:

- (a) the liabilities which arise out of the activities or operations of the Demerged Undertaking;
- (b) the specific loans or borrowings (including debentures) raised, incurred and utilized solely for the activities, or operations of the Demerged Undertaking; and
- (c) in cases, other than those referred to in Clause (a) or clause (b), so much of the amounts of general or multipurpose borrowings, if any, of the Transferor Company as stand in the same proportion which the value of the assets transferred in the demerger bears to the total value of the assets of the Transferor Company immediately before the demerger.

All the liabilities so relatable to the Demerged Undertaking are either (i) included in the “Financial Indebtedness” as defined in Clause 1(z) hereinabove or (ii) form part of current liabilities to be taken into account for the purposes of computing the Net Working Capital as defined in Clause 1(gg) hereinabove to be transferred to the Transferee Company by virtue of the demerger.

## **6. CONTRACTS, DEEDS, ETC.:**

Without prejudice to the generality of Clause 3 above, the contracts, deeds, etc. relating to the Demerged Undertaking shall stand transferred to and vested in the Transferee Company in the following manner:

- (a) Upon the Scheme becoming effective and subject to the other provisions contained in this Scheme, all contracts, deeds, bonds, agreements and other instruments of whatever nature relating to the Demerged Undertaking to which the Transferor Company is a party entered into, subsisting or having effect immediately before the Effective Date shall remain in full force and effect against or in favour of the Transferee Company and may be



enforced as fully and effectively as if the Transferee Company instead of Transferor Company, had been a party thereto.

- (b) Upon the Scheme becoming effective, the Transferee Company shall, wherever necessary, enter into and/or execute deeds, writings, confirmations or novations to which the Transferor Company will, if necessary, also be a party in order to give formal effect to the provisions of this Clause. The Transferee Company shall be deemed to be authorized to execute any such writings on behalf of the Transferor Company to carry out or perform all such formalities or compliance in respect of such deeds, writings, confirmations or novations.

- 6A. Upon the Scheme becoming effective, the Transferee Company shall be deemed to be authorized to execute any such writings on behalf of the Transferor Company to enable the Transferee Company to carry out or perform all such formalities or compliance as may be required in connection with change of name in any government approvals to vest the Demerged Undertaking with the Transferee Company.

## **7. LEGAL PROCEEDINGS:**

- (a) All legal or other proceedings (*whether civil or criminal, including before any statutory or judicial or quasi-judicial authority or tribunal*) by or against the Transferor Company, whether initiated on or arising and pending before the Effective Date, and relating to the Demerged Undertaking shall remain with the Transferor Company.
- (b) In the event any case or matter pertaining to the disputed liabilities as stated in the last sentence of the definition of Financial Indebtedness as provided in Clause 1(z) by force of law are transferred to the Transferee Company, the Transferor Company shall have control in respect of the defence of such proceedings including filing the necessary appeals, revisions, etc. provided that the Transferor Company shall not take any action detrimental to the operation of the Demerged Undertaking. Provided further in respect of such cases pertaining to immovable properties, the Transferee Company shall have a right to participate in such proceedings to ensure that no action detrimental to the operation of Demerged Undertaking is taken.

## **8. EMPLOYEES:**

Without prejudice to the generality of Cause 3 above, the employees of the Demerged Undertaking shall stand transferred to the Transferee Company in the following manner:

- (a) Upon the Scheme becoming effective, all the employees relating to the Demerged Undertaking that were employed by the Transferor Company, immediately before Effective Date, shall become employees of the Transferee Company without any break or interruption of service and with the benefit of continuity of service on terms and conditions which are not less favourable than the terms and conditions as were applicable to such

employees relating to the Demerged Undertaking of the Transferor Company immediately prior to the demerger of the Demerged Undertaking.

- (b) The Transferee Company agrees that the service of all employees pertaining to the Demerged Undertaking with the Transferor Company up to the Effective Date shall be taken into account for the purpose of all retirement benefits to which they may be eligible in the Transferor Company up to the Effective Date. The Transferee Company further agrees that for the purpose of payment of any retrenchment compensation, gratuity or other terminal benefits, such past service with the Transferor Company, shall also be taken into account and agrees and undertakes to pay the same as and when payable.
- (c) Upon the Scheme becoming effective, the Transferee Company shall make all the necessary contributions for such transferred employees relating to the Demerged Undertaking, and deposit the same in provident fund, gratuity fund or superannuation fund or any other special fund or staff welfare scheme or any other special scheme. The Transferee Company will also file relevant intimations in respect of the Demerged Undertaking to the statutory authorities concerned who shall take the same on record and substitute the name of the Transferee Company for the Transferor Company.
- (d) In so far as the existing provident fund, gratuity fund and pension and /or superannuation fund / trusts, retirement funds or employees state insurance schemes or pension scheme or employee deposit linked insurance scheme or any other benefits created by the Transferor Company for employees of the Demerged Undertaking are concerned, such proportion of the funds, contributions to the funds or the scheme or the investments made into the funds relatable to the employees pertaining to the Demerged Undertaking as on the Effective Date, who are being transferred along with the Demerged Undertaking in terms of the Scheme, upon the Scheme becoming effective, shall be transferred to the necessary funds, schemes or trusts of the Transferee Company and till the time such necessary funds, schemes or trusts are created by the Transferee Company, all contribution shall continue to be made to the existing funds, schemes or trusts of Transferor Company.

## **9. CONSIDERATION:**

### **(a) Determination of Consideration:**

- (i) The consideration for the Demerger shall be determined as follows:

An amount of INR 3,800.00 crores (Rupees Three Thousand Eight Hundred Crores):

- (A) reduced by the Financial Indebtedness of INR 3,664.69 crores (Rupees Three Thousand Six Hundred Sixty Four Crores Sixty Nine Lakhs) as set out in **Annexure III**; and

- (B) increased by the Net Working Capital of INR 12.33 crores (Rupees Twelve Crores Thirty Three Lakhs) as set out in **Annexure III**.
- (ii) It is agreed that no item of deduction shall be ignored nor shall they be counted more than once.
- (iii) The amount so arrived at shall be the “**Consideration**”, which amount shall be subject to adjustments to be made pursuant to Clause 9(b) below. It is hereby clarified that the amounts stipulated in Annexure III are based on figures as of 30<sup>th</sup> June, 2013 provided by the Transferor Company.
- (iv) The Consideration shall be discharged by the Transferee Company in terms of the Scheme by the issuance of equity shares of the Transferee Company to the preference and equity shareholders of the Transferor Company aggregating to the Share Entitlement, in the following manner:
- (a) 1 equity share of the face and paid up value of Rs. 10/- each in the Transferee Company for every 10,00,000 outstanding preference shares of the face and paid up value of Rs. 100/- each in the Transferor Company provided however that the value of such equity shares to be issued to the preference shareholders of the Transferor Company shall not exceed the Consideration. Provided further that the preference shareholders of the Transferor Company shall get at least 1 (one) equity share of the Transferee Company irrespective of the Consideration; and
- (b) The remaining shares (i.e. after deducting the shares issued to the preference shareholders of the Transferor Company under sub-clause (a) above from the number of shares equal to the Share Entitlement) to the equity shareholders of the Transferor Company (including nominee shareholders of the Parent Shareholder) in proportion to the equity shares held by them in the Transferor Company; **provided that** no equity shareholder of the Transferor Company (including nominee shareholders of the Parent Shareholder) will get less than one equity share of the Transferee Company.
- A. “**Share Entitlement**” (to be rounded off to the nearest whole number) = Consideration/ Price Per Share (*as defined below*) of the Transferee Company. The Share Entitlement shall be subject to adjustments to the Consideration pursuant to Clause 9(b);
- B. The price per share of the Transferee Company (“**Price Per Share**”) shall be the higher of the following:
- (a) the average of the weekly high and low of the closing prices of the equity shares of the Transferee Company on NSE

during the twenty six weeks preceding the day that is one Business Day prior to the date of determination; or

- (b) the average of the weekly high and low of the closing prices of the equity shares of the Transferee Company on NSE during the two weeks preceding the day that is one Business Day prior to the date of determination.

For avoidance of doubt, the aforesaid determination of the closing price of equity shares of the Transferee Company on the NSE shall be suitably adjusted to take into account the impact of any corporate action by the Transferee Company during the twenty six week period immediately preceding the day that is one Business Day prior to the date of determination, including splitting of shares, consolidation of shares, issuance of rights issue shares or bonus shares, etc. In the event of there being any disagreement on the revised Price Per Share, pursuant to the impact of any corporate action as aforesaid, the same shall be decided by Standard Chartered Bank, India as an independent expert, unless the Transferor Company and Transferee Company mutually agree on some other independent expert and the said decision shall be, in the absence of any manifest error, final, binding and conclusive on the Transferor Company and the Transferee Company.

**(b) Closing Adjustment:**

For determining the Consideration on the Closing Date, the following adjustments shall be made to the Consideration pursuant to Clause 9(j) and consequentially, there shall be an adjustment to the Share Entitlement:

- (i) If the estimated Financial Indebtedness as on the Closing Date is lower than as set forth in Clause 9(a)(i)(A), the difference shall be added to the Consideration determined under Clause 9(a)(i);
- (ii) If the estimated Financial Indebtedness as on the Closing Date is higher than as set forth in Clause 9(a)(i)(A), the difference shall be reduced from the Consideration determined under Clause 9(a)(i).
- (iii) If the estimated Net Working Capital as on the Closing Date is higher than as set forth in Clause 9(a)(i)(B), the difference shall be added to the Consideration determined under Clause 9(a)(i);
- (iv) If the estimated Net Working Capital as on the Closing Date is lower than as set forth in Clause 9(a)(i)(B), the difference shall be reduced from the Consideration determined under Clause 9(a)(i); and

- (v) If fixed assets appearing in the balance sheet are not found on physical verification to be conducted by the Transferee Company prior to the Closing Date, value of such assets not found on physical verification shall be reduced from the Consideration determined under Clause 9(a)(i).

It is clarified that the Net Working Capital shall not include inventory appearing in the balance sheet of the Demerged Undertaking but not found on physical verification.

- (c) Notwithstanding anything to the contrary contained herein, the aggregate Consideration duly adjusted under Clause 9(b) plus the net amount determined in the manner provided in this Clause 9(e)(iv) against which (i) the Demerger Shares are issued to the equity and preference shareholders of the Transferor Company and (ii) equity shares in terms of Clause 9(e)(iv) are issued to the equity shareholders of the Transferor Company under this Scheme, shall not exceed Rs. 150,00,00,000/- (Rupees One Hundred and Fifty Crores only); provided however that if equity shares of the Transferee Company are required to be issued to the equity shareholders of the Transferor Company pursuant to the proviso to Clause 9(a)(iv)(b) to ensure that no equity shareholder of the Transferor Company gets less than one equity share, the aforesaid limit of Rs. 150,00,00,000/- (Rupees One Hundred and Fifty Crores only) may be exceeded by the value of such equity shares.

It is hereby clarified that (i) 'date of determination' of the closing price of shares of the Transferee Company on the NSE for the purpose of Clause 9(a)(i) shall be the date of execution of Implementation Agreement, (ii) 'date of determination' of the closing price of equity shares of the Transferee Company on the NSE for the purpose of Clause 9(b) shall be the Closing Date and (iii) 'date of determination' of the closing price of equity shares of the Transferee Company on the NSE for the purpose of Clause 9(e)(iv) shall be the Closing Date.

**(d) Escrow and Payments:**

Deposit of the Escrow Guarantee

- (i) On the Closing Date, the Transferor Company shall place the Escrow Guarantee into the escrow.
- (ii) The Escrow Guarantee shall be utilized, in the manner set out in the Escrow Agreement, only for the payment of the amounts as provided in Clause 9(e)(iv).

**(e) Payment:**

- (i) Within seven (7) Business Days following Closing, the Transferor Company shall provide unaudited financial

statements of the Demerged Undertaking, as of the Closing Date, to the Transferee Company. Within thirty (30) Business Days following Closing, the Transferee Company and the Transferor Company shall endeavour to agree to finalise the financial statements of the Demerged Undertaking as of the Closing Date, determined in accordance with the GAAP as consistently applied by the Transferor Company (the “**Closing Balance Sheet**”) and actual amounts of items (A) and (B) of Clause 9(a)(i) as on the Closing Date, and the statement setting out the adjustments required to be made in respect of each of the said items on account of difference between the actual amounts and the amounts considered for arriving at the Consideration payable on the Closing Date after adjustment as stated in Clause 9(b) (the “**Adjustment Statement**”). All financial statements referred to above shall be prepared on the basis of the erstwhile Schedule VI to the Act, as existing prior to April 1, 2011, per notification No. S.O. 447 (E) dated February 28, 2011, issued by the Ministry of Corporate Affairs, Government of India.

The Parties agree that, in the Closing Balance Sheet, there shall be no inventory that is not available physically and there shall be no (i) Non-Moving Inventory, (ii) Doubtful Receivables and (iii) non recoverable debtors, loans or advances.

For example, if the estimated Net Working Capital as on the Closing Date, as per Clause 9(b), was Rs. 100 and the actual Net Working Capital as on the Closing Date is Rs.120, equity shares worth Rs. 20 will be issued by the Transferee Company to the equity shareholders of the Transferor Company. If the estimated Net Working Capital as on the Closing Date, as per Clause 9(b), was Rs. 100 and the actual Net Working Capital as on the Closing Date is Rs. 70 and the Escrow Guarantee is of Rs. 20, an amount of Rs. 30 will be payable by the Transferor Company to the Transferee Company which shall be discharged by the Escrow Agent invoking the Escrow Guarantee to the extent of Rs. 20 and the shortfall amount over and above the Escrow Guarantee (i.e. Rs. 10) shall be paid by the Transferor Company to the Transferee Company.

- (ii) In the event, the Transferor Company and the Transferee Company are unable to agree on the Closing Balance Sheet and are unable to agree on the actual amounts of items (A) and (B) of Clause 9(a)(i) as on the Closing Date and the Adjustment Statement within the aforesaid period, the Parties shall have a period of ten (10) Business Days to agree to the appointment of either EY or KPMG or their

respective Indian Affiliates (the “**Expert**”) to determine the actual amounts of items (A) and (B) of Clause 9(a)(i) as on the Closing Date and prepare the Closing Balance Sheet and the Adjustment Statement which will include the amount, if any, payable by the Transferee Company (such amount to be discharged in terms of Clause 9(e)(iv)), or the amount, if any, receivable by the Transferee Company (such amount to be discharged in terms of Clause 9(e)(iv)). In the event that the Transferor Company and the Transferee Company are unable to agree on the appointment of EY or KPMG or their respective Indian Affiliates as the Expert within the said period of ten (10) Business Days, the Transferor Company and the Transferee Company shall appoint EY for this purpose and EY or its Indian Affiliates shall be regarded as the Expert. The Transferee Company and the Transferor Company shall provide to the Expert all information, documents, clarifications and assistance required to enable the Expert to promptly determine the actual amounts of items (A) and (B) of Clause 9(a)(i) as on the Closing Date and prepare the Closing Balance Sheet and the Adjustment Statement.

- (iii) The Expert shall provide to the Transferor Company and the Transferee Company the Adjustment Statement within thirty (30) days of its appointment. The costs of appointment of the Expert shall be shared equally by the Transferee Company and the Transferor Company. The Adjustment Statement shall be, in the absence of any manifest error, final, binding and conclusive on the Transferor Company and the Transferee Company.
- (iv) If the Adjustment Statement states that:
  - (A) Net Working Capital as per the Adjustment Statement is higher than as set forth in the estimated Net Working Capital Statement as provided by the Transferor Company to Transferee Company pursuant to Clause 9(i) and Clause 9(j), the Transferee Company shall discharge the amount equal to such difference in the manner provided in this Clause 9(e)(iv).
  - (B) Net Working Capital as per the Adjustment Statement is lower than as set forth in the estimated Net Working Capital Statement as provided by the Transferor Company to the Transferee Company pursuant to Clause 9(i) and Clause 9(j), the Transferor Company shall discharge the amount equal to such difference in the manner provided in this Clause 9(e)(iv).

- (C) Financial Indebtedness as per the Adjustment Statement is lower than as set forth in the estimated Financial Indebtedness Statement as provided by the Transferor Company to the Transferee Company pursuant to Clause 9(i) and Clause 9(j), the Transferee Company shall discharge the amount equal to such difference in the manner provided in this Clause 9(e)(iv).
- (D) Financial Indebtedness as per the Adjustment Statement is higher than as set forth in the estimated Financial Indebtedness Statement as provided by the Transferor Company to the Transferee Company pursuant to Clause 9(i) and Clause 9(j), the Transferor Company shall discharge the amount equal to such difference in the manner provided in this Clause 9(e)(iv).

It is clarified that any amount payable by the Transferee Company under Clause 9(e)(iv) shall be set off against the amount receivable by the Transferee Company under Clauses 9(e)(iv) and only the net amount shall be payable or receivable by the Transferee Company.

The aforesaid net amount to be received by the Transferee Company shall be discharged by the Escrow Agent invoking the Escrow Guarantee to the extent of such amount remitting such amount to the Transferee Company and releasing the Escrow Guarantee to the Transferor Company, each in accordance with the Escrow Agreement. In the event the aforesaid net amount to be received by the Transferee Company is higher than the Escrow Guarantee then the shortfall amount over and above the Escrow Guarantee shall be paid by Transferor Company to the Transferee Company within 3 (Three) Business Days. The aforesaid net amount to be paid by the Transferee Company shall be promptly discharged by the Transferee Company by issuing equity shares equal to such amount divided by the Price Per Share (fractions to be rounded to the nearest number) and crediting the same to the demat account of the equity shareholders of the Transferor Company after obtaining the in-principle approval and listing and trading approval for such equity share issuance from the Stock Exchanges in accordance with Clause 19 of the Scheme.



(f) The Transferee Company undertakes that:

- (i) All refunds of Tax and levies relating to the Demerged Undertaking not forming a part of the Net Working Capital as on the Closing Date, which relate to the period prior to the Closing Date and have been received by the Transferee Company shall always belong to the Transferor Company and the Transferee Company shall immediately notify in writing to the Transferor Company of such refund and provide such information as the Transferor Company may reasonably require and shall reimburse the amount so received to the Transferor Company (net of Taxes and reasonable costs of recovery, if any) within 7 (seven) days of such refund; and
- (ii) The recovery of any doubtful receivable, which has not been considered for the calculation of the Net Working Capital, which relates to the period prior to the Closing Date but has been recovered after the Closing Date by the Transferee Company, shall belong to the Transferor Company and the Transferee Company shall immediately notify in writing to the Transferor Company of such recovery and provide such information as the Transferor Company may reasonably require and the Transferee Company shall reimburse the amounts so recovered to the Transferor Company (net of Taxes and reasonable costs of recovery, if any) within 7 (seven) days of such recovery.

(g) The Transferor Company undertakes that:

- (i) all payments relating to the Demerged Undertaking, which were known to the Transferor Company and relate to the period prior to the Closing Date and did not form a part of the final Net Working Capital or the Financial Indebtedness shall be promptly paid or reimbursed by the Transferor Company to the Transferee Company within 7 (seven) days of any payment made by the Transferee Company in this regard.
- (ii) it is clarified that even after the Closing Date if the Transferor Company receives or realizes any monies pertaining to the Demerged Undertaking which formed part of the Net Working Capital at Closing, the Transferor Company shall within 7 (seven) Business Days from the date of such receipt or realization remit such monies to the Transferee Company.
- (iii) it shall ensure, prior to the Closing, that there are no (i) Non-Moving Inventory, (ii) Doubtful Receivables and (iii) non recoverable debtors, loans or advances; in the books of the Demerged Undertaking.

- (h) Notwithstanding anything to the contrary contained in this Scheme, the Transferor Company undertakes to promptly pay or reimburse the Transferee Company for any payments made in respect of the Demerged Undertaking pursuant to orders issued under the Competition Act, 2002, which relate to the period prior to the Closing Date. Provided however, the Transferee Company shall not pay or settle any amount pursuant to orders issued under the Competition Act, 2002 as mentioned above if (X) the Transferor Company, at its own cost and counsel of its own choice, contests the said order and the final non-appealable order of payment or any part thereof (including deposits required to contest such orders) has not been made by the highest Relevant Authority of appellate jurisdiction under the Competition Act, 2002. Provided, without the consent of the Transferee Company, the Transferor Company shall not give any undertaking on behalf of the Transferee Company or seek from the Transferee Company any such undertaking, which is detrimental to the economic interest of the Demerged Undertaking or (Y) the Transferor Company has not given its written consent to the aforesaid payments. The Transferee Company further undertakes to provide necessary cooperation to the Transferor Company to enable the Transferor Company contest the order as aforesaid. For the avoidance of doubt, if the Transferor Company does not do (X) or (Y) above within a reasonable time (in case where the time limit for an appeal is 60 (sixty) days, the reasonable time shall be 30 (thirty) days), which in case of (X) shall mean the Transferor Company's confirmation that it will contest such order, the Transferee Company shall be entitled to deal with the matter as it deems fit, without prejudice to its rights under this Clause. It is clarified that whenever any notice in respect of any proceedings under the Competition Act, 2002 is received or any decision is required to be made in respect of appeals filed/to be filed under the Competition Act, 2002, the Transferee Company shall promptly notify the Transferor Company of such proceedings and the Transferor Company shall have a right, but not an obligation, at its expense to participate in the defence, negotiation or settlement of such proceedings through a counsel of its choice and in such a case both the Transferor Company and the Transferee Company shall brief only such counsel and also decide on the filing of the appeal and the conduct thereof in accordance with the provisions herein. The Transferor Company and the Transferee Company shall cooperate with each other in the defence, negotiation or settlement of such proceedings and the appeals arising therefrom. It is further clarified that in the event the Transferor Company agrees to settle the case and intimates the same to the Transferee Company in writing, the Transferee Company shall at its own expenses, still have a right to contest the case, however, the Transferee Company shall in such case be liable for any liability including legal fees and expense beyond the amount which would have been required to be paid if the Transferor Company would have settled the case as aforesaid.

Further in relation to the appeals under the Competition Act, 2002, the Transferee Company and the Transferor Company shall co-operate and exchange information in relation to the Demerged Undertaking for the purpose of defence, negotiation and settlement through their counsel only and only for the period prior to the Closing Date. For the avoidance of doubt, no commercially sensitive or confidential information should be exchanged between the Transferee Company and the Transferor Company relating to their respective businesses (however, on or after the Closing Date, the Transferee Company shall be entitled to obtain all information pertaining to the Demerged Undertaking which relates even prior to the Closing Date once the CCI grants approval for the transaction of Demerger.)

**(i) Pre-Closing Adjustments:**

- (i) The Transferor Company agrees and undertakes to deliver to the Transferee Company within five (5) days of the later of (A) the receipt of the last High Court Order; (B) the date of grant of approval under the Competition Act, 2002 and the Combination Regulations, and (C) approval of the SEBI in terms of the SEBI Circulars, the following as of the Closing Date:
  - (A) The estimated Net Working Capital Statement;
  - (B) The estimated Financial Indebtedness;
  - (C) The fixed asset register;
  - (D) The unaudited estimated balance sheet as of the Closing Date and the profit and loss account for the period from the commencement of the financial year in which the Closing shall take place to the Closing Date, in each case of the Demerged Undertaking;
  - (E) The letters from the lenders having any Encumbrance over the Demerged Undertaking confirming the amounts (including principal, interest and other charges, if any) that will be due to them as of the Closing Date and that on receipt of such amounts, any Encumbrance that they may have over the Demerged Undertaking or any part thereof will be unconditionally and irrevocably released within a period of thirty (30) days from the Closing Date; and
  - (F) A statement setting out the adjustments to the Consideration on the basis of estimated figures as of the Closing Date for items (A) and (B) set out in Clause 9(a)(i).

- (ii) All financial statements referred to above shall be prepared on the basis of the erstwhile Schedule VI to the Act and GAAP, as existing prior to April 1, 2011, per notification No. S.O. 447 (E) dated February 28, 2011, issued by the Ministry of Corporate Affairs.
- (j) Conditions to Closing:**
  - (i) Within two (2) days of the receipt of the above statements, the Transferee Company shall be entitled to conduct a limited review of the financial statements and conduct a physical verification of assets, which verification shall be completed prior to the Closing Date, in order to confirm the adjustments to the Consideration for the purposes of Clause 9(b). The Transferor Company undertakes and agrees to provide such information, assistance and access to the Transferee Company and its Representatives as may be necessary for the purposes of carrying out the said limited review and physical verification.
  - (ii) In the event the adjustments to the Consideration required by the Transferee Company is not more than twenty percent (20%) of the estimated Net Working Capital as of the Closing Date as provided by the Transferor Company pursuant to Clause 9(i), then the amounts provided by the Transferor Company pursuant to Clause 9(i) shall be accepted for the limited purpose of Closing adjustment pursuant to Clause 9 (b), otherwise, the Parties shall discuss and mutually agree to the Closing adjustment.
- (k)** In consideration of the demerger of the Demerged Undertaking from the Transferor Company and its transfer, vesting in and merger with the Transferee Company in accordance with the provisions of the Scheme, the issue and allotment of (i) Demerger Shares to the equity and preference shareholders of the Transferor Company and (ii) equity shares referred to in Clause 9(e)(iv), if applicable, to the equity shareholders of the Transferor Company as provided in the Scheme shall be an integral part of this Scheme, and deemed to be in due compliance of the provisions of Section 81(1A) and other applicable provisions of the Act.
- (l)** The (i) Demerger Shares to be issued to the equity and preference shareholders of the Transferor Company as above and (ii) equity shares referred to in Clause 9(e)(iv), if required to be issued, shall be subject to the memorandum of association and articles of association of the Transferee Company and shall rank *pari passu* with the existing equity shares of the Transferee Company in all respects including dividends.
- (m)** The (i) Demerger Shares to be issued to the equity and preference shareholders of the Transferor Company and (ii) equity shares

referred to in Clause 9(e)(iv), if required to be issued, to the equity shareholders of the Transferor Company pursuant to this Scheme shall be issued in dematerialized form by the Transferee Company unless otherwise notified in writing by the Parent Shareholder to the Transferee Company. In the event such notice has not been received by the Transferee Company from the Parent Shareholder, (i) the Demerger Shares to the equity and preference shareholders of the Transferor Company and, (ii) if required to be issued, equity shares referred to in Clause 9(e)(iv) shall be issued to the equity shareholders of the Transferor Company in dematerialized form provided that the equity and preference shareholders of the Transferor Company shall be required to have an account with a depository participant and shall be required to provide details thereof and such other confirmations as may be required.

- (n) The (i) Demerger Shares to the equity and preference shareholders of the Transferor Company and, (ii) if required to be issued, equity shares referred to in Clause 9(e)(iv) of the Transferee Company issued in terms of the Scheme will be listed and/or admitted to trading on the Stock Exchanges where the equity shares of the Transferee Company are listed and/or admitted to trading. The Transferee Company shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with Applicable Laws or regulations for complying with the formalities of the Stock Exchanges.
- (o) Upon the Scheme becoming effective, if required, the Transferor Company undertakes to convert such amount of the loans granted by the Parent Shareholder to the Transferor Company into equity as is required to ensure that the Consideration is a positive number on the Closing Date.

## 10. CLOSING:

- (a) Closing shall occur on the date 28th day following the later of (i) the date of the receipt of the last High Court Order (or High Courts orders for condonation of delay in filing form 21, if applicable); (ii) date of approval granted by SEBI in terms of the SEBI Circulars; and (iii) date of the grant of approval under the Competition Act, 2002 and the Combination Regulations (the “**Closing Date**”). If such date falls upon a day which is not a Business Day, the Closing Date shall be the preceding Business Day. The process for Closing, including filing of all necessary certified copies of High Court Orders under Sections 391 to 394 of the Act with the respective ROCs, shall be implemented in the manner mutually agreed between the Transferor Company and the Transferee Company.
- (b) The demerger of the Demerged Undertaking from the Transferor Company and its transfer to and vesting with the Transferee Company shall be deemed to be complete and absolute with effect from the Closing Date. The credit of the (i) Demerger Shares to the depository accounts of the equity and preference shareholders of the Transferor Company and (ii) the

equity shares issued pursuant to Clause 9(e)(iv), if applicable, to the depository accounts of the equity shareholders of the Transferor Company and listing of the (i) Demerger Shares and (ii) the equity shares issued pursuant to Clause 9(e)(iv), if applicable, shall happen after the Closing Date.

## **11. POST CLOSING**

The Transferee Company shall cause (a) the Demerger Shares and, if required to be issued, (b) the equity shares referred to in Clause 9(e)(iv), if applicable, to be listed and traded on the Stock Exchanges and be credited to the depository account of the equity and preference shareholders of the Transferor Company no later than sixty (60) days from the Closing Date in case of the Demerger Shares and no later than sixty (60) days from the date of determination of number of equity shares to be issued pursuant to Clause 9(e)(iv).

## **12. ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEROR COMPANY:**

Upon the Scheme becoming effective:

- (a) The book value of all assets and Transferred Liabilities pertaining to the Demerged Undertaking which cease to be assets and liabilities of the Transferor Company shall be reduced by the Transferor Company at their book values.
- (b) The difference i.e. the excess of the book value of assets over the Transferred Liabilities pertaining to the Demerged Undertaking and demerged from the Transferor Company pursuant to the Scheme shall be debited to the securities premium account of the Transferor Company.
- (c) The difference i.e. the shortfall of the book value of assets over the liabilities pertaining to the Demerged Undertaking and demerged from the Transferor Company pursuant to the Scheme shall be credited to the general reserve account of the Transferor Company.

## **13. ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFeree COMPANY:**

Upon the Scheme becoming effective:

- (a) The Transferee Company shall record assets and Transferred Liabilities pertaining to the Demerged Undertaking at the respective book values as appearing in the books of Transferor Company.
- (b) The Transferee Company shall credit to its share capital account the aggregate face value of the (i) Demerger Shares and (ii) equity shares referred to in Clause 9(e)(iv), if applicable issued by it to the equity and preference shareholders of the Transferor Company pursuant to this Scheme.

- (c) The excess of the aggregate value of the assets over the aggregate value of the Transferred Liabilities of the Demerged Undertaking recorded by the Transferee Company and the amount credited as share capital pursuant to above Clause 13(b), will be credited to capital reserve account of the Transferee Company.
- (d) In the event, there is a shortfall of the aggregate value of the assets over the aggregate value of the Transferred Liabilities of the Demerged Undertaking recorded by the Transferee Company and the amount credited as share capital pursuant to Clause 13(b), such shortfall shall be debited to the goodwill account of the Transferee Company.

#### **14. TAX TREATMENT:**

- (a) The demerger of the Demerged Undertaking shall be as a going concern to the Transferee Company, in accordance with Section 2(19AA), Section 2(19AAA) and Section 2(41A) of the IT Act.
- (b) Further, Scheme has been drawn up to comply with the conditions relating to “Demerger” as provided in the Section 2(19AA), Section 2(19AAA) and Section 2(41A) of the IT Act. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the IT Act, at a later date for any reason whatsoever, the relevant provisions of the IT Act shall prevail and the Scheme shall stand modified to the extent deemed necessary to comply with the IT Act. Such modifications, however, shall not affect the other parts of the Scheme.

#### **15. SAVING OF CONCLUDED TRANSACTIONS:**

Nothing in the Scheme shall affect any transaction or proceeding already concluded by the Transferor Company in respect of the Demerged Undertaking, to the end and intent that the Transferee Company shall accept and adopt all acts, deeds and things done and executed by the Transferor Company in regard to the Demerged Undertaking as if it is done and executed by the Transferee Company itself.

#### **16. REMAINING BUSINESS:**

- (a) The Remaining Business and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by the Transferor Company.
- (b) All legal, taxation or other proceedings (*whether civil or criminal including before any statutory or quasi-judicial authority or tribunal*) by or against the Transferor Company under any Applicable Laws whether pending on Effective Date or which may be instituted at any time, and in each case relating to the liability, obligation or duties of the Transferor Company in respect of the Remaining Business shall be continued and enforced, after the Effective Date, by or against the Transferor Company only.

## **PART – III**

### **GENERAL TERMS AND CONDITIONS**

#### **17. APPLICATION TO HIGH COURT:**

The Transferor Company and the Transferee Company shall, with all reasonable dispatch, make applications/ petitions to the Hon'ble High Court of Judicature at Allahabad and Hon'ble High Court of Judicature at Bombay, under whose jurisdiction the registered office of the Transferor Company and the Transferee Company are situated, for sanctioning this Scheme under Sections 391 to 394 of the Act and other applicable provisions of the Act and for such other orders as the High Courts may deem fit for bringing the Scheme into effect and all matters ancillary or incidental thereto.

#### **18. MODIFICATION OR AMENDMENTS TO THE SCHEME:**

- (a) Notwithstanding anything to the contrary contained in this Scheme, the Transferor Company and the Transferee Company by their respective Board Of Directors or such other Person or Persons, as the respective Board Of Directors, may authorize, may make and/or consent to any modifications / amendments (i) to the Scheme (including but not limited to the terms and conditions thereof) or (ii) to any conditions or limitations that the High Court or any other Relevant Authority may deem fit to direct or impose; or (iii) which may otherwise be considered necessary, desirable or appropriate by them.
- (b) The Transferor Company and the Transferee Company by their respective Board of Directors or such other Person or Persons, as the respective Board of Directors may authorize including any committee or sub-committee thereof, shall be authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of, or under, or by virtue of the Scheme and/or any matter concerned or connected therewith, including but not limited to any questions relating to whether any assets or liabilities of the Transferor Company are included in the definition of “Demerged Undertaking”.
- (c) For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto or to extend the date of Closing, the Representatives of the Transferor Company and the Transferee Company may jointly give and are hereby jointly authorised to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.



## 19. CONDITIONALITY OF THE SCHEME:

The demerger of the Demerged Undertaking to the Transferee Company shall require the following regulatory approvals from the Relevant Authorities (the “**Regulatory Approvals**”):

- (a) approval of the Scheme by the shareholders and/or creditors of both the Transferor Company and the Transferee Company, in accordance with Sections 391-394 and all other relevant provisions of the Act;
- (b) approval of the Scheme by the public shareholders of the Transferee Company in accordance with the provisions of the SEBI Circulars, if required;
- (c) the Scheme being approved by the Stock Exchanges, pursuant to clause 24(f) of the Listing Agreement;
- (d) in-principle approval from the Stock Exchanges to (i) issue of Demerger Shares to the equity and preference shareholders of the Transferor Company and (ii) if required to be issued, equity shares referred to in Clause 9(e)(iv) to the equity shareholders of the Transferor Company, then to issue of such shares;
- (e) approval from the Stock Exchanges for listing and trading of (i) the said Demerger Shares to the equity and preference shareholders of the Transferor Company and (ii) if required to be issued, equity shares referred to in Clause 9(e)(iv) to the equity shareholders of the Transferor Company, then for the issue of such equity shares;
- (f) approval of the Scheme by SEBI in terms of the SEBI Circulars;
- (g) the Scheme being sanctioned by the High Courts in terms of Sections 391 to 394 and all other relevant provisions of the Act;
- (h) the occurrence of the first of any of the following, if applicable: pursuant to the provisions of the Competition Act, 2002 of India and the rules and regulations thereunder including the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011 (the “**Combination Regulations**”), the CCI having either (i) granted approval to the transaction contemplated in the Scheme in the form and substance reasonably acceptable to the Transferor Company and the Transferee Company; or (ii) been deemed to have granted approval to the transaction contemplated in the Scheme. The Transferor Company and the Transferee Company agree that in the event the CCI does not approve the transaction contemplated in the Scheme pursuant to the Competition Act, 2002 and the Combination Regulations or approves the transaction contemplated in the Scheme on conditions that are not satisfactory to the Transferee Company by reason of its having a potential material financial impact, the Transferee Company shall have the right, at its sole discretion, to appeal to the Competition Appellate Tribunal against such non-approval or the conditions that are not satisfactory to the

Transferee Company by reason of its having a potential material financial impact, within the Long Stop Date. If the Transferee Company desires to exercise the said right, it shall inform the Transferor Company within seven (7) Business Days of its decision to so appeal and shall file the appeal within the period allowed for such appeal. Any appeal against the decision of the Competition Appellate Tribunal shall require the consent of the Transferor Company and the Transferee Company. It is further clarified that unless mutually agreed between the Transferor Company and the Transferee Company, the Long Stop Date does not get extended if the appeal is not decided within Long Stop Date.

Provided that the Regulatory Approvals listed in Clauses 19(d) and 19(e)) shall be obtained after the Appointed Date.

**20. OPERATIONALIZATION OF THE SCHEME:**

This Scheme shall become effective (irrespective of whether any of the individual actions under Clause 19 or this Clause 20 have been completed), with effect from the Appointed Date.

**21. EFFECT OF NON-RECEIPT OF SANCTIONS**

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 might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as mutually agreed upon by the Boards of Directors of the Transferor Company and the Transferee Company.

**22. SEVERABILITY**

If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the mutual agreement of the Transferor Company and the Transferee Company, affect the validity or implementation of the other parts and/or provisions of this Scheme.

**23. COST, CHARGES AND EXPENSES:**

- (a) The Transferee Company shall pay requisite stamp duty in relation to the (i) Demerger Shares and (ii) equity shares, if required to be issued, pursuant to Clause 9(e)(iv) of the Scheme.
- (b) Each Transferor Company and Transferee Company shall pay the fees and costs of any financial or technical advisors, lawyers or accountants engaged by it in relation to the negotiations leading up to the transactions contemplated hereunder and to the preparation, execution and carrying into effect of this Scheme which relate to the transaction contemplated hereunder.

- (c) Each Transferor Company and Transferee Company shall bear its own costs relating to the High Court process including the filing fees and costs of convening meetings.
- (d) Stamp duty, registration fee, costs related to filing of necessary applications before the CCI and any other relevant Relevant Authority, if any, and any other applicable costs, duties and Taxes payable in relation to the Scheme, and the other ancillary documents including stamp duty, registration fee and mutation expenses payable for transfer, vesting and merger of the Demerged Undertaking with the Transferee Company, shall be borne by the Transferee Company.

## **ANNEXURE I**

### **DESCRIPTION OF THE DEMERGED UNDERTAKING**

The term “Demerged Undertaking” means the Transferor Company’s undertakings, business, goodwill, activities and operations pertaining to its cement business in Gujarat, on a going concern basis as on the Effective Date, and shall mean and include:

- (a) All assets and property situated in the State of Gujarat including the integrated cement manufacturing units and the cement grinding units, the marketing offices and depots as set out in Annexure IA hereto, all land as set out in Annexure IB hereto, all buildings as set out in Annexure IC, all mining and heavy equipment as set out in Annexure 1D, all light vehicles as set out in Annexure 1E and all other assets as detailed in fixed assets register of the units.
- (b) The integrated unit located at Sewagram, Gujarat and, as part of such integrated unit:
  - (i) All the mines including applications for mining leases with all necessary licenses, approvals, clearances and surface rights; all prospecting licenses, whether already granted or under application;
    - Limestone : 3490 Ha (ML 1 – 659 Ha; ML 2 – 2831 Ha)
    - Laterite: 400 Ha ;
    - Clay: 432 Ha;
  - (ii) The plant site admeasuring 698 Ha;
  - (iii) 2 clinker plants of 5500 TPD each(aggregating Clinker Capacity of 11000TPD) with commensurate raw mill and coal mill
  - (iv) Cement Grinding Capacity comprising of Ball Mill, VRM and Roller Press;(enabling cement grinding of 2.89mtpa);
  - (v) Captive Jetty (428 ha) with required stacking/ loading/ unloading arrangements comprising 2 berths with 17km access road;
  - (vi) Desalination plant – 3 units of capacity 2200 KL per day each;
  - (vii) CPPs : 2 Nos totalling 57.5MW including EOT crane (90 /5 ton) for maintenance;
  - (viii) DG sets: 3 sets of 10-12 MW each & 2 sets totalling 4 MW at the jetty;
  - (ix) 2 No. Packing Plants - having 2 Nos 12 spout Packers each
  - (x) New Age Packing Unit
- (c) The Split Grinding Unit at Wanakbori, Gujarat, including, inter alia:

- (i) The plant site admeasuring 32 Ha;
- (ii) Cement Grinding Capacity: 2 nos VRMs; enabling cement grinding of 2.34 mtpa
- (iii) One Packing Plant having 2 Nos 16 spout packers
- (d) As on the Effective Date, all agreements, suppliers contracts as set out in Annexure I F hereto.
- (e) all earnest moneys and/or security deposits paid by the Transferor Company in connection with or exclusively relating to the Demerged Undertaking as on the Effective Date;
- (f) all permanent employees employed/engaged as on the Effective Date;
- (g) all books, records, files, papers, engineering and process information, computer programmes, software licenses (whether proprietary or otherwise), drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records whether in physical or electronic form;
- (h) All equipment and vehicles as per Annexure I G and which have been transferred to the Transferor Company by the Parent Shareholder on or around the Agreement Date; and
- (i) Liabilities
  - (i) the liabilities which arise out of the activities or operations of the Demerged Undertaking:
  - (ii) the specific loans or borrowings (including debentures) raised, incurred and utilized solely for the activities, or operations of the Demerged Undertaking,
  - (iii) in cases, other than those referred to in Clause (a) or clause (b), so much of the amounts of general or multipurpose borrowings, if any, of the Transferor Company as stand in the same proportion which the value of the assets transferred in the Demerger bears to the total value of the assets of the Transferor Company immediately before the Demerger.

Without prejudice to the generality of the foregoing, all the liabilities so attributed to the Demerged Undertaking shall either be included in (i) Financial Indebtedness (it is clarified that contingent liabilities shall be only dealt with in a manner detailed in the last sentence of the definition of Financial Indebtedness read with Clause 13.3.9) or (ii) form part of current liabilities included in Net Working Capital. All income tax losses attributable to the Demerged Undertaking upto the Closing Date in terms of the provisions of Section 72A of the Income Tax Act, 1961. This amount shall be certified by the tax auditor of the Transferor Company or an independent expert and shall be furnished to the Transferee Company within a reasonable period of time to enable the Transferee Company to

file its income tax return in time.

It is clarified that:

- (a) the joint venture between the Transferor Company and Gujarat Mineral Development Corporation Ltd. does not form part of the Demerged Undertaking;
- (b) any asset belonging to the Demerged Undertaking but temporarily deployed at other locations shall be brought back to Demerged Undertaking on or before the Closing Date;
- (c) any asset belonging to the Parent Shareholder, deployed at Demerged Undertaking shall be withdrawn on or before the Closing Date; and
- (d) Surface miner of 650 TPH capacity which has been ordered by the Transferor Company and to be received by the Closing Date shall form part of the Demerged Undertaking.

## ANNEXURE - 1A

### TRANSFEROR COMPANY

#### LIST OF MARKETING OFFICES & GODOWNS/DEPOTS

Sl. No	LOCATION	ADDRESS OF RMO/GODOWNS	REMARKS
1	AHMEDABAD	<b>Jaypee Cement Corporation Limited</b> B/2 SAFAL PROFITAIRE , CORPORATE ROAD NEAR PRAHALAD NAGAR GARDEN Ahmedabad	OWNED
<b>GODOWNS IN GUJARAT</b>			
1	Ahmedabad (East)	<b>Jaypee Cement Corporation Limited</b> Jaishakti Building Contractor 91, Shri Krishna Industrial Estate, SV Patel Ring Road, Odhav Distt. Ahmedabad	RENTED
2	Ahmedabad (West)	<b>Jaypee Cement Corporation Limited</b> C/O Morden Organisor F.C.I. Godown Complex, Near Balaji Kutir Kalol Sabarmati Highway, Adalaj Distt. Gandhinagar	RENTED
3	Ahmedabad (West)	<b>Jaypee Cement Corporation Limited</b> Premier Industries, Survey No. 109, Vill. Salathal, Taluka- Sanand, Sarkhej Sanand Highway, Distt. Ahmedabad	RENTED
4	Anand	<b>Jaypee Cement Corporation Limited</b> (Unit of Jaypee Cement Corporation Limited ) Jalanagar Bus stand, opp. Karishma party Plot Chikhodara Sarsa Road Anand	RENTED
5	Gandhinagar	<b>Jaypee Cement Corporation Limited</b> Plot No.104, Opp. Biz Nigam, Sector- 15 Gandhinagar	RENTED
6	Gandhidham	<b>Jaypee Cement Corporation Limited</b> Plot No.43, Sector-10 Gandhidham	RENTED
7	Bhuj	<b>Jaypee Cement Corporation Limited</b> Plot No.103-104 GIDC Nagore Road Bhuj	RENTED
8	Mehsana	<b>Jaypee Cement Corporation Limited</b> Jay Estate , Smith Block No.250, Village Rupal, Mehsana	RENTED
9	Deesa	<b>Jaypee Cement Corporation Limited</b> Opp. Water tank , Davas Bhadath Road Moti Ankhol, Near Krishna Pipe Industries Deesa	RENTED
10	Deesa	<b>Jaypee Cement Corporation Limited</b> Aroma Circle,Near Congress Bhanwan Deesa Highway Palanpur	RENTED
11	Himmatnagar	<b>Jaypee Cement Corporation Limited</b> Alpha Ceramic	RENTED

Sl. No	LOCATION	ADDRESS OF RMO/GODOWNS	REMARKS
		Behind Hotel Sarvodaya, Himmatnagar Shyamala Ji Road, Himmatnagar	
12	Rajkot	<b>Jaypee Cement Corporation Limited</b> Jamnagar Road, Madhapar, Rajkot	RENTED
13	Rajkot	<b>Jaypee Cement Corporation Limited</b> NH 8A, TIMBADI TALUKA MORBI,RAJKOT	RENTED
14	Junagadh	<b>Jaypee Cement Corporation Limited</b> 1, GIDC, Behind State Bank of India Rajkot Road, Junagadh	RENTED
15	JAMNAGAR	<b>Jaypee Cement Corporation Limited</b> DEV COMPLEX RAJKOT JAMNAGAR HIGHWAY,HAPA JAMNAGAR	RENTED
16	Bhavnagar	<b>Jaypee Cement Corporation Limited</b> Viraj Farm, Navagam, Rajkot Bhavnagar Highway Kardej, Bhavnagar	RENTED
17	Bhavnagar	<b>Jaypee Cement Corporation Limited</b> Gadhada Road,Yogi Nagar , Near Shiv Nagar Botad , Distt. Bhavnagar	RENTED
18	Amreli	<b>Jaypee Cement Corporation Limited</b> liliya Road Amreli Gujarat	RENTED
19	Surat	<b>Jaypee Cement Corporation Limited</b> Plot No.180, Ichhapore Bhatpore GIDC At. Bhatpore Taluka Choryasi, Distt. Surat	RENTED
20	Surat	<b>Jaypee Cement Corporation Limited</b> Althan Street Near Sugar Factory NH-8 At & Post Chalthan,Taluka Palsana Distt. Surat	RENTED
21	Navsari	<b>Jaypee Cement Corporation Limited</b> N.H.-8, Greed, Kabilpore Navsari, Gujarat	RENTED
22	Vapi	<b>Jaypee Cement Corporation Limited</b> Plot No.267 Shed No.A2/18, Near Sardar Chowk Phase-II, GIDBC, Vapi, Distt. Valsad	RENTED
23	Vadodara	<b>Jaypee Cement Corporation Limited</b> Godown No.7 PP Trust Estate, Near Railway Station Ranoli Vadodara-391350	RENTED
24	Vadodara	<b>Jaypee Cement Corporation Limited</b> DABHOI ROAD, KAPURAI CHOKADI NEAR KRISHNA HOTEL VADODARA	RENTED
25	Godhra	<b>Jaypee Cement Corporation Limited</b> Opp. Reliance Petrol Pump,	RENTED



Sl. No	LOCATION	ADDRESS OF RMO/GODOWNS	REMARKS
		Near FCI Godown, Lunawada Highway, Godhra	
26	Bharuch	<b>Jaypee Cement Corporation Limited</b> Godown No.17, 9 Gujarat Rajya Ware Housing Corporation,Bholav, Bharuch	RENTED
27	Bharuch	<b>Jaypee Cement Corporation Limited</b> C/O Laxmi Auto Body Builders Plot No. 3/8 N.H.8, Near GIDC Over Bridge, GIDC Estate, Ankleshwar Bharuch	RENTED
28	Ahmedabad (East)	<b>Jaypee Cement Corporation Limited</b> Godown No 28 , Ahmedabad Cotton Merchant Co-Operative Warehouse Society Ltd, Compound Near Stovek Industries Limited , Lambha Ahmedabad	RENTED
29	VADODARA	<b>Jaypee Cement Corporation Limited</b> 2ND FLOOR , ARIES HOUSE NEAR SIDDARTH PALACE HOTEL OLD PADRA ROAD, VADODARA	RENTED
30	BHAVNAGAR	<b>Jaypee Cement Corporation Limited</b> 207, SHANTI ARADHANA COMPLEX OPP. RTAKHESHWAR POLICE STATION WAGHWADI ROAD, BHAVNAGAR	RENTED
31	SURAT	<b>Jaypee Cement Corporation Limited</b> B/305, INTERNATIONAL TRADE CENTRE OPPOSITE MAJURA GATE RING ROAD SURAT	RENTED
32	RAJKOT	<b>Jaypee Cement Corporation Limited</b> 203/204, II ND FLOOR, "PRASHAM" KASTURBA GANDHI MARG NR. DHARAM CINEMA , RAJKOT	RENTED
33	AHMEDABAD	<b>Jaypee Cement Corporation Limited</b> DIPAKBHAI JADHAV A/4 SHRI BHAVANI SOCIETY , NEAR VASTRAPUR STATION NEAR SURYA NAGAR WELL, VEJALPUR SATELLITE AHMEDABAD	RENTED
34	AHMEDABAD	<b>Jaypee Cement Corporation Limited</b> KASHMIRA YADAV B/4 SHRI BHAVANI SOCIETY , NEAR VASTRAPUR STATION NEAR SURYA NAGAR WELL, VEJALPUR SATELLITE AHMEDABAD	RENTED
35	AHMEDABAD	<b>Jaypee Cement Corporation Limited</b> 24-25, SUMERU BUNGLOW, RAMDEO NAGAR, NEAR SATYAGRUH CHAVNI, OPP. RAJSURYA BUNGLOW, SATELLITE ROAD, AHMEDABAD	RENTED
36	BHUJ	<b>Jaypee Cement Corporation Limited</b> HOUSE NO 128, PRABHU NAGAR, OPPOSITE TRIMURTI TEMPLE, AIRPORT ROAD, BHUJ,	RENTED

Sl. No	LOCATION	ADDRESS OF RMO/GODOWNS	REMARKS
37	BHUJ	<b>Jaypee Cement Corporation Limited</b> KARMYOG BUNGLOW, SANSKAR NAGAR, NEAR RADIO COLONY, BHUI,	RENTED
<b>GODOWNS IN RAJASTHAN</b>			
1	UDAIPUR	<b>JAYPEE CEMENT CORPORATION LIMITED</b> 181,182 A, Madri Industrial area Road No.5 Udaipur	RENTED
2	UDAIPUR	<b>JAYPEE CEMENT CORPORATION LIMITED</b> Plot No.87/88 Transport Nagar Bhilwara Road, Chandariya Chittorgarh- 312001	RENTED
3	BANSWARA	<b>JAYPEE CEMENT CORPORATION LIMITED</b> F-120, Industrial, Thikaria Dahod Road, Banswara Rajasthan.	RENTED
4	BANSWARA	<b>JAYPEE CEMENT CORPORATION LIMITED</b> F-8, RIICO Industrial Area Dungarpur, Rajasthan.	RENTED
5	SANCHOR	<b>JAYPEE CEMENT CORPORATION LIMITED</b> 260/88, Tharad Road, Opp. Amar International Hotel Sanchoe, Jalore, Rajasthan.	RENTED
6	SANCHOR	<b>JAYPEE CEMENT CORPORATION LIMITED</b> RIICO Industeial Area MAKHUPURA Sanchoe, Jalore, Rajasthan.	RENTED
7	PALI	<b>JAYPEE CEMENT CORPORATION LIMITED</b> PLOT NO 254/268 OPPOSITE RELIANCE TOWER, PREM NAGAR PALI-MARWAR 306401 Rajasthan.	RENTED
8	PALI	<b>JAYPEE CEMENT CORPORATION LIMITED</b> G-108, Ambaji Industrial Area(RIICO) Abu Road-307026 Rajasthan.	RENTED
9	JODHPUR	<b>JAYPEE CEMENT CORPORATION LIMITED</b> 12-B,Heavy Industrial Area, Behind Rajasthan Steel, Jodhpur, Rajasthan.	RENTED
10	JODHPUR	<b>JAYPEE CEMENT CORPORATION LIMITED</b> Khasra No.268, Nagaur By-pass Road Jodhpur Rajasthan.	RENTED
11	JODHPUR	<b>JAYPEE CEMENT CORPORATION LIMITED</b> Pal Road, Opposite Reliance Petrol Pump Jodhpur Rajasthan.	RENTED
12	AJMER	<b>JAYPEE CEMENT CORPORATION LIMITED</b>	RENTED

Sl. No	LOCATION	ADDRESS OF RMO/GODOWNS	REMARKS
		Idgah Road, Behind Petrol Pump Vaishali Nagar Ajmer, Rajasthan	
13	AJMER	<b>JAYPEE CEMENT CORPORATION LIMITED</b> Ajmer Road By-Pass Behind Daulatgarh Singha Beawar-305901, Rajasthan.	RENTED
14	BHILWARA	<b>JAYPEE CEMENT CORPORATION LIMITED</b> Plot no. 8-9, Opp. Gandhinagar, Near Charbhujia Dharam Kanta, Vivekanand Nagar, Pur Road Bhilwara, Rajasthan	RENTED

# ANNEXURE - 1B

## TRANSFEROR COMPANY

### SEWAGRAM -- GOVT LAND

SL NO	VILLAGE	SURVEY NO	AREA IN SQM	REMARKS
<b>(A)</b>	<b>PLANT AREA</b>			
1	Kharai	103	19800	
2	Kharai	126	9300	
3	Kharai	154p46	1417800	
		sub total	<b>1446900</b>	
1	Fullay	24	282877	
2	Fullay	25	163089	
3	Fullay	27	72641	
4	Fullay	29	87716	
5	Fullay	30	61886	
6	Fullay	32	42088	
7	Fullay	33	53216	
8	Fullay	34	49979	
9	Fullay	35	82354	
10	Fullay	36	88829	
11	Fullay	37	24281	
12	Fullay	38	40671	
13	Fullay	39	21246	
14	Fullay	40	46134	
		sub total	<b>1117007</b>	
1	Vayor	160	72844	
2	Vayor	162	69809	
3	Vayor	163	91055	
4	Vayor	164	91055	
5	Vayor	165	91055	
6	Vayor	166/p4	40469	
		sub total	<b>456287</b>	
1	Paddhar	44/p1	<b>1600000</b>	
		<b>TOTAL</b>	<b>4620194</b>	
<b>(B)</b>	<b>JETTY AREA</b>			
1	Vayor/Paddar	44p26	40469	
2	Vayor/Paddar	149/2	9623	
3	Vayor/Paddar	152/p1	2733	
4	Vayor/Paddar	153/p1	2125	
5	Vayor/Paddar	155/p1	7487	
		sub total	<b>62437</b>	

SL NO	VILLAGE	SURVEY NO	AREA IN SQM	REMARKS
1	Vagot	71/p2	7100	
2	Vagot	74/p3	65300	
3	Vagot	81/p1	23600	
4	Vagot	82/p1	49700	
5	Vagot	83/p3	36800	
6	Vagot	85/p1	48300	
7	Vagot	87/p2	47500	
		sub total	<b>278300</b>	
1	Karmata	150/p2	6300	
2	Karmata	152/p1	11800	
3	Karmata	153/p1	13100	
4	Karmata	159/p1	15600	
		sub total	<b>46800</b>	
1	Mohadi	25p34	60200	
2	Mohadi	unsurveyed	3840000	
		sub total	<b>3900200</b>	
		<b>TOTAL</b>	<b>4287737</b>	
		<b>GRAND TOTAL</b>	<b>8907931</b>	
<b>Sewagram-Private Land</b>				
1	Fulai-2	37/p1	24282	
2	Fulai-2	14p4	32375	
3	Fulai-2	31p1	41784	
4	Fulai-2	14p3	24281	
5	Fulai-2	14P2/1	25900	
6	Fulai-2	10	48765	
7	Fulai-2	6	27923	
8	Fulai-2	8	35815	
9	Fulai-2	7/2	9814	
10	Fulai-2	7/1	10724	
11	Fulai-2	9/1	23270	
12	Fulai-2	3/1	18919	
13	Fulai-2	5/1/p.2	20639	
14	Fulai-2	4/3	11736	
		sub total	<b>356227</b>	
1	Vayor/Paddar	146p13	32375	
2	Vayor/Paddar	89p1	32375	
3	Vayor/Paddar	89p2	24281	
4	Vayor/Paddar	166p3	32375	
5	Vayor/Paddar	44p4/1	48563	
6	Vayor/Paddar	44p25	40470	
7	Vayor/Paddar	101p1	32370	
8	Vayor/Paddar	44p21/1	48563	
9	Vayor/Paddar	44p11	97094	

SL NO	VILLAGE	SURVEY NO	AREA IN SQM	REMARKS
10	Vayor/Paddar	44p15	97094	
11	Vayor/Paddar	44p16	97094	
12	Vayor/Paddar	159p1	40469	
13	Vayor/Paddar	103p1	40469	
14	Vayor/Paddar	166p2	24281	
15	Vayor/Paddar	44p17/1	40500	
16	Vayor/Paddar	85	20234	
17	Vayor/Paddar	166p1	24281	
18	Vayor/Paddar	44p6/1	20234	
19	Vayor/Paddar	94/95/96p2	40469	
20	Vayor/Paddar	94/95/96p1	40470	
21	Vayor/Paddar	107p3	32370	
22	Vayor/Paddar	44/p17/3	8094	
23	Vayor/Paddar	42	18413	
24	Vayor/Paddar	4	18009	
25	Vayor/Paddar	43	27620	
26	Vayor/Paddar	7	23472	
27	Vayor/Paddar	30	22561	
28	Vayor/Paddar	41	71630	
29	Vayor/Paddar	1	35006	
30	Vayor/Paddar	41/2	13355	
31	Vayor/Paddar	37	35613	
		sub total	<b>1180204</b>	
1	Kharai	119	18200	
2	Kharai	114	20100	
3	Kharai	123	19700	
4	Kharai	109	22400	
5	Kharai	105	32900	
6	Kharai	102	33200	
7	Kharai	130	41200	
8	Kharai	131	24200	
9	Kharai	125	20900	
10	Kharai	104/1	33657	
11	Kharai	127	18100	
12	Kharai	128	62000	
13	Kharai	129	16900	
14	Kharai	129/p1	16900	
15	Kharai	154p8	32400	
16	Kharai	154p31	40500	
17	Kharai	154p9	20200	
18	Kharai	154p36	80900	
19	Kharai	154p34	40500	
20	Kharai	154p21	32400	
21	Kharai	154p10	40500	
22	Kharai	154p13	40500	
23	Kharai	154p19	32400	
24	Kharai	154p26p1	20100	

SL NO	VILLAGE	SURVEY NO	AREA IN SQM	REMARKS
25	Kharai	154p26p2	20400	
26	Kharai	154p30	40500	
27	Kharai	154p47p6	20235	
		sub total	<b>841892</b>	
		<b>Total</b>	<b>2378323</b>	
		<b>Say in Hectares</b>	<b>237.8323</b>	
<b>Wanakbori-Private Land</b>				
1	Sangol	131	280937	
2	Sangol	137	4047	
3	Sangol	138	4148	
4	Sangol	142	4502	
5	Sangol	143	14265	
6	Sangol	147	4958	
7	Sangol	170	5362	
8	Sangol	170	5059	
		<b>Total</b>	323278	
		<b>Say in Hectares</b>	<b>32.3278</b>	

## ANNEXURE - 1C

### BUILDINGS & STRUCTURES AT SEWAGRAM

SL NO.	DESCRIPTION	Remarks
<b>A</b>	<b>PLANT - SP I</b>	
1	Raw Material Hopper	
2	Raw Mill House	
3	Raw Mill Bag House	
4	C.F.Silo	
5	Preheater tower	
6	Clinker cooler	
7	Clinker cooler ESP	
8	CCR	
9	Clinker Silo	
10	Cement Mill Hopper	
11	Cement Mill House	
12	Cement Storage Silo	
13	Steel Cement Storage Silo	
14	Packing Plant	
15	Compressor House	
16	L.C.3	
17	Kiln Bypass Beg House	
18	Coal / Lignite Mill House	
19	HFO Fule Storage	
20	LFO Fule Storage	
21	Pump House	
22	Cooling Tower	
23	D.G.House	
24	Air cooled Condenser	
25	Water Treatment Plant	
26	T.G.Building	
27	Boiler House	
28	Boiler ESP	
29	Fly Ash Silo	
30	Chimney	
31	Coal Silo	
32	L.C. - 1	
33	L.C. - 2	
34	Water Tank	
35	Weigh Bridge Control Room	
36	Despatch Office	
37	Store	
38	E & M Workshop	
39	Time Office	
40	Fire Station	
41	Canteen	
42	Dump Hopper	
43	Limestone Stockpile	



SL NO.	DESCRIPTION	Remarks
44	Clay / Leterite Stockpile	
45	Lignite Stockpile	
46	Coal Mill HAG Foundation	
47	Clinker Transfer Tower	
48	Transfer Towers-2Nos	
<b>B</b>	<b>PLANT - SP II</b>	
1	Raw Material Hopper	
2	Raw Mill House	
3	Raw Mill Bag House	
4	C.F.Silo	
5	Preheater Tower	
6	Clinker cooler	
7	Clinker cooler ESP	
8	Clinker Silo	
9	Cement Mill Hopper	
10	Cement Mill House	
11	Cement Mill Baghouse	
12	Cement Storage Silo	
13	Steel Cement Storage Silo	
14	Packing Plant	
15	Compressor House	
16	L.C.3	
17	Kiln Bypass Beg House	
18	Coal / Lignite Mill House	
19	HFO Fule Storage	
20	LFO Fule Storage	
21	Pump House	
22	Cooling Tower	
23	Air cooled Condenser	
24	Circular Stockpile	
25	Circular Stockpile-Sub Station	
26	Roll Press	
27	Boiler House	
28	Boiler ESP	
29	Fly Ash Silo	
30	Coal Silo	
31	Store	
32	Dump Hopper	
33	New Lignite Stockpile	
34	Lignite Storage Shed	
35	Lime Stone PB Stock Pile	
36	Clinker Shaft	
37	Chimney	
38	Transfer Towers-6 Nos	
<b>C</b>	<b>New Age Packaging Unit</b>	
<b>D</b>	<b>Jetty &amp; Desalination Plant</b>	

SL NO.	DESCRIPTION	Remarks
1	Jetty with approach	
2	Clinker Shed	
3	Cement Shed	
4	Coal Shed	
5	Conveying System	
6	Weigh Bridge Control Room	
7	Electric Romm-1	
8	Electric Romm-2	
9	Office Shed	
10	R O Building	
11	Intake Pump House	
12	Intake Pump House	
13	Raw Water Tank-1	
14	Raw Water Tank-2	
15	Stilling Chamber	
16	Gravity Sand Filter	
17	Filter water storage tank	
18	Pressure Sand Filter	
19	R O Chemical House	
20	Pretreatment Plant	
21	Product Water Storage Tank	
22	Reject Water Storage Tank	
23	Switch Yard	
24	Temporary Storage Tank	
25	Bachelor Accomodation FH-3	2 Nos
26	Bachelor Accomodation FH-4	3 Nos
27	Annapurna	
28	Office	
29	Toilet	
30	D G House	
31	Store	
<b>E</b>	<b>Township</b>	
	<b>Field Hostels</b>	
1	FH-1 (G+1)	1 Block
2	FH-2 (G+1)	1 Block
3	FH-2 Annexe (G only)	2 Blocks
4	FH-3 (G only)	6 Blocks
5	FH-4 (G only)	3 Blocks
6	FH-5 (G only)	5 Blocks
7	FH-6 (G only)	2 Blocks
8	WC & Bath Block for FH-6	1 Block
9	Worker's qtrs.	1 Block
10	FH-5 (G+1)	1 Block
11	FH-6 (G+1)	1 Block
	<b>Family Accommodation</b>	
12	C-Type (G+1)	2 Blocks
13	D-Type (G+1)	8 Blocks

SL NO.	DESCRIPTION	Remarks
14	E-Type (G+1)	26 Blocks
15	F-Type (G+1)	34 Blocks
16	H-Type (G+1)	27 Blocks
	<b>Other Buildings/Structures</b>	
17	Club & Gym	
18	Annapurna	
19	Laundry	
20	Shopping Complex	
21	D.G.House	
22	Club & Gym	
23	Podium at Township	
24	Podium at Project Office	
25	Badminton Court	
26	Hospital	
27	Parking Shed at Hospital	
28	Bank of India (Old building)	
29	Office (Old Building)	
30	Sardar Patel Vidyalaya	Gujarati Medium
31	Sardar Patel Vidyalaya	English Medium
32	Worker's Toilet for Annapurna	
33	Gas Bank for Annapurna	
34	Annapurna for School	
35	Shiva Temple	
36	Estate Office	
37	Parking Shed near Estate Office	
38	Parking Shed near FH-I	
39	Incinerator	
40	STP	
41	Over Head Tank	
42	Under Ground Tank	
<b>F</b>	<b>Vikaspuram</b>	
1	Family Quarters	4 Blocks
2	Bachelor Quarters FH-4	54 Blocks
3	Bachelor Quarters FH-3	9 Blocks
4	Dispensary & Office Block	
5	Annapurna for Staff	
6	Annapurna for Security Staff	
7	Atta Chakki	
8	Annapurna	
9	Over Head Tank	4 Blocks
10	Security Cabin	
11	Kitchen for Staff	4 Blocks
12	Bathing Block	10 Blocks
13	WC Block	10 Blocks
14	Restaurant	4 Blocks

## BUILDINGS & STRUCTURES AT WANAKBORI

SL NO.	DESCRIPTION	Remarks
<b>A</b>	<b>PLANT BUILDINGS/STRUCTURES</b>	
1	CEMENT MILL	2 Nos
2	CEMENT SILO	2 Nos
3	COAL MILL	
4	CENTRAL CONTROL ROOM	
5	BAG HOUSE FOR CEMENT MILL	2 Nos
6	PACKING PLANT & TRUCK LOADING	
7	HOT AIR GENERATOR	
8	SUB STATION	
9	FLY ASH EXTRACTING PLANT	
10	ELEC /MECH WORKSHOP	
11	WEIGH BRIDGE	7 Nos
12	AUTO WORK SHOP	
13	PLANT ROAD	
14	DRAINAGE & SEWERAGE PLANT	
15	WATER TREATMENT PLANT BUILDING	
16	TURBINE GENERATOR BUILDING	
<b>B</b>	<b>FIELD HOSTELS</b>	
1	FIELD HOSTEL-1 (G+1)	
2	FIELD HOSTEL-2 (G+1)	
3	FIELD HOSTEL-3 (G+1)	
4	FIELD HOSTEL-4 (G only)	2 Blocks
5	FIELD HOSTEL-5 (G only)	2 Blocks
6	FIELD HOSTEL-6 (G only)	4 Blocks
<b>C</b>	<b>FAMILY ACCOMMODATION</b>	
1	D-TYPE (G+2)	2 Blocks
2	E-TYPE (G+2)	2 Blocks
3	F-TYPE (G+2)	2 Blocks
4	H-TYPE (G+2)	2 Blocks
<b>D</b>	<b>OTHER BUILDINGS</b>	
1	ANNAPURNA MESS	
2	ANNAPURNA MESS FOR WORKERS	
3	HOSPITAL	
4	TEMPLE	
5	ADMINISTRATIVE BUILDING	
6	ESTATE OFFICE	
7	MAIN STORE	
8	LABOUR HUTMENTS	4 Blocks
9	SECURITY OFFICE	
10	SECURITY OFFICE AT GATE	
11	TRANSPORTER SHED	
12	DHOBI GHAT	

# ANNEXURE-1D

## DETAILS OF EQUIPMENTS AND HEAVY VEHICLES OWNED BY THE TRANSFEROR COMPANY DEPLOYED AT SEWAGRAM

SL. NO.	DESCRIPTION	CHASIS NO/ REGN NO	MAKE	LOCATION
1	SURFACE MINER	8210438	WIRTGEN	Limestone Raising
2	SURFACE MINER	8210564	WIRTGEN	Limestone Raising
3	WHEEL LOADER	52782	KOMATSU	Limestone Raising
4	WHEEL LOADER	52783	KOMATSU	Limestone Raising
5	WHEEL LOADER	60012	KOMATSU	Limestone Raising
6	WHEEL LOADER	60013	KOMATSU	Limestone Raising
7	WHEEL LOADER	54339	KOMATSU	Cement Plant
8	WHEEL LOADER	54791	KOMATSU	Cement Plant
<b>B</b>	<b>HEAVY VEHICLES</b>			
1	TATA 4923 TIP TRAILER	GJ12AT 5483	TATA	Limestone Mines
2	TATA 4923 TIP TRAILER	GJ12AT 6090	TATA	Limestone Mines
3	TATA 4923 TIP TRAILER	GJ12AT 5640	TATA	Limestone Mines
4	TATA 4923 TIP TRAILER	GJ12AT 5644	TATA	Limestone Mines
5	TATA 4923 TIP TRAILER	GJ12AT 5641	TATA	Limestone Mines
6	TATA 4923 TIP TRAILER	GJ12AT 5932	TATA	Limestone Mines
7	AMW 4923 TIP TRAILER	GJ7UU 5335	AMW	Limestone Mines
8	AMW 4923 TIP TRAILER	GJ7UU 5304	AMW	Limestone Mines
9	AMW 4923 TIP TRAILER	GJ7UU 5306	AMW	Limestone Mines
10	AMW 4923 TIP TRAILER	GJ7UU 5310	AMW	Limestone Mines
11	AMW 4923 TIP TRAILER	GJ7UU 5311	AMW	Limestone Mines
12	AMW 4923 TIP TRAILER	GJ7UU 5313	AMW	Limestone Mines
13	AMW 4923 TIP TRAILER	GJ7UU 5314	AMW	Limestone Mines

SL. NO.	DESCRIPTION	CHASIS NO/ REGN NO	MAKE	LOCATION
14	AMW 4923 TIP TRAILER	GJ7UU 5315	AMW	Limestone Mines
15	AMW 4923 TIP TRAILER	GJ7UU 5337	AMW	Limestone Mines
16	AMW 4923 TIP TRAILER	GJ7UU 5340	AMW	Limestone Mines
17	AMW 4923 TIP TRAILER	GJ7UU 5341	AMW	Limestone Mines
18	AMW 4923 TIP TRAILER	GJ7UU 5347	AMW	Limestone Mines
19	AMW 4923 TIP TRAILER	GJ7UU 5348	AMW	Limestone Mines
20	AMW 4923 TIP TRAILER	GJ7UU 5349	AMW	Limestone Mines
21	AMW 4923 TIP TRAILER	GJ7UU 5350	AMW	Limestone Mines
22	AMW 4923 TIP TRAILER	GJ7UU 5355	AMW	Limestone Mines
23	AMW 4923 TIP TRAILER	GJ7UU 5358	AMW	Limestone Mines
24	AMW 4923 TIP TRAILER	GJ7UU 5360	AMW	Limestone Mines
25	AMW 4923 TIP TRAILER	GJ7UU 5357	AMW	Limestone Mines
26	AMW 4923 TIP TRAILER	GJ7UU 5356	AMW	Limestone Mines
27	AMW TIPPER	GJ12AW 125	AMW	Limestone Mines
28	AMW TIPPER	GJ12AW 126	AMW	Limestone Mines
29	AMW TIPPER	GJ12AW 128	AMW	Limestone Mines
30	AMW TIPPER	GJ12AW 129	AMW	Limestone Mines
31	AMW TIPPER	GJ12AW 130	AMW	Limestone Mines
32	AMW TIPPER	GJ12AW 131	AMW	Limestone Mines
33	MAN DUMPER	GJ12AT 5013	Manforce	Limestone Mines
34	MAN DUMPER	GJ12AT 5016	Manforce	Limestone Mines
35	MAN DUMPER	GJ12AT 5017	Manforce	Limestone Mines
36	MAN DUMPER	GJ12AT 5012	Manforce	Limestone Mines
37	MAN DUMPER	GJ7UU 5022	Manforce	Limestone Mines
38	MAN DUMPER	GJ7UU 5028	Manforce	Limestone Mines
39	TATA 4923 TIP TRAILER	GJ12AT 5934	TATA	Cement shifting to Jetty
40	TATA 4923 TIP TRAILER	GJ12AT 5935	TATA	Cement shifting to Jetty
41	TRAILORS/TROLLIES - PL HAULWEL	GJ12Y-8651	Manforce	Cement shifting to Jetty
42	TRAILORS/TROLLIES - PL AHULWEL	GJ12Y-8650	Manforce	Cement shifting to Jetty
43	TRAILORS/TROLLIES	GJ12Y-8652	Manforce	Cement shifting

SL. NO.	DESCRIPTION	CHASIS NO/ REGN NO	MAKE	LOCATION
	- PL AHULWEL			to Jetty
44	TRAILORS/TROLLIES - PL AHULWEL	GJ12Y-8657	Manforce	Cement shifting to Jetty
45	TRAILORS/TROLLIES - PL AHULWEL	GJ12Y-8658	Manforce	Cement shifting to Jetty
46	TRAILORS/TROLLIES - PL AHULWEL	GJ12Y-8659	Manforce	Cement shifting to Jetty
47	MAN DUMPER	GJ12AT 5014	Manforce	Clay shifting at Plant
48	MAN DUMPER	GJ7UU 5026	Manforce	Clay shifting at Plant
49	MAN DUMPER	GJ7UU 5017	Manforce	Clay shifting at Plant
50	TATA 4923 TIP TRAILER	GJ12AT 5931	TATA	Coal shifting at CPP
51	TATA 4923 TIP TRAILER	GJ12AT 5933	TATA	Coal shifting at CPP
52	TATA 4923 TIP TRAILER	GJ12AT 6092	TATA	Coal shifting at CPP
53	TATA 4923 TIP TRAILER	GJ12AT 5152	TATA	Coal shifting at CPP
54	FIRE WATER BOUSER	GJ12AT 6220	TATA	Cement Plant
55	FIRE BRANTO BOOM	GJ12AT 6366	TATA	Cement Plant
56	TRAILORS/TROLLIES - PL AHULWEL	GJ12Y-6563	TATA	Cement Plant
57	CEMENT BULKER	GJ12Z 0458	TATA	CPP for Flyash shifting
58	WATER TANKER	GJ12Y 4145	HMT	Plant Roads
59	LP407 TRUCK	GJ12Y 8720	TATA	Stores
60	TATA 4923 TIP TRAILER	GJ12AT 5480	TATA	Auto Workshop
61	TATA 4923 TIP TRAILER	GJ12AT 5642	TATA	Auto Workshop
62	TATA 4923 TIP TRAILER	GJ12AT 5638	TATA	Auto Workshop
63	TATA 4923 TIP TRAILER	GJ12AT 5930	TATA	Auto Workshop
64	TATA 4923 TIP TRAILER	GJ12AT 5153	TATA	Auto Workshop
65	TATA 4923 TIP TRAILER	GJ12AT 5643	TATA	Auto Workshop
66	TRAILORS/TROLLIES - PL AHULWEL	GJ12Y-7578	TATA	Auto Workshop
67	TRAILORS/TROLLIES - PL AHULWEL	GJ12Y-6553	TATA	Auto Workshop
<b>C</b>	<b>OTHER HEAVY</b>			

SL. NO.	DESCRIPTION	CHASIS NO/ REGN NO	MAKE	LOCATION
	<b>EQUIPMENTS</b>			
1	DIESEL GENERATOR SET	1842	SUDHIR	Mines
2	DIESEL GENERATOR SET	4862/1000063	KIRLOSKA R	Mines
3	DIESEL GENERATOR SET	CPLD_2/K/50/025/744/750	POWERICA LTD	Jetty
4	DIESEL GENERATOR SET	CPLD_2/K/50/024/743/749	POWERICA LTD	Jetty
5	GENERATOR SET LPG	C0600328/1000333	HONDA	Jetty
6	GENERATOR SET LPG	FECD-C0600237	HONDA	Jetty
7	DIESEL GENERATOR SET	1843	SUDHIR	Township
8	DIESEL GENERATOR SET	2/K/75/010/957/969	POWERICA LTD	Township
9	FORK LIFT (ELECTRIC)	GJ12AN- 9518	ACE	New Age Packaging Unit
10	FORK LIFT (ELECTRIC)	GJ12AN-1882	ACE	New Age Packaging Unit
11	FORK LIFT (ELECTRIC)	GJ12AN-1883	ACE	New Age Packaging Unit
12	DIESEL GENERATOR SET	CPLD_2/K/50/024/734/740	POWERICA LTD	Autoworkshop
13	DIESEL GENERATOR SET	2/K/75/012/1067/1082	POWERICA LTD	Auto Workshop
<b>Total=8+67+13=88 Nos</b>				

**DETAILS OF VEHICLE OWNED BY THE TRANSFEROR COMPANY (BEYOND ECONOMICAL REPAIRS) AT SEWAGRAM**

SL. NO.	DESCRIPTION	CHASIS NO/ REGN NO	MAKE	LOCATION
1	FIRE TENDER	GJ12Y-8734	TATA	Auto Workshop

**DETAILS OF EQUIPMENTS AND VEHICLES OWNED BY THE TRANSFEROR COMPANY DEPLOYED AT WANAKBORI**

SL NO	DESCRIPTION	REGN. NO	MAKE	LOCATION
<b>A</b>	<b>EQUIPMENTS</b>			
1	LOADER - JCB 430 Z	GJ7AN 9582	JCB	Wanakbori
<b>B</b>	<b>HEAVY VEHICLES</b>			
1	TATA HYVA	GJ7 UU 5305	TATA	Wanakbori



SL NO	DESCRIPTION	REGN. NO	MAKE	LOCATION
2	TATA HYVA	GJ7 UU 5312	TATA	Wanakbori
<b>Total=1+2=3 Nos</b>				

# ANNEXURE-1E

## DETAILS OF BUSES AND LIGHT VEHICLES OWNED BY THE TRANSFEROR COMPANY DEPLOYED AT SEWAGRAM

SL. NO.	DESCRIPTION	REGN NO	MAKE	LOCATION
1	STAFF BUS	GJ12T 4973	TATA	Sewagram
2	STAFF BUS	GJ12AU 4507	TATA	Sewagram
3	STAFF BUS	GJ12AU 4506	TATA	Sewagram
4	STAFF BUS	GJ12X 9825	TATA	Sewagram
5	STAFF BUS	GJ12T 4972	TATA	Sewagram
6	STAFF BUS	GJ12T 4842	TATA	Sewagram
7	STAFF BUS	GJ12T 4845	TATA	Sewagram
8	STAFF BUS	GJ12T 4850	TATA	Sewagram
9	AMBULANCE WITH ICU UNIT	GJ12Y 3049	Force	Sewagram
10	MOBILE CLINIC VAN	GJ22T 444	TATA	Sewagram
11	TATA 407	GJ22T 0376	TATA	Stores
<b>B</b>	<b>LIGHT VEHICLES ( 4 Wheelers &amp; 2 Wheelers)</b>			
1	SECURITY VAN	GJ12Z 7805	M&M	Sewagram
2	SECURITY VAN	GJ12Z 7806	M&M	Sewagram
3	BOLERO	GJ12AE 4312	M&M	Sewagram
4	BOLERO	GJ12AE 3572	M&M	Sewagram
5	BOLERO	GJ22A 475	M&M	Sewagram
6	BOLERO	GJ12J 4689	M&M	Sewagram
7	BOLERO	GJ12J 4685	M&M	Sewagram
8	BOLERO	GJ12J 4709	M&M	Sewagram
9	BOLERO	GJ12J 4726	M&M	Sewagram
10	BOLERO	GJ12AE 7283	M&M	Sewagram
11	BOLERO	GJ12AE 413	M&M	Sewagram
12	BOLERO	GJ22A 466	M&M	Sewagram
13	BOLERO SLE NGT 2WD	GJ12BF 4749	M&M	Sewagram
14	BOLERO SLE NGT 2WD	GJ12BF 4753	M&M	Sewagram
15	BOLERO SLE NGT 2WD	GJ12BF 4739	M&M	Sewagram
16	BOLERO	GJ12AE 420	M&M	Sewagram
17	BOLERO	GJ22A 520	M&M	Sewagram
18	BOLERO	GJ22A 467	M&M	Sewagram
19	BOLERO	GJ22A 519	M&M	Sewagram
20	BOLERO	GJ22A 523	M&M	Sewagram
21	BOLERO SLX 2W	GJ01 KF6915	M&M	Ahmedabad office

SL. NO.	DESCRIPTION	REGN NO	MAKE	LOCATION
22	BOLERO SLX 2WD 7STR BS 3	GHA4L76504	M&M	RMO Ahmedabad
23	BOLERO A/C	GJ12AE 416	M&M	Sewagram
24	BOLERO A/C	GJ12AK 1370	M&M	Sewagram
25	BOLERO A/C	GJ12AK 1372	M&M	Sewagram
26	BOLERO A/C	GJ12AK 1375	M&M	Sewagram
27	BOLERO A/C	GJ12AK 1376	M&M	Sewagram
28	BOLERO A/C	GJ12AK 1379	M&M	Sewagram
29	BOLERO A/C	GJ12J 8066	M&M	Sewagram
30	BOLERO A/C	GJ12AE 3317	M&M	Sewagram
31	BOLERO A/C	GJ12AK 1380	M&M	Sewagram
32	BOLERO A/C	GJ12AK 1382	M&M	Sewagram
33	BOLERO A/C	GJ12AK 1383	M&M	Sewagram
34	BOLERO A/C	GJ12AK 1384	M&M	Sewagram
35	BOLERO A/C	GJ12AE 1565	M&M	Sewagram
36	INNOVA	GJ12J 5914	Toyota	Sewagram
37	INNOVA	GJ22A 540	Toyota	Sewagram
38	TOYOTA INNOVA	GJ01KB5427	Toyota	Ahmedabad office
39	TOYOTA CORROLA (ALTIS)	GJ01KB2754	Toyota	Ahmedabad office
40	TOYOTA CORROLA	GJ1HP 720	Toyota	Ahmedabad office
41	COROLLA	GJ22A 630	Toyota	Sewagram
42	SCORPIO	GJ12AE 3173	M&M	Sewagram
43	SCORPIO	GJ12J 5832	M&M	Sewagram
44	SCORPIO	GJ12J 3357	M&M	Sewagram
45	HONDA CRV	GJ12AK 0353	Honda	Sewagram
46	HMT TRACTOR	GJ12K 6231	HMT	Sewagram
47	HMT TRACTOR	GJ12K 6242	HMT	Sewagram
48	CAMPER	GJ22T 328	M&M	Sewagram
49	CAMPER	GJ12Y 3710	M&M	Sewagram
50	CAMPER	GJ12Y 1289	M&M	Sewagram
51	CAMPER	GJ22T 337	M&M	Sewagram

SL. NO.	DESCRIPTION	REGN NO	MAKE	LOCATION
52	CAMPER	GJ12AT 1585	M&M	Sewagram
53	CAMPER	GJ12AT 1586	M&M	Sewagram
54	CAMPER	GJ12Y 1290	M&M	Sewagram
55	CAMPER	GJ12Y 3711	M&M	Sewagram
56	CAMPER	GJ22T 329	M&M	Sewagram
57	HERO HONDA BIKE	GJ12AP 8679	Hero Honda	Sewagram
58	HERO HONDA BIKE	GJ12AP 8680	Hero Honda	Sewagram
59	HERO HONDA BIKE	GJ22 7335	Hero Honda	Sewagram
60	HERO HONDA BIKE	GJ22 7336	Hero Honda	Sewagram
61	HERO HONDA BIKE	GJ22 9701	Hero Honda	Sewagram
62	HERO HONDA BIKE	GJ22 9702	Hero Honda	Sewagram
63	HERO HONDA BIKE	GJ22 9703	Hero Honda	Sewagram
64	HERO HONDA BIKE	GJ22 9704	Hero Honda	Sewagram
65	TATA TRUCK	GJ22T 366	TATA	Sewagram
66	ESTEEM CAR	GJ22A 801	Maruti	Sewagram
67	CULTIVATOR	Tractor Attachment		Sewagram
68	TATA ACE MAGIC	GJ12AE 8218	TATA	Gandhidham Railway Siding
69	HERO HONDA BIKE	GJ12BD 419	Hero Honda	Sewagram
70	MAHINDRA XYLO	MH06AZ 1251	M&M	RMO Ahmedabad
71	XYLO E 4	GJ12AE 7451	M&M	Sewagram
72	XYLO E 4	GJ12AE 7448	M&M	Sewagram
<b>Total=11+72=83</b>				

**DETAILS OF LIGHT VEHICLES OWNED BY THE TRANSFEROR COMPANY  
DEPLOYED AT WANAKBORI**

SL NO	DESCRIPTION	REGN. NO	MAKE	LOCATION
1	BOLERO JEEP	GJ 22 A 724	M & M	Wanakbori
2	BOLERO JEEP	GJ 22 A 726	M & M	Wanakbori
3	BOLERO JEEP	GJ 22 AG 7460	M & M	Wanakbori
4	BOLERO JEEP	GJ7 AG 9155	M & M	Wanakbori
5	BOLERO PICKUP	GJ 22 T 520	M & M	Wanakbori
6	BOLERO CAMPER	GJ UU 4119	M & M	Wanakbori
7	SCORPIO	GJ7 AG 9211	M & M	Wanakbori
8	MARUTI ESTEEM VXi	GJ 22 A 810	MARUTI	Wanakbori
9	HERO HONDA SUPER SPLENDER	GJ 22 B 2180	HERO HONDA	Wanakbori
10	HERO HONDA PASSION	GJ BC 9421	HERO HONDA	Wanakbori
11	HERO HONDA SUPER SPLENDER	GJ 7 BE 640	HERO HONDA	Wanakbori

SL NO	DESCRIPTION	REGN. NO	MAKE	LOCATION
12	TATA MAGIC MINI BUS	GJ 7 AR 274	TATA	Wanakbori
13	FIRE TENDER	GJ 7 AN 9590	TATA	Wanakbori
14	TATA WINGER AMBULANCE	GJ 7 UU 3500	TATA	Wanakbori

**DETAILS OF VEHICLE OWNED BY THE TRANSFEROR COMPANY  
(BEYOND ECONOMICAL REPAIRS) AT SEWAGRAM**

SL NO	DESCRIPTION	REGN. NO	MAKE	LOCATION
1	BOLERO	GJ12J 7394	M & M	Auto Workshop

**DETAILS OF LIGHT VEHICLES OWNED BY THE TRANSFEROR COMPANY  
DEPLOYED AT OTHER SITES**

SL NO	DESCRIPTION	REGN. NO	MAKE	LOCATION
1	CITY HONDA	GJ12AE 5798	Honda	NIGRIE
2	ESTEEM	GJ22A 504	Maruti	JAYEE REWA PLANT
3	BOLERO	GJ12J 4696	M & M	NIGRIE
4	BOLERO	GJ12J 4693	M & M	NIGRIE
5	BOLERO	GJ12J 7396	M & M	NIGRIE
6	BOLERO	GJ12AE 7276	M & M	NIGRIE
7	BOLERO AC	GJ12AK 7527	M & M	NIGRIE
8	BOLERO A/C	GJ12J 3573	M & M	JAYEE REWA PLANT
9	CAMPER	GJ12AT 1587	M & M	JAYEE REWA PLANT
10	CAMPER	GJ22T 362	M & M	JAYEE REWA PLANT
11	CAMPER	GJ12AT 1823	M & M	JAYEE REWA PLANT
12	CAMPER	GJ12AT 1824	M & M	NIGRIE
13	TOURISTER MINI BUS	GJ12X9841	M & M	WANAKBORI
14	TATA 4923 TIP TRAILER	GJ12AT 6094	TATA	BHILAI
15	TATA 4923 TIP TRAILER	GJ12AT 6095	TATA	BHILAI
16	TATA 4923 TIP TRAILER	GJ12AT 6097	TATA	BHILAI
17	TATA 4923 TIP TRAILER	GJ12AT 6096	TATA	BHILAI

## **ANNEXURE I F**

### **AGREEMENTS AND CONTRACTS**

1. Transportation Contracts with 34 transporters at Sewagram and 27 transporters at Wanakbori as per Annexure 1F1.
2. Transportation Contracts with 82 villagers as per Annexure 1F2.
3. List of other Contracts / Agreements as per Annexure 1F3.
4. Sales Promoters Agreements.
5. Dealers Agreements.
6. Agreement of JAL with JCCL dated 24<sup>th</sup> July, 2013 for supply of manpower.

# ANNEXURE - 1F1

## SEWAGRAM - TRANSPORTATION CONTRACTS WITH TRANSPORTERS

SL. NO.	NAME OF TRANSPORTER	ADDRESS	MATERIAL HANDLED
1	KRISHNA ROADLINES	6,RASMI APPARTMENT OPP:AKASHWANI NR.JUBILY GROUND, BHUIJ- KUTCH 370001	CEMENT, CLINKER, COAL
2	MAHALAXMI ASSOCIATE	2, TEXTILE TECHNICIAN SOCIETY,GANDHI BRIDGE CORNER NR.INCOME TAX OFFICE ASHRAM ROAD, AHMEDABAD-380009	CEMENT, CLINKER, COAL, LIGNITE, GYPSUM
3	OLYMPIC TRANSPORT	CHINUBHAI CHAMBERS, OLD LATI BAZAR, KAGDAPITH, AHMEDABAD-380022	CEMENT, CLINKER
4	RIDDHI CARRIERS	B-80, RTO RELOCATION SIDE,NR.MAHINDRA FINANCE, KATIRA COMPLEX, BHUIJ-KUTCH-370001	CEMENT, CLINKER
5	SHREE SARSWATI CARRY TRADE CO.	108,BALARAM COMPLEX, STATION ROAD, BHUIJ-370001	CEMENT, CLINKER, COAL, LIGNITE, GYPSUM
6	SIDDHI VINAYAK TRANSPORT	306,SAIL BUIDLING, OPPOSITE MADHUSUDAN HOUSE, BEHIND GIRISH COLD DRINKS, MEETHAKALI, AHMEDABAD-380006	CEMENT, CLINKER
7	RUDRA ASSOCIATES PVT.LTD.	“DEVI KRUPA”, NR.ICICI BANK, NALIYA, DIST-KUTCH (GUJ.)	CEMENT, CLINKER, COAL, LIGNITE, GYPSUM
8	KANDLA CARGO CARRIERS	SHREEJI HOUSE,PLOT NO.269,SECTOR 1-A, MAMLATDAR OFFICE, GANDHIDHAM-370201	CEMENT, CLINKER
9	RAHUL TRANSPORT	21,MANI COMPLEX, PLOT NO.84, SECTOR-8, GANDHIDHAM-370001	CEMENT, CLINKER, COAL, GYPSUM
10	TIRTH TRANSPORT CO.	105,YADUNANDAN ARKET, NR.RAMWAY BRIDGE, MADHAPAR-ANJAR HIGHWAY, MADHAPAR, DIST-KUTCH	LIGNITE

SL. NO.	NAME OF TRANSPORTER	ADDRESS	MATERIAL HANDLED
11	SAMAY TRANSPORT CORP	102, AMIT COMPLEX, RAVI CINEMA COMP., STATION ROAD, BHUJ-KUTCH	CEMENT, CLINKER, COAL, LIGNITE, GYPSUM
12	ROYAL TRANSPORT CARRIER	SHOP NO. 10, VARDHMAN SHOPPING COMPLEX, MADHAPAR HIGHWAY (BHUJ) KUTCH)GUJARAT	CEMENT, CLINKER
13	RIDDHI SIDDHI LOGISTICS	7, FIRST FLOOR, MUNI.SHOPPING CENTRE OPP:HOTEL PRINCE, STATION ROAD, BHUJ	CEMENT, CLINKER, COAL, LIGNITE
14	MAA WAGEHWARI ROADLINES	7, OM COMPLEX NR.BHID JAKAT NAKA, BHUJ MADHAPAR HIGHWAY BHUJ-370001	CEMENT, CLINKER, COAL
15	CHARTERED LOGISTICS LTD	C-1, JAY TOWER,4TH FLOOR, ANKUR COMMERCIAL CENTRE, NARANPURA, AHMEDABAD-380013	CEMENT, CLINKER, COAL
16	SACHDE ROADLINES	MICO STREET,SHOP NO.02, LAXMI CHAMBER, BHUJ-MADHAPAR HIGHWAY, BHUJ-370001	CEMENT, CLINKER, COAL
17	REGAL SHIPPING PVT. LTD.	VASWAMI CHAMBERS, OFFICE NO.05,PLOT NO-16, SECTOR-8, GANDHIDHAM-370201	CEMENT, CLINKER, COAL
18	MARUTI ROAD CARRIER	10, OLD GUNJ BAZAR, PALANPUR-385001	CEMENT, CLINKER
19	HINDUSTAN COAL CORPORATION	OFFICE-107,PARASMANI COMMERCIAL CENTRE, NEW STATION ROAD, BHUJ-370001	LIGNITE
20	MAHESHWARI LOGISTICS	239, PANCHARATNA COMPLEX,GIDC CHAR RASTA, VAPI-396195 (GUJ.)	CEMENT, CLINKER, COAL
21	VIJAY LAXMI TRANSPORT CO.	6, SOPAN APPARTMENT, NR.AMTS BUS STOP, CHANDKHEDA, AHMEDABAD-382424	FLY ASH
22	SHREE GAYATRI ENTERPRISE	“MAYUR HOUSE”, NR.NAGARJUN PETROL PUMP, JAMNAGAR-KHAMBHALIYA HIGHWAY, SIKKA PATIYA, TA & DIST-	LIGNITE



SL. NO.	NAME OF TRANSPORTER	ADDRESS	MATERIAL HANDLED
		JAMNAGAR (GUJ.)-361140	
23	SHREE RAMDEV TRANSPORT	“KRUSHI SEVA KENDRA”, AT-DAYAPAR, TALUKA-LAKHPAT DIST-KUTCH	CEMENT, CLINKER, COAL
24	RUTU LOGISTICS	110,RADHE COMPLEX,NR.RADHE WEIGHT BRIDGE, N.H.GANDHIDHAM-370201 DIST-KUTCH (GUJ.)	CEMENT, CLINKER, COAL
25	KRISHNA KRUP ROADLINES	RAYLI CHAMBERS, OFFICE NO.15, OPP:GANGA NAKA JAKATNAKA, ANJAR-370110 DIST-KUTCH	CEMENT, CLINKER
26	SWAMI NARAYAN VIJAY CARRY TRADE PVT LTD	SVCT HOUSE, MIRJAPAR ROAD, BHUJ(KUTCH)-370001	CEMENT, CLINKER
27	NASIB GROUP	VILL & POST OFFICE VAYOR, TALUKA- ABDASA DISTT. KUTCH-GUJARAT	CEMENT, CLINKER, COAL
28	SHEEVAM ROADLINES	SHOP NO.-5, THERMAL POWER STATION ROAD, VILL-TIMABANA MUWADA, TALUKA-THASRA DISTT. KHEDA, GUJARAT-388245	CEMENT
29	SHREE LAXMI CARRY TRADE CO.	108,BALARAM COMPLEX, STATION ROAD, BHUJ-370001	LIGNITE
30	AAI SHAKTI LOGISTICS	MAHADEV HOSPITAL, BEHIND POLICE STATION, VERAVAL SHAPAR CHOWKDI, VERAVAL SHAPAR, DISTT-RAJKOT	CEMENT, CLINKER
31	MEERA ROADWAYS	11 DHANLAXMI COMPLEX, MADHAPAR HIGHWAYS, BHUJ KUTCH - 370001	CEMENT, CLINKER
32	AVADH LOGISTIC	6-GITA CHAMBER, 1ST FLOOR, MADHAPAR HIGHWAY, BHUJ-KUTCH - 370001	LIGNITE
33	THE PUNJAB HARYANA ROADLINES	SHOP NO-1, SERVY NO 509, MITHI ROHAR, NH - 8A, GANDHIDHAM	CLINKER
34	MEET CORPORATION	Q-4.2ND FLOOR,SUMAN TOWER,HOTEL FORTUNE IN,CH-ROAD,SECTOR-11,GANDHINAGAR	LOOSE CEMENT

## TRANSFEROR COMPANY - CEMENT TRANSPORTERS AT WANAKBORI

SL NO	VENDOR NAME	STREET	CITY	STATE	MATERIAL TRANSPORTED
1	AILSINGHANI TRANSPORT PVT. LTD.-GUJ	201/202, KALPVRAKSHA BUILDING,BEHIND PREM ASHISH BUILDING,	RHB ROAD, MULUND (W)	Maharashtra	Cement
2	CHARTERED LOGISTICS LIMITED (GUJ)	C-1, JAY TOWER, 4TH FLOOR,AKUR ROAD, NARANPURA,	AHMEDABAD	Gujarat	Cement
3	GAYATRI TRANSPORT-GUJ	VRINDAVAN CHAR RASTA,AMBAJI HIGHWAY	KHERALU DIST-MEHSANA	Gujarat	Cement
4	H.K. ENTERPRISES	VILLAGE - SANGOL, POST - SONIPUR	GUJARAT	Gujarat	Cement
5	HINDUSTAN LOGISTICS	NEAR WANAKBORI, THERMAL POWER STATION ,VILL-SANGOL DIST-KHE	KHEDA	Gujarat	Cement
6	JAY RANCHHOD (TRANSPORT)	SANGOL, THASRA TOWER ROAD	KHEDA	Gujarat	Cement
7	JAYAMBE TRANSPORT	SANGOL, THASRA TOWER ROAD	KHEDA	Gujarat	Cement
8	JINENDRA KUMAR RANJEETSINGH BAFNA	MEGHNAGAR	JHABUA	Madhya Pradesh	Cement
9	NEW RUBY ROADLINES (GUJ)	THAKUR ESTATE, B/H. RAHIL WAY-BRIDGE,	OPP.SHAHWADI N H NO.8 NAROL AHMEDABAD	Gujarat	Cement
10	SHREE SAI CORPORATION TRANSPORTER	303, GOLDEN POINT, NR. GAJJAR CHAMBERS,	RING ROAD,SURAT	Gujarat	Cement
11	SHREE MAHALAXMI TRANSPORT CARRIERS	607, P.B. PAREKH, NR. HIRABHAI MARKET,AHMEDABAD	OPP. VANIJYA BHAVAN, KANKARIA ROAD	Gujarat	Cement
12	SHREE UMIYA TRANSPORT	11/1,BOBIN SHOPPING CENTRE,OPP-M	ODHAV, AHMEDABAD	Gujarat	Cement
13	SHEEVAM ROADLINES	150 A,TRIBHUWAN COMPLEX,	ISHWAR NAGAR, MATHURA ROAD,NEW DELHI	Delhi	Cement
14	SHREE JAY AMBE TRANSLINE PVT.LTD.	B-205, KRISHNA COMPLEX, OPP-SHAHWADI BUS STOP,N.H.NO-8	NAROL, AHMEDABAD	Gujarat	Cement
15	SHREE KHODIYAR TRANSPORT SERVICE	G.S.F.C.APROCH GATE ,CHHANI BAJAVA ROAD	VADODARA - (GUJARAT)	Gujarat	Cement
16	SIDDHI VINAYAK LOGISTICS LIMITED	14-15, BHATPORE GIDC,OPP-O.N.G.C	SURAT	Gujarat	Cement
17	SHREE KHODIYAR	119, AT-SANGOL TA-THASRA, DIST-KHEDA	AT-SANGOL PO-SONIPUR	Gujarat	Cement

SL NO	VENDOR NAME	STREET	CITY	STATE	MATERIAL TRANSPORTED
	TRANSPORT				
18	TRANS HOME (TRANSPORTER)	BHURAVAV CHAR RASTA	GODHRA	Gujarat	Cement
19	WORLDWIDE MOVERS	VILL. KAHANPUR KHUHI, GARH SHANKER ROAD, TEHSIL	ANANDPUR SAHIB, ROPAR	Punjab	Cement
20	JAGDISH ROADWAYS	J-534 AZAD NAGAR BHILWARA	BHILWARA	Gujarat	Cement
21	K.K.BUILDCON	249, NEAR GIRNAR HOTEL, N.H.NO-8, KAMREJ,	SURAT	Gujarat	Cement
22	MEET CORPORATION	SUMAN TOWER, NEAR HOTEL FORTUNE INN "CH" ROAD ,	Q-4, SECOND FLOOR, SECTOR-11 GANDHINAGAR	Gujarat	Cement
23	PRAKASH ENTERPRISES	U-33,AKRUTI ELEGANCE, "B" WING,1st FLOOR, 90 FEET ROAD, GAWA	MULUND (EAST) , MUMBAI	Maharashtra	Cement
<b>Raw Material Transporters at Wanakbori</b>					
24	AMBE TRANSPORT	SURVEY NO.251 NR. BUS STAND VILLAGE-THASRA , TAL.-THASRA	DISTRICT KHEDA.	Gujarat	Marine Gypsum
25	MAHALAXMI ASSOCIATES	2,TEXTILE TECHNICIAN SOCIETY GANDHI BRIDGE CORNER	Nr.INCOME TAX OFFICE,ASHRAM ROAD AHMEDAB	Gujarat	Marine Gypsum
26	SHREE SARSWATI CARRY TRADE CO.	108,BALRAM COMPLEX STATION ROAD	BHUJ-KUTCH	Gujarat	Coal Transportation
27	SHREE KHODIYAR TRANSPORT SERVICE	G.S.F.C.APROCH GATE ,CHHANI BAJAVA ROAD	VADODARA - (GUJARAT)	Gujarat	Chemical Gypsum

## ANNEXURE - 1F2

### SEWAGRAM - TRANSPORTATION CONTRACTS WITH LOCAL VILLAGERS

SL. NO.	NAME OF TRANSPORTER	ADDRESS	MATERIAL HANDLED
1	SAIYAD ABDULRAHMAN HAJITALABSHA	VILLAGE-CHAROPADI TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
2	AMAD OSMAN JAT	VILLAGE-MOHADI TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
3	AMADSHA M. SAIYAD	VILLAGE-DAYAPAR TAL-LAKHPAT DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
4	BHANUSHALI VYKUNTA	VILLAGE-SUKHAPAR TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
5	GUSAI ASHOK DEVENDRAPURI	VILLAGE-SUKHAPAR TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
6	HARIJAN LAL JI KANJI	VILLAGE-CHAROPADI TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
7	SAIYAD HUSSAINSHA MUSTAFASHA	VILLAGE-CHAROPADI TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
8	IMAGE LOGISTIC	VILLAGE-CHAROPADI TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
9	PIRJADA ISMAILCHHA IBRAHIMCHHA	VILLAGE-VAYOR TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
10	JAT MAHMAD KASAMBHAI	VILLAGE-CHIKHALI TAL-MANDVI DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
11	JAT AMADH MERU	VILLAGE-MOHADI TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
12	JAT MUSA BHARA	VILLAGE-BHARAWANDH TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
13	JAT ABHUBHAKHAR BHARA	VILLAGE-MOHADI TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL

SL. NO.	NAME OF TRANSPORTER	ADDRESS	MATERIAL HANDLED
14	JAT BHASRABAI A.	VILLAGE-MOHADI TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
15	JAT KASAM HUSAINBHARA	VILLAGE-MOHADI TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
16	JAT HUSENBHAI AMADHBHAI	VILLAGE-MOHADI TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
17	JAT ABDREMAN ABDULA	VILLAGE-MOHADI TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
18	JAT ISMAIL UMAR	VILLAGE-MOHADI TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
19	JAT MUBARAK BHARA	VILLAGE-MOHADI TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
20	SAIYAD KASAMSHA HUSSAINSHA	VILLAGE-CHAROPADI TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
21	MITHU SALE JAT	VILLAGE-MOHADI TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
22	OSMANBHAI ABDULLABHAI	VILLAGE-MOHADI TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
23	PADYAR TALAB HASAN	VILLAGE-KHARAI TAL-LAKHPAT DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
24	SAIYAD TALABSHA OSMANSHA	VILLAGE-CHAROPADI TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
25	SAIYAD ABDULLASHA JUSABSHA	VILLAGE-CHAROPADI TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
26	SAIYAD ISMAILSHA HUSSAINSHA	VILLAGE-CHAROPADI TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
27	SAIYAD MAHMADHANIF MAMADSHA	VILLAGE-DAYAPAR TAL-LAKHPAT DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
28	JAT ALI OSMAN	VILLAGE-MOHADI	CEMENT,

SL. NO.	NAME OF TRANSPORTER	ADDRESS	MATERIAL HANDLED
		TAL-ABDASA DIST-KUTCH (GUJARAT)	CLINKER, COAL
29	JAT AAMAD OSMAN MEESHU	VILLAGE-MOHADI TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
30	JAT MUSHA MERU	VILLAGE-MOHADI TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
31	LAKHAMAN AMARJI SODHA	VILLAGE-NANI CHAROPADI,TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
32	JAT ALI KARMI	VILLAGE-MOHADI TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
33	JAT YAKUB BHARA	VILLAGE-BHARAWANDH TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
34	JAT SIDIQUE OSMAN	VILLAGE-MOHADI TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
35	JAT AARAB AAMAD	VILLAGE-BHARAWANDH TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
36	JAT MUSTAFA ALI	VILLAGE-BHARAWANDH TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
37	JAT SULEMAN AAMAD	VILLAGE-BHARAWANDH TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
38	JAT AADAM ALI	VILLAGE-MOHADI TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
39	JAT NASHIB AAMAD	VILLAGE-BHARAWANDH TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
40	JAT AADAM OSMAN MEESHU	VILLAGE-MOHADI TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
41	JAT ABDUL KARIM OSMAN	VILLAGE-MOHADI TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL

SL. NO.	NAME OF TRANSPORTER	ADDRESS	MATERIAL HANDLED
42	JAT YUSUF MAMAD	VILLAGE-MOHADI TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
43	JAT UMAR MAMAD	VILLAGE-MOHADI TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
44	JAT ALI SAWAN	VILLAGE-BHARAWANDH TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
45	JAT SIDIQE HAJI BHARA	VILLAGE-BHARAWANDH TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
46	JAT ABBAS ALI BHARA	VILLAGE-BHARAWANDH TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
47	JAT MUSA OSMAN	VILLAGE-BHARAWANDH TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
48	JAT MUSTAFA NAMARA	VILLAGE-BHARAWANDH TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
49	JAT KASAM AAMAD	VILLAGE-MOHADI TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
50	JAT ABDULLAH OSMAN	VILLAGE-MOHADI TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
51	JAT HAMIR MEERU	VILLAGE-MOHADI TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
52	JAT UMAR SUGAAR	VILLAGE-MOHADI TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
53	JAT ISMAIL RAMU	VILLAGE-MOHADI TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
54	JAT SIDIQUE MAMAD	VILLAGE-MOHADI TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
55	JAT MAMAD SAWAN	VILLAGE-BHARAWANDH TAL-ABDASA DIST-	CEMENT, CLINKER, COAL

SL. NO.	NAME OF TRANSPORTER	ADDRESS	MATERIAL HANDLED
		KUTCH (GUJARAT)	
56	JAT GANI ALI	VILLAGE-BHARAWANDH TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
57	JAT SHALE MERU	VILLAGE-MOHADI TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
58	JAT HASAN SUGAAR	VILLAGE-MOHADI TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
59	JAT AAMAD BHARA	VILLAGE-BHARAWANDH TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
60	JAT SULEMAN SAINA	VILLAGE-MOHADI TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
61	JAT GULAMMUSTAFA MUSHA	VILLAGE-MOHADI TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
62	JAT ISMAL BHARA	VILLAGE-BHARAWANDH TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
63	JAT ISMAIL IBRAHIM	VILLAGE-BHARAWANDH TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
64	JAT SIDIQUE AAMAD	VILLAGE-MOHADI TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
65	JAT YAKUB HAMZA	VILLAGE-BHARAWANDH TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
66	JAT UMAR ISMAIL	VILLAGE-MOHADI TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
67	JAT MUSHA SAWAN	VILLAGE-MOHADI TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
68	JAT NURMAMD MUBARAKH	VILLAGE-MOHADI TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
69	JAT MUSTAFA MUBARAKH	VILLAGE-MOHADI TAL-ABDASA DIST-	CEMENT, CLINKER, COAL



SL. NO.	NAME OF TRANSPORTER	ADDRESS	MATERIAL HANDLED
		KUTCH (GUJARAT)	
70	JAT MUBARAKH SAWAN	VILLAGE-MOHADI TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
71	JAT SUMABAI SIDIKHUSEN	VILLAGE-BHARAWANDH TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
72	JADEJA NATVAR SINH RANA JITSINH	VILLAGE-MOTI CHAROPADI TAL-ABDASA DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
73	SODHA RAMUBHA MEGHJI	VILLAGE-NANI CHAROPADI TAL-ABDASA, DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
74	PADHIYAR ALIMAMAD ABHU	VILLAGE-KHARAI TAL-LAKHPAT DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
75	PADHIYAR AMAD ABHU	VILLAGE-KHARAI TAL-LAKHPAT DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
76	PADYAR IBRAHIM HASANBHAI	VILLAGE-KHARAI TAL-LAKHPAT DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
77	PADYAR MAJIDBHAI AMADBHAI	VILLAGE-KHARAI TAL-LAKHPAT DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
78	PADYAR NAVAJ MALIK	VILLAGE-KHARAI TAL-LAKHPAT DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
79	PADIYAR SALIM SULEMAN	VILLAGE-BUDHA TAL-LAKHPAT DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
80	PADHIYAR HASAN HAJIRAMDHAN	VILLAGE-BUDHA TAL-LAKHPAT DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
81	PADHIYAR HUSAIN SULEMAN	VILLAGE-BUDHA TAL-LAKHPAT DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL
82	PADYAR HAJRABAI TALABBHAI	VILLAGE-KHARAI TAL-LAKHPAT DIST-KUTCH (GUJARAT)	CEMENT, CLINKER, COAL

### ANNEXURE 1F3

#### LIST OF OTHER CONTRACTS / AGREEMENTS

SL NO.	NAMES M/S / SARVASHREE	WORKS
1	M/s D.K. & Sons	Packing and loading of cement, cleaning and maintenance of packing plant at JWCGU at Wanakbori
2	M/s. N C Enterprises	Packing and loading of cement, cleaning and maintenance of packing plant at JWCGU at Sewagram
3	M/s. Manu Enterprises	Packing and loading of cement, cleaning and maintenance of packing plant at JWCGU at Sewagram
4	M/s Ion Exchange (India) Ltd	Operations and maintenance contract of desalination plant
5	Gujarat State Electricity Corporation Limited	Agreement with Gujarat State Electricity Corp Ltd for supply of pond flyash from Wanakbori Thermal Power Station
6	Gujarat State Electricity Corporation Limited	Agreement with Gujarat State Electricity Corp Ltd for supply of dry flyash from Wanakbori Thermal Power Station
7	Swaminarayan Vijay Carry Trade Pvt Ltd	Work order for handling bagged cement in 50kg bag, repacked in 1/1.5 Ton Jumbo Bag/ Sling at Mudra and Kandla Port
8	M/s Image Marine- VAYOR	Contract for providing port services at JGCP captive jetty and transportation of cement cargo from storage yard to JGCP captive jetty
9	M/s Khattar Marine Services Pvt Ltd	Time Charter Agreement for Tug Tapakeshwari GMB.
10	M/s Safe & Sure Marine Services Pvt Ltd	Transport of bagged cement in 50Kg PP Bags (upto 2mt each) in two vessels "M.V. NAFISA-I" & "M.V.PRIYANKA" of the party from 1SP 1SB Jaypee Captive Jetty facility at Kharo Creek to 1SP 1SB Mumbai.
11	Alfa Developers	Maintenance jobs for Cement Plant, Mines and Township
12	Alfa Developers	Loading & Transportation of Laterite
13	Alfa Developers	Loading & Transportation of Limestone
14	APT Engineers	Maintenance of electrical equipments at Plant
15	APT Engineers	Maintenance of electrical equipments at Jetty
16	B D Singh	Misc Mechanical Works at Plant
17	B J Chauhan	Stability Certificate of Plant
18	Bank of India	Lease Agreement for Branch at Sewagram
19	Bhikhabhai Chandra	Maintenance & cleaning jobs for Cement Plant
20	Bhikhabhai Chandra	Maintenance & cleaning jobs at New Age Packaging
21	Central Drilling Associate	Diamond Core Drilling at Lime Stone Mining

SL NO.	NAMES M/S / SARVASHREE	WORKS
		Area
22	Dolphin Security Services	Security Sevices
23	Fascel Limited	Setting of Transmission Tower for Vodafone Mobile Service
24	Hajee A P Bava & Co.	Misc Mechanical Works at Plant
25	I P Associates	Bails Making at New Age Packaging
26	I P Associates	Loom Maintenance at New Age Packaging
27	I P Associates	Removal of printed week no & MRP on empty Cement Bags
28	I P Associates	Printing & Bailing of Empty Cement Bags
29	Image Marine Stevedore	Maintenance jobs for side slope of Jetty Road & cleaning work at Plant
30	Indus Towers Limited	Setting of Transmission Tower for Vodafone Mobile Service
31	Jagir Singh Enterprises	Maintenance jobs for Cement Plant, Mines & Township
32	Kasamchha Pirjada	Handling of Raw Material at Plant
33	Kobra Group	Security Sevices
34	Mahaveer Enterprises	Cleaning operations of Cement Plant
35	Mahaveer Enterprises	Maintenance jobs for Cement Plant, Mines & Township
36	Manji Harijan	Misc Civil works at plant
37	Mannu Ram	Maintenance jobs for Cement Plant, Mines & Township
38	Manu Enterprise	Packing & loading of Cement Bags at Plant
39	N C Enterprise	Packing & loading of Cement Bags at Plant
40	N C Enterprise	Maintenance jobs for Cement Plant, Mines & Township
41	New Deepa Rupa	Maintenance jobs for Cement Plant, Mines & Township
42	Padiyar Abdul Sattar	Fixing of CC Blocks in Mines and cleaning work
43	Padiyar Husain Suleman	Handling of Raw Material at Plant
44	Padiyar Talab Hasan	Fixing of CC Blocks in Mines and cleaning work
45	Padyar Talab Hasan	Handling of Clinker at Plant
46	Prabhubha Kenji Padhiyar	Cleaning operations of CPP
47	Prabhubha Kenji Padhiyar	Removal of Alkali material from Plant
48	Rajendra Pratap Singh	Misc Mechanical Works at Plant
49	Raxak Intellegence & Security Protection P Ltd	Security Sevices
50	Royal Environment Auditing & Consultancy Service	Environmental Auditing of Cement Plant, Mines and Township
51	Satish Engineering Works	Cleaning & removal of waste material at Plant
52	Shiv Dular Singh	Maintenance of electrical equipments at Plant
53	Sumeru Industries	Lease Agreement
54	Sumeru Industries	Management Services

SL NO.	NAMES M/S / SARVASHREE	WORKS
55	Taqdir Enterprise	Fixing of CC Blocks in Mines and cleaning work

## ANNEXURE IG

### EQUIPMENTS AND VEHICLES TRANSFERRED TO THE TRANSFEROR COMPANY BY THE PARENT SHAREHOLDER ON OR AROUND THE AGREEMENT DATE

SL. NO.	DESCRIPTION	CHASIS NO/ REGN NO	MAKE	LOCATION
1	CRAWLER DOZER	53Y0726	CATERPIL LAR	Mines
2	CRAWLER DOZER	4AB01045	CATERPIL LAR	Mines
3	GROVE CRANE	226001	GROVE	Cement Plant
4	WHEEL LOADER	G10649	BEML	Cement Plant
5	WHEEL DOZER	53156	KOMATSU	Road Work
6	MOBILE CRANE	GJ12AN-429	ESCORT	Jetty
7	KOBELCO CRANE	GN0201021	KOBELCO	Jetty
8	BOX TIPPER	GJ12Z 1069	TATA	Alkali Bypass
9	BOX TIPPER	GJ12Z 1068	TATA	Alkali Bypass
10	BOX TIPPER	GJ12Z 1065	TATA	Alkali Bypass
11	DIESEL TANKER	GJ12Y 6882	TATA	Main Store
12	DIESEL TANKER	GJ12Z 0968	TATA	Main Store
13	MAN DUMPER	GJ12Z 2514	Manforce	Limestone Mines
14	MAN DUMPER	GJ12Z 2519	Manforce	Limestone Mines
15	MAN DUMPER	GJ12Z 2544	Manforce	Limestone Mines
16	MAN DUMPER	GJ12Z 2515	Manforce	Limestone Mines
17	MAN DUMPER	GJ12Z 2518	Manforce	Limestone Mines
18	MAN DUMPER	GJ12Z 2517	Manforce	Limestone Mines
19	MAN DUMPER	GJ12Z 3054	Manforce	Limestone Mines
20	MAN DUMPER	GJ12Z 3055	Manforce	Limestone Mines
21	MAN DUMPER	GJ12Z 3056	Manforce	Limestone Mines
22	MAN DUMPER	GJ12Z 3057	Manforce	Limestone Mines
23	MAN DUMPER	GJ12Z 3058	Manforce	Limestone Mines
24	MAN DUMPER	GJ12Z 3059	Manforce	Limestone Mines
25	DIESEL GENERATOR SET	23 Z05787	CATERPIL LAR	DG House Plant
26	DIESEL GENERATOR SET	99030415	CUMMINS	Labour Camp
27	DIESEL GENERATOR SET	2M812035C - 3	CUMMINS	Labour Camp
28	WORKER BUS	UP08 6587	TATA	Worker Shifting Vikaspuram
29	WORKER BUS	UP08 6614	TATA	Working Shifting Plant
30	PICKUP	GJ12Y 1922	M&M	Township
31	SCHOOL BUS	GJ12X 9946	TATA	Sewagram
32	SCHOOL BUS	GJ12X 9947	TATA	Sewagram
33	AMBULANCE	GJ22T 7004	TATA	Sewagram
34	SCHOOL BUS	GJ12X 9943	TATA	Sewagram

SL. NO.	DESCRIPTION	CHASIS NO/ REGN NO	MAKE	LOCATION
35	STAFF BUS	GJ12T 4814	TATA	Staff Shifting Plant
36	STAFF BUS	GJ12T 4763	TATA	Staff Shifting Plant
	<b>AT WANAKBORI:</b>			
37	ESCORT CRANE - C 8000 # 1(CAP-08T)	GJ22 TA 175	ESCORT C8000	WANAKBORI
38	DOZER- D41A3		KOMATSU	WANAKBORI
39	WATER TANKER No. - 2	GJ 16 T 8250	TATA	WANAKBORI
40	WATER TANKER No 13	GJ 22 T 569	TATA	WANAKBORI

## ANNEXURE II

### EXCLUDED GUARANTEES

#### BANK GUARANTEES GIVEN BY JAL

S. NO.	DATE OF ISSUE	BG NO.	FAVOURING	BANK	VALID UPTO	AMOUNT (RS.)	PURPOSE	PROJECT
1	14.01.10	BOM/0392/87/09-10 (0039211BG0000166)	The Commissioner of Customs	BoM- South Ext	13.01.14	985,909	Agnst security deposit for project registration with custom deplt	SP-II
2	29.05.10	BOM/0392/25/10-11 (0039210BG0000025)	The Commissioner of Customs	BoM- South Ext	28.05.14	1,406,800		New Age packgaing SP-II
3	20.04.11	0039211BG00000217	The Commissioner of Customs	BoM- South Ext	19.04.14	3,856,063		
4	15.02.12	0039212BG00000362	The Commissioner of Customs	BoM- South Ext	16.04.14	8,573,522		JGCP- Wanakbori
5	15.02.12	0039212BG00000363	The Commissioner of Customs	BoM- South Ext	29.04.14	1,263,337		JGCP
6	15.02.12	0039212BG00000364	The Commissioner of Customs	BoM- South Ext	20.05.14	17,938,071		JGCP
7	19.01.07	2164ILG000807	The Commissioner of Customs	Punjab National Bank	18.01.14	8,799,160	Against Security deposit for project registration with custom deplt	JGCP
8	22.02.12	0039212BG00000368	Gujarat State Electricity Corporation Ltd	Bank of Maharashtra - South ex	29.03.14	10,000,000	for extraction, collection, evacuation and use of dry fly ash	JGCP - Flyash
9	22.02.12	0039212BG00000369	Gujarat State Electricity Corporation Ltd	Bank of Maharashtra - South ex	29.03.14	1,000,000	For lifting of Pond Ash	JGCP- Pond Ash
10	27.03.12	0039212BG00000391	Regional Controller of Mines, Udaipur	Bank of Maharashtra - South ex	17.06.14	3,500,000	Security against non compliance of provisions of rule 23A,B&23E of MCDR, 1988 i.e. Mine closure plan/progressive mine closure plan	JGCP
11	16.09.08	00701000003452	Regional Controller	Axis Bank Ltd	15.09.13	7,403,000	Security against reclamation	JGCP -SP-I

S. NO.	DATE OF ISSUE	BG NO.	FAVOURING	BANK	VALID UPTO	AMOUNT (RS.)	PURPOSE	PROJECT
			of Mines				and rehabilitation cost for the implementation of progressive mine closure plan as stipulated in Rule 23B (1) of MCDR (Amended) 2003.	
<b>Total</b>						<b>64,725,862</b>		

**EXCLUDED GUARANTEES**  
**BANK GUARANTEES GIVEN BY JCCL**

S. NO.	DATE OF ISSUE	BG NO.	FAVOURING	BANK	VALID UPTO	AMOUNT (RS.)	PURPOSE	PROJECT
1	25.07.12	003GM01122070004	ADANI POWER LTD. , AHMDABAD	YES Bank Ltd	15.07.14	1,000,000	SECURITY FOR PROCUREMENT OF FLYASH.	
2	17.11.12	003GM03123220001	Astt. Comm.of Customs (AG) KANDLA	YES Bank Ltd	16.11.13	5,000,000	CUSTODIAN BOND FOR CAPTIVE JETTY.	
				<b>Total</b>		<b>6,000,000</b>		



### ANNEXURE III

#### NET WORKING CAPITAL AS ON 30.06.2013

(Rs. Crores)

<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>		
<b>CURRENT ASSETS</b>		
Inventories		145.25
Trade Receivables		58.33
Cash and Cash Equivalents		22.45
<b>LOANS &amp; ADVANCES</b>		
Advances to Suppliers, Contractors & Others	43.24	
Claims and Refunds Receivable	12.98	
Deposit with Public Bodies & Govt Depts	12.46	
Staff Imprest & Advances	0.47	
Income Tax deducted at source	1.20	
Prepaid Expenses	2.56	72.91
<b>TOTAL CURRENT ASSETS</b>		<b>298.94</b>
<b>CURRENT LIABILITIES &amp; PROVISIONS</b>		
<b>CURRENT LIABILITIES</b>		
<b>SUNDRY CREDITORS</b>		
Creditors for Goods	70.76	
Transporters sales	84.45	
Provision for Discount/Commission	23.88	
Transporters Raw Materials/Stores	7.47	
PRWS	7.01	
Sundry Creditors (Others)	21.80	215.37
Advance from Customers		14.31
Other Payable (VAT, Excise, TDS etc)		51.20
Due to Staff		2.51
<b>PROVISIONS</b>		
Gratuity & Leave encashment		3.22
<b>TOTAL CURRENT LIABILITY</b>		<b>286.61</b>
<b>NET WORKING CAPITAL</b>		<b>12.33</b>

#### Items Not Considered in Liabilities (above):

Payable to JAL & Others	1,522.73	
Long Term Borrowings	1,820.16	
Current Maturities of Long Term Debts	227.09	
Short Term Borrowings	26.85	
Interest Accrued but not due	10.64	
Deposit from Stockists, Transporters, etc.	31.42	
Project Related Liability	2.00	
Capital Supplier Credit Balance	7.60	
Retention Money (Project related)	16.18	
Bills Accrued-Capital Suppliers	0.02	
<b>Liabilities reclassified as Financial Indebtness</b>		<b>3,664.69</b>

**STATEMENT OF FINANCIAL INDEBTEDNESS AS ON 30.06.2013**

**A. Detail for Term Loan as on 30.06.2013**

*(Rs. Crores)*

S. No.	Description	Outstanding Loan Balance as on 30.06.2013	Current Maturities of Long Term Debt as on 30.06.2013 (to be repaid till 30.06.2014)	Non Current Maturities of Long Term Debt as on 30.06.2013 (to be repaid after 30.06.2014)
<b>TERM LOAN</b>				
1	Union Bank of India	49.94	15.00	34.94
2	Bank of Maharashtra	24.51	7.50	17.01
3	Central Bank of India	50.00	15.00	35.00
4	Bank of India	49.64	15.00	34.64
5	The Jammu & Kashmir Bank Ltd	50.00	15.00	35.00
6	IDBI Bank Ltd	1,000.00	50.00	950.00
7	State Bank of India	774.97	100.00	674.97
	<b>Sub - Total (A)</b>	<b>1,999.06</b>	<b>217.50</b>	<b>1,781.56</b>
<b>FOREIGN CURRENCY LOAN</b>				
8	Bank of India (ECB \$50M)	48.19	9.59	38.60
	<b>Sub - Total (B)</b>	<b>48.19</b>	<b>9.59</b>	<b>38.60</b>
	<b>Grand Total (A+B)</b>	<b>2,047.25</b>	<b>227.09</b>	<b>1,820.16</b>

<b>A. Long Term Loan (including Current Maturities of Long Term Debts)</b>		<b>2,047.25</b>
<b>B. Other Financial Indebtedness</b>		
<b>Items Not Considered in Liabilities</b>		
Payable to JAL & Others	1,522.73	
Short Term Borrowings (Buyers Credit)	26.85	
Deposit from Stockists, Transporters etc	31.42	
Project Related Liability	2.00	
Capital Supplier Credit Balance	7.60	
Retention Money	16.18	
Bills Accrued-Capital Suppliers	0.02	
Interest accrued but not due	10.64	<b>1,617.44</b>
<b>Financial Indebtness (A+B)</b>		<b>3,664.69</b>

**SCHEME OF ARRANGEMENT**  
**UNDER SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956**  
**BETWEEN**  
**JAIPRAKASH ASSOCIATES LIMITED**  
**AND**  
**JAYPEE CEMENT CORPORATION LIMITED**  
**AND**  
**ULTRATECH CEMENT LIMITED**  
**AND**  
**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL**  
**TRANSFER COMPANY SCHEME PETITION NO. 338 OF 2017**  
**IN**  
**B.H.C. COMPANY SCHEME PETITION NO. 881 OF 2016**  
**CONNECTED WITH**  
**COMPANY SUMMONS FOR DIRECTION NO. 772 OF 2016**

In the matter of the Companies Act, 1956 or any re-enactment thereof;

-And-

In the matter of Petition under Sections 391 to 394, of the Companies Act, 1956 or any re-enactment thereof;

-And-

In the matter of UltraTech Cement Limited [CIN:L26940MH2000PLC128420], a company, incorporated under the Companies Act, 1956 having its registered office at 2<sup>nd</sup> Floor, Ahura Centre, B-Wing, Mahakali Caves Road, Andheri (East), Mumbai – 400093;

-And-

In the matter of Scheme of Arrangement between Jaiprakash Associates Limited and Jaypee Cement Corporation Limited and UltraTech Cement Limited and their respective shareholders and creditors.

UltraTech Cement Limited}  
[CIN: L26940MH2000PLC128420],}  
a company, incorporated under the}  
Companies Act, 1956, having its}  
registered office at 2<sup>nd</sup> Floor, Ahura}  
Centre, B-Wing, Mahakali Caves Road,}  
Andheri (East), Mumbai – 400093 }

...Petitioner Company

Called for Hearing

Mr. Janak Dwarkadas Senior Advocate along with Dr. Birendra Saraf, Mr. Tapan Deshpande and Ms. Priya Patwa, Advocates i/b. Cyril Amarchand Mangaldas, Advocates for the Petitioner Company  
Mr. S. Ramakantha, Joint Director for Regional Director

**Coram: B.S.V. Prakash Kumar, Member (Judicial)**

**V Nallasenapathy, Member (Technical)**

**Date: 15<sup>th</sup> February, 2017**

**MINUTES OF ORDER**

1. Heard counsel for the Petitioner Company. No Objector appears before this Tribunal to oppose the Petition and the Scheme nor has any party controverted the averments made in the Petition.
2. Learned Senior Counsel appearing for the Petitioner Company states that the Petition has been filed to seek sanction to the Scheme of Arrangement between Jaiprakash Associates Limited (Transferor1) and Jaypee Cement Corporation Limited (Transferor2) (together referred to as “Transferor Companies”) and UltraTech Cement Limited (Petitioner/ Transferee Company) and their respective shareholders and creditors (Scheme), pursuant to the provisions of Sections 230 - 232 and other relevant provisions of the Companies Act, 2013.
3. The Petitioner/Transferee Company is engaged in the business of manufacture and sale of various grades and types of cement, ready mix concrete and other cement related products. Transferor1 is engaged, *inter alia*, in the business of manufacture and sale of cement and clinker. Transferor2 is engaged, *inter alia*, in the business of manufacture and sale of cement and clinker. The Learned Advocate for the Petitioner/Transferee Company says that the background, circumstances, rationale and significant benefits of the Scheme are as under: The transfer of the JAL Business and the JCCL Business pursuant to this Scheme would *inter alia* result in the following benefits: In case of the Transferor1 and the Transferor2: (a) unlocking of value for the Transferor1 and the Transferor2 by transfer of part of their assets; and (b) helping the Transferor1 and the Transferor2 in deleveraging their balance sheets, including reduction of debt and interest outgo and the Transferor1 and the Transferor2 will continue to be competitors as well as creation of value for the shareholders of the Transferor1 and the Transferor2. In case of the Petitioner Company: (a) a strategic fit for serving existing markets, enabling the Transferee to cater additional volumes, entry into some of the growing markets of India, including the Satna cluster in Madhya Pradesh (East), Uttar Pradesh (East), coastal Andhra Pradesh, Himachal Pradesh, and Uttarakhand; (b) synergies in manufacture and distribution process and logistics alignment leading to economies of scale and creation of efficiencies by reducing time to market, enhancing competitiveness and benefitting consumers; and (c) creating value for shareholders by acquiring ready to use assets reducing time to markets, availability of land, mining leases, fly ash and railway infrastructure leading to logistical alignment and efficiency improvement. The Board of Directors of the Petitioner/ Transferee Company and the Transferor Companies, have approved the said Scheme by passing their respective board resolutions which are annexed to the Petition.
4. The Learned Advocate for the Petitioner/Transferee Company states that the Petitioner/Transferee has complied with all the directions passed by the Hon’ble Bombay High Court in the Company Summons for Direction No. 772 of 2016 and that the Company Scheme Petition No. 881 of 2016 has been filed in the Hon’ble Bombay High Court and now transferred to this Tribunal and is in consonance with the order passed in the said Company Summons for Direction.

5. The Learned Senior Counsel appearing on behalf of the Petitioner/Transferee Company has stated that the Petitioner/Transferee Company has complied with all the requirements as per directions of the Hon'ble Bombay High Court and it has filed necessary Affidavits of compliance in the Hon'ble Bombay High Court. Moreover the Petitioner/Transferee Company undertakes to comply with all statutory requirements if any, as required under the Companies Act, 2013 and the Rules made thereunder. The said undertaking is accepted.
6. The Regional Director has filed an Report dated 19<sup>th</sup> January, 2017 inter alia stating therein that save and except as stated in paragraph IV (a) to (e), of the said Report, it appears that the Scheme was not prejudicial to the interest of the shareholders and public. The observations made by the Regional Director in paragraph IV are for sake of ready reference reproduced hereunder:

*IV. The observations of the Regional directors on the proposed Scheme to be considered by the Hon'ble NCLT are as under:-*

- (a) That as per clause 14(e) of the Scheme regarding compliance of Accounting Standard in respect of Amalgamation, it is stated that the transferee company to comply with IND As- 103. In this regard it is submitted since the said Accounting Standard is not notified, the Transferee Company, in addition to compliance of AS- 14 shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards such as AS- 5 etc.,*
- (b) The tax implication if any arising out of the scheme is subject to final decision of Income Tax Authorities. The approval of the Scheme by this Tribunal may not deter the Income Tax Authority to scrutinize the tax return filed by the transferee Company after giving effect to the scheme. The decision of the Income Tax Authority is binding on the petitioner Company.*
- (c) The registered Office of the M/s Jaiprakash Associates Limited and M/s Jaypee Cement Corporation Limited the Transferor Companies are situated in the State of Uttar Pradesh and falls within the jurisdiction of Hon'ble NCLT at Allahabad. Accordingly, similar approval be obtained by both the Transferor Companies from Hon'ble NCLT at Allahabad.*
- (d) That the Appointed Date is not specifically specified. Both Appointed Date & Effective Dates are prospective. That as per Part I Definitions (c) of the Scheme the Appointed Date shall be the effective date and as per Part – I Definitions (o) of the Scheme the Effective Date means the date on which the Scheme becomes effective in accordance with its terms, which shall be the Closing Date.*

*In this regard it is submitted that as per provisions of section 232 (6) of the Companies Act, 2013 the scheme shall clearly indicate as appointed date which it shall be effective and the scheme shall be deemed to be effective from such date and not a date subsequent to the appointed date*

- (e) As per Part – I Definitions (III) of the Scheme. The Long Stop Date means 16<sup>th</sup> August 2017 or such other date which is mutually agreed in writing between Transferor -1 and the Transferor – 2 and the Transferee Company.*

*In this regard it is submitted that the Long Stop Date shall not be later than 16<sup>th</sup> August, 2017 or such other date as may be decided by the Hon'ble NCLT at Bombay and Hon'ble NCLT at Allahabad and should not be the date mutually agreed in writing between Transferor – 1 and the Transferor- 2 and the Transferee Company.”*

7. As far as the observation in paragraph IV (a) of the said Report is concerned, the Petitioner/Transferee Company through its counsel states that clause 14 (e) of the Scheme stipulates that accounting will be done, based on current Accounting Standard/IND AS 103, as applicable and undertakes to pass such accounting entries which will be necessary in connection with the Scheme to comply with other applicable accounting standards such as AS 5 corresponding to IND AS 8.

8. As far as the observation in paragraph IV (b) of the Report of the Regional Director is concerned, counsel for the Petitioner Company states that the Scheme is in compliance with the Income Tax Act 1961. The tax implication if any, arising out of the Scheme shall, in any event, be subject to final decision of the Income Tax Authority and the final orders, if any, of the appeals that may be preferred therein. Sanction to the Scheme by this Hon'ble Tribunal may not limit the powers of the Income Tax Authority to scrutinize the tax return filed by the Petitioner Company.
9. As far as the observation in paragraph IV (c) of the Report of the Regional Director is concerned, counsel for the Petitioner Company states that the Petitions filed by Jaiprakash Associates Limited and Jaypee Cement Corporation Limited, the Transferor Companies seeking sanction to the Scheme are pending for hearing before the Hon'ble National Company Law Tribunal, Allahabad. The effectiveness of the Scheme is subject to sanction of the Scheme by the National Company Law Tribunal, Allahabad Bench.
10. As far as the observation in paragraph IV (d) of the Report of the Regional Director is concerned, the Petitioner/Transferee Company through its counsel states that the Appointed Date in the Scheme is defined as "shall be the Effective Date" and the Effective Date is defined as the date on which the Scheme becomes effective in accordance with its terms which shall be the Closing Date. Counsel for the Petitioner Company states that the "Appointed Date" and the "Effective Date" are the same date, in accordance with the provisions of section 232(6) of the Companies Act, 2013.
11. As far as the observation in paragraph IV (e) of the said Report is concerned, the Petitioner/Transferee Company through its counsel undertakes to this Hon'ble Tribunal that the Long Stop date of the Scheme will be August 16, 2017 and upon sanction to the Scheme by this Hon'ble Tribunal, any change in the Long Stop Date will be subject to leave of the Hon'ble Tribunals at Mumbai and Allahabad.
12. Mr. S. Ramakantha, Joint Director, in the Office of the Regional Director, Ministry of Corporate Affairs, Western Region, Mumbai states that they are satisfied with the explanation and the undertakings given hereinabove by the Petitioner / Transferee Company through its Counsel.
13. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy.
14. Since all the requisite statutory compliances have been fulfilled, Transfer Company Scheme Petition No. 338 of 2017 filed by the Petitioner/Transferee Company is made absolute in terms of prayer clauses (a) and (b).
15. The Petitioner Company to lodge a copy of this order along with the sanctioned Scheme attached thereto with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable, if any, within 60 days from the date of receipt of the order.
16. The Petitioner Company is directed to file copy of this order alongwith a copy of the sanctioned Scheme attached thereto with the concerned Registrar of Companies, electronically, along with e Form INC 28 in addition to physical copy within 30 days of receipt of copy of this order along with the sanctioned Scheme, duly authenticated by the Registrar/Officer of this National Company Law Tribunal.
17. The Petitioner/Transferee Company to pay costs of this Company Scheme Petition of INR 25,000/- to the Regional Director, Western Region, Mumbai. Costs to be paid within four weeks from the date of the order.
18. Filing and issuance of the drawn up order is dispensed with.
19. All concerned authorities to act on a copy of this order along with the sanctioned Scheme, duly authenticated by the Registrar/Officer of this National Company Law Tribunal.

**B.S.V. Prakash Kumar,**  
Member (Judicial)

**V Nallasenapathy**  
Member (Technical)

**SCHEME OF DEMERGER**  
**AMONGST**  
**CENTURY TEXTILES AND INDUSTRIES LIMITED**  
**AND**  
**ULTRATECH CEMENT LIMITED**  
**AND**  
**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**



**IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI**  
**BENCH**  
**COMPANY SCHEME PETITION NO. 4236 OF 2018**  
**CONNECTED WITH**  
**COMPANY APPLICATION NO. 701 OF 2018**  
**IN THE MATTER OF SECTIONS 230 TO 232 AND OTHER**  
**APPLICABLE PROVISIONS OF THE COMPANIES ACT 2013**  
**AND**  
**IN THE MATTER OF THE SCHEME OF DEMERGER AMONGST**  
**CENTURY TEXTILES AND INDUSTRIES LIMITED AND**  
**ULTRATECH CEMENT LIMITED AND THEIR RESPECTIVE**  
**SHAREHOLDERS AND CREDITORS**

<b>Century Textiles and Industries</b>	)	
<b>Limited,</b> a company within the	)	
meaning of the Companies Act, 2013	)	
with	)	
CIN	)	
No.	)	
L17120MH1897PLC000163	)	<b>...First Petitioner Company/</b>
having	)	<b>Demerged Company</b>
its registered office at Century	)	
Bhavan, Dr Annie Besant Road,	)	
Worli, Mumbai – 400 030	)	

<b>UltraTech Cement Limited,</b> a	)	
company incorporated under the	)	
Companies Act, 1956, having CIN No	)	
L26940MH2000PLC128420	)	
and	)	
having its registered office at B-Wing,	)	
Ahura Centre, 2 <sup>nd</sup> Floor, Mahakali	)	<b>...Second Petitioner</b>
Cave Roads, Andheri (East), Mumbai	)	<b>Company/ Resulting</b>
– 400 093	)	<b>Company</b>

**Order Dated: 03<sup>rd</sup> July, 2019**

**Coram:**

Hon'ble Member (Judicial): Mr. V. P. Singh,  
Hon'ble Member (Technical): Mr. Ravikumar Duraisamy

**For the Petitioner(s)** Senior Counsel Mr. JanakDwarkadas,  
Senior Counsel Mr. Gaurav Joshi,

Mr. Sanket Shah,  
Mr. Himanshu Vidhani,  
Ms. Sraddha Kedia

*Perse Ravikumar Duraisamy, Member*

**ORDER**

1. Heard the Learned Counsel for the Petitioner Companies. No objector has come before the Tribunal to oppose the Petitions and nor has any party controverted any averments made in the Petitions.
2. The sanction of this Tribunal is sought under Sections 230 to 232 of the Companies Act, 2013, and other applicable provisions of Companies Act, 2013, to a Scheme of Demerger amongst Century Textiles and Industries Limited (“**First Petitioner Company**”) and UltraTech Cement Limited (“**Second Petitioner Company**”) and their respective shareholders and creditors (“**Scheme**”). The First Petitioner Company and the Second Petitioner Company are collectively referred to as the “**Petitioner Companies**”.
3. The Petitioner Companies have approved the said Scheme by passing respective Board Resolutions and thereafter they have approached this Tribunal by the captioned Petition for sanction of the Scheme.
4. The First Petitioner Company / Demerged Company is a diversified conglomerate engaged in, *inter alia*, the following businesses: (a) production and sale of cotton fabrics; (b) production of all types of paper products like writing and printing paper; (c) business of manufacture, production, sale and distribution of cement; and (d) dealing in commercial and residential property.
5. The Second Petitioner Company / Resulting Company is engaged in, *inter alia*, the business of manufacture and sale of various grades

and types of cement, ready mix concrete and other cement related products.

6. The Petitioner Companies submits that the rationale of the Scheme is as under:

***RATIONALE OF THE SCHEME***

(i) *The transfer of the Demerged Undertaking (as defined hereinafter) from the Demerged Company to the Resulting Company pursuant to this Scheme (as defined hereinafter) would, inter alia, result in the following benefits for the Demerged Company and the Resulting Company:*

(a) *in case of the Demerged Company:*

- A. *unlocking the value of the Cement Business for the shareholders of the Demerged Company; and*
- B. *assisting in the de-leveraging of its balance sheet including reduction of debt and outflow of interest as well as creation of value for its shareholders.*

(b) *in case of the Resulting Company:*

- A. *expansion in markets having good potential demand for cement;*
- B. *creating value for its shareholders by acquiring ready to use assets which shall create operational efficiencies and reduce time to markets vis-à-vis greenfield projects which are time consuming due to challenges in acquisition of land and limestone mining leases;*
- C. *strategic fit for serving existing markets and catering to additional volume requirements in new*

*markets; and*

*D. synergies in manufacture and distribution process and logistics alignment leading to economies of scale and creation of efficiency by reducing time to market and benefiting customers.*

*The Scheme is in the best interests of the shareholders, employees and the creditors of each of the Demerged Company and the Resulting Company.”*

7. The Learned Counsel for the Petitioner Companies further submits that the Petition had been filed in consonance with the Order dated 14<sup>th</sup> September 2018 passed by this Tribunal in Company Application No. 701 of 2018.
8. The Learned Counsel for the Petitioner Companies states that the Petitioner Companies have complied with all requirements in terms of the directions of this Tribunal and have filed necessary Affidavits with the Tribunal confirming such compliance. Moreover, the Petitioner Companies, undertake to comply with statutory requirements, if any, as required under the Companies Act, 2013 and the Rules made there under whichever is applicable. The said undertaking given by the Petitioner Companies is accepted.
9. The Learned Counsel for the Petitioner Companies states that the equity shares of the Demerged Company are listed on the BSE Limited and the National Stock Exchange of India Limited. The equity shares of the Resulting Company are listed on the BSE, NSE and the Global Depository Receipts of the Resulting Company are listed on the Luxembourg Stock Exchange.
10. The Regional Director has filed its Report on 2<sup>nd</sup> May 2019 (“**Report**”) praying that the Hon’ble Tribunal may pass such orders as it thinks fit, save and except as stated in

paragraph IV (a) to (f). For ease of reference, we are reproducing hereinbelow paragraphs IV (a) to (f) of the said Report:

- “IV. *The observations of the Regional directors on the proposed Scheme to be considered by the Hon’ble NCLT are as under:*
- (a) *It is submitted that **Appointed Date is not specifically specified in the scheme. Both Appointed Date & Effective Dates are prospective.** That as per **Part – I Definitions & Share Capital Clause 1.1** of the Scheme the **Appointed Date** means the **Effective Date**. In this regard it is submitted that as per provisions of **section 232(6)** of the Companies Act, 2013 the scheme shall clearly indicate an appointed date which it shall be effective and the scheme shall be deemed to be effective from such date and **not a date subsequent to the appointed date**, in the absence of not indicating any appointed date (Calendar Date)/effective Date, the scheme deserves to be rejected;*
- (b) *As per **Part – I – Definitions Clause 1.1** of the Scheme “**Effective Date**” means the opening hours of the first day of the month immediately succeeding the month in which last of the conditions specified in Clause 18 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**” or “**upon the Scheme becoming effective**” shall mean the Effective Date. In this regard it is submitted that the “**Effective Date**” shall be as per provisions of section 232(6) of the Companies Act, 2013 and not as specified in the above said clauses of the scheme;*
- (c) *As the petitioner companies are listed on BSE and NSE and any other recognized stock exchange as the case may be, as indicated in the scheme, in this regard it is submitted that the petitioners be directed to obtain NOC from SEBI;*

- (d) *As per Part – III – Conditions Precedent Clause 18.1.1 of the Scheme – it is stated that CCI (or any appellate authority in India which has appropriate jurisdiction) having granted approval (or being deemed, under Applicable Law, to have granted approval) for the transactions set out in this Scheme, such approval to be in form and substance acceptable to the Parties, acting reasonably; and any conditions contained in such approval (or deemed approval) that are required to be satisfied at any time prior to the Effective Date having been so satisfied (or, where applicable, waived); in this regard it is submitted that the petitioners be directed to submit/obtain NOC from CCI;*
- (e) *In view of the objection raised by the ROC Mumbai, mentioned at para 13 above Hon’ble NCLT may pass appropriate orders/orders as deem fit;*
- (f) *Hon’ble NCLT may kindly direct the petitioners to file an affidavit to the extent that the Scheme enclosed to Company Application & Company Petition, are one and same and there are no discrepancy/any change/changes are made, and liberty be given to Central Government to file further report if any required.”*

11. In response to the above observations of the Regional Director, the Petitioner Companies filed an affidavit dated 3<sup>rd</sup> May 2019 which states as follows:

- a) With reference to paragraph IV (a) of the said Report, the Petitioner Companies had determined the Appointed Date to be the Effective Date in compliance with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013. However, to satisfy the objection taken by the Regional Director, the Authorized Signatories of the respective Petitioner Companies have assented to the amendment of paragraph 1.1 of the Scheme which *inter alia* deals with the definition of

“Appointed Date” that was approved by the Board of Directors of the Petitioner Companies vide their resolutions dated 20<sup>th</sup> May 2018, which originally reads as follows–

*“Appointed Date” means the Effective Date”*

The said paragraph be amended to read as follows –

*“Appointed Date” means 1 April 2019”*

Consequential amendments may be made to accounting treatment of the Scheme. The other provisions of the Scheme remain unchanged.

The Board of Directors of Petitioner Companies has vide their resolutions dated 20<sup>th</sup> May 2018 duly authorized us to assent on behalf of the respective Petitioner Companies, to any alterations and changes to the draft Scheme of Demerger amongst Century Textiles And Industries Limited and UltraTech Cement Limited and their respective shareholders and creditors (“**Scheme**”), so long as may be expedient or necessary for satisfying the conditions/ requirements imposed, inter alia, by any statutory/ regulatory authorities. The Authorized Signatories, duly authorized by the respective Board Resolutions, both dated 20<sup>th</sup> May 2018 passed by the respective companies are hereby approving the above amendment in relation to the “Appointed Date” vide this affidavit.

- b) With reference to paragraph IV (b) of the said Report, the Petitioner Companies submit that in view of the amendment to the definition of Appointed Date of the Scheme in accordance with paragraph 6 of this affidavit and in view of Clause 3 of the Scheme which states that the Scheme, shall become effective and

operative from the Appointed Date, the Scheme is in compliance with Section 232(6) of the Companies Act, 2013.

- c) With reference to paragraph IV (c) of the said Report, the Petitioner Companies have obtained observation letters from BSE Limited and National Stock Exchange of India Limited in terms of Regulation 37(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- d) With reference to paragraph IV (d) of the said Report, the Petitioner Companies have obtained approval from the Competition Commission of India dated 21<sup>st</sup> August 2018.
- e) With reference to paragraph IV (e) of the said Report, the Petitioner Companies submit that the observations of the Registrar of Companies relate to prosecution against the First Petitioner Company and shareholder complaints against the Second Petitioner Company. The First Petitioner Company has *vide* letter dated 26<sup>th</sup> November 2018 stated that the aforesaid prosecution against it has been decided in its favour by the Additional Chief Metropolitan Magistrate 4<sup>th</sup> Court *vide* its order dated 30<sup>th</sup> October, 2018. The Second Petitioner Company has *vide* letter dated 12<sup>th</sup> December 2018 informed the Registrar of Companies that all the complaints have been attended to and closed. Further, the Second Petitioner Company submits that difference between the share capital mentioned in the Scheme and the company master data is due to allotment of shares on exercise of employee stock options granted by the Second Petitioner Company. The Petitioner Companies further submit that they have filed e-form MGT-14 for both the board meeting and the shareholder meetings approving the Scheme.
- f) With reference to paragraph IV (f) of the said Report, the Petitioner Companies submit that there is no discrepancy between the Scheme filed with the Company Application and the



Company Petition except the change in the title from “Scheme of Arrangement” to “Scheme of Demerger” in compliance with the observation made by the Mumbai Bench of the National Company Law Tribunal in its hearing of the Company Application on 12<sup>th</sup> September 2018.

12. In response to the affidavit filed by the by the Petitioner Companies, the Regional Director filed a supplementary affidavit (“**Supplementary Report**”) dated 30<sup>th</sup> May 2019. For ease of reference, we are reproducing hereinbelow paragraphs IV (a) to (f) of the said Supplementary Report:

- a) *In this regard it is submitted that, the balance sheet as at 31.03.2019 for the financial year 2018-19 is not yet due for filing with ROC Mumbai. The Balance Sheet should be duly audited by the Statutory Auditor, authenticated by the Board of Directors of the Company in pursuance to section 134 and laid before Shareholders in Annual General Meeting held in compliance of the provisions of section 96 of the Companies Act, 2013 and approved/adopted by the shareholders of the Company in the said Annual General Meeting is a must. The Annual Accounts without going through process is of no value in the Act. In this regard Hon’ble Tribunal may pass appropriate orders as deem fit;*
- b) *In view of observations made at paraiv (a) Hon’ble Tribunal may kindly consider the said comments and pass appropriate orders as deem fit.*
- c) *In this regard, it is submitted that the contents of "Exhibit -A - 4 & A - 5 and the observation letters for the Second Petitioner Company are annexed as Exhibit - A- 6 & A - 7." enclosed to affidavit dated 02.05.2019 is symmetrical in nature. Hon'ble NCLT may kindly direct the petitioner to comply with the requirement(s) enumerated in the above said exhibits and pass appropriate orders/ orders as deem fit.*

- d) On perusal of the order dated 21.08.2018 under section 31(1) of the Competition Act, 2002 passed by CCI, it is noticed that there is no reference to “Appointed Date” (Paras 16,17 and 18 of the said order) since the petitioner is proposing an Appointed Date at this juncture, the petitioner be directed to communicate the Order of this Hon’ble Tribunal. The Fixing of appointed date as proposed by the petitioner is subject to outcome of the order(s) to be passed in respect of observation made at IV (a) of Regional Directors Report (mentioned above).*
- e) In this regard, Hon’ble NCLT may kindly call for comments or ROC Mumbai and pass appropriate orders/order as deem fit.*
- f) In this regard, it is submitted that the petitioners, subsequent to filing of petition have decided to fix Appointed Date as 1st April 2019 (material fact to be informed to all concerned/stake holders). Further, the said modification needs to be approved by Hon'ble Tribunal. Accordingly, Hon'ble may pass appropriate orders/ orders as deem fit in the light of facts and circumstances of the case.*
13. In response to the above observations of the Regional Director in the Supplementary Report, the Learned Counsel of the Petitioner Companies states as follows:
- a) With reference to paragraph IV (a) of the said Supplementary Report, the Parties submit that the aforesaid Scheme is a scheme of demerger and both the Parties will continue to exist after the Scheme has been implemented and the demerger made effective. The Parties undertake to file their audited accounts with the ROC Mumbai duly approved by the Board and adopted by the shareholders within the time limits prescribed under applicable law;

- b) With reference to paragraph IV (b), the Parties confirm that the definition of Effective Date is in conformity with Section 232(6) of the Companies Act, 2013;
- c) With reference to paragraph IV (c), the Parties agree to comply with the observations enumerated in the observation letters issued by the stock exchanges;
- d) With reference to paragraph IV (d), the Parties agree to submit a copy of the updated scheme to the Competition Commission of India;
- e) With reference to paragraph IV (e), the Parties submit that the aforesaid Scheme is a scheme of demerger and that both the Parties will continue to exist after the Scheme. The complaints do not relate to the undertaking being demerged and are in relation to the day to day working of the Parties. The Parties have submitted their responses to the ROC Mumbai stating that the prosecution against the First Petitioner Company has been decided in its favour by the Additional Chief Metropolitan Magistrate, 4<sup>th</sup> Court vide its order dated 30<sup>th</sup> October 2018. The Second Petitioner Company has *vide* letter dated 12<sup>th</sup> December 2018 informed the ROC Mumbai that all the complaints have been attended to and closed.
- f) With reference to paragraph IV (f), the Parties submit that under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Parties will disclose the approval of the Scheme with the modified Appointed Date to the stock exchanges on which its securities are listed. The Parties undertake to ensure compliance with the said regulations.

14. **Appointed Date:-**

In clause 1.1 of the scheme it is mentioned that “the appointed date means the effective date”.

- (a) RD made an observation that as per provision of section 232(6) of Companies Act, 2013, Scheme shall clearly indicate an appointed date which it shall be effective and the scheme shall be deemed to be effective from such date and not a date subsequent to the appointed date, in the absence of not indicating any appointed date (calendar/effective date) the scheme deserves to be rejected.
- (b) Further the RD has also observed that effective date shall be as per provisions of section 232(6) of the Companies Act, 2013 and not as specified in the above said clauses of the Scheme.
- (c) Upon perusal of the Scheme, the Bench has observed that Appointed Date was not mentioned in the Scheme of Demerger as per the Scheme documents sent to the shareholders along with Explanatory Statement and to creditors etc. The Regional Director made an observation regarding the Appointed Date and in response to the same, the petitioner companies subsequent to the filing of the petition have decided to fix Appointed Date for the Demerger and fixed appointed date as 1.4.2019 and the same was signed by the Authorized Representatives of both the Petitioner Companies.
- (d) In this regard, the Bench has noted that the Valuation Report of the Valuers namely Bansi S Mehta & Co. and Walkar

Chandiok & Co. LLP are dated 20.5.2018, the fairness opinion given by SEBI Registered Merchant Bankers namely Axis Capital Ltd and JM Financial Ltd. are also dated 20.5.2018 and the Audit Committee considered the Valuation Report, fairness opinion of the Merchant Bankers on the same date and the Board of Directors of both the Demerged and Resulting Company approved the same on the meeting held on 20.5.2018.

- (e) Both the petitioner companies are listed companies and as discussed above, the valuers have considered 20<sup>th</sup> May, 2018 for the purpose of recommendation of share entitlement ratio for the proposed demerger scheme. Further Axis Capital Ltd vide its letter dated 20<sup>th</sup> May, 2018 have confirmed that the share entitlement ratio as proposed by the valuers is fair to the shareholders of Ultra-Tech from a Financial point of view. The meeting of equity shareholders of both the companies were held on 24.10.2018 and the record date/cut-off date was fixed as 14<sup>th</sup> September, 2018. The appointed date is the crucial date for any scheme of arrangements including the scheme of demerger. At this juncture we would like to rely upon the order of this bench dated 05.09.2018 in the matter of the scheme of demerger between East-West Pipeline Ltd and Pipeline Infrastructure Pvt Ltd wherein it was held by

*“To avoid this controversy, now there is only one date for dealing with issues under company law, tax laws and other fiscal laws that is appointed date and that date shall be the*

*date taken as cut-off date for valuation, so that there won't be any conflict of opinions in calculating consideration and assessing tax.*

*In view thereof, the appointed date is hereby decided as the date on which the demerged undertaking has been valued.”*

- (f) The said order was challenged by the Petitioner Company by way of an appeal before the Hon'ble NCLAT and appellate authority vide its Judgement dated 05.10.2018 did not interfere with the interpretation of this Bench on the appointed date.
- (g) Considering the above facts in totality and as held in the case discussed supra, we are of the view that the appointed date for the proposed scheme of demerger be fixed as 20<sup>th</sup> May, 2018 instead of the arbitrary date of 01<sup>st</sup> April, 2019 as proposed without proper justification.
- (h) Since appointed date is an important information of the Demerger Scheme, we are of the view that the shareholders' must be aware of the same, therefore, we direct both the Petitioner Companies to take suitable steps to publicize the same to the shareholders even by way of print and electronic means and confirm the same within four weeks from the date of receipt of copy of this Order. Both the Petitioner companies to host the information on its websites as well.

**Notices to Creditors:-**

15. The Bench has further observed that 6 (six) Secured Creditors having an aggregate value of ₹ 2,010.54 Crores, 12,349 unsecured creditors having an aggregate value of ₹ 1,679.63 Crores and 27 debenture holders having an aggregate value of ₹ 900 Crores in the first petitioner company, notices were sent to each of them by registered post on 19.09.2018 and the affidavit of service dated 19.10.2018 and 12.06.2019 were filed by the Company Secretary. Further, as directed by the bench notices were served on the unsecured creditors having an outstanding balance of ₹4 Lakhs and above and accordingly notices were served on 2,760 unsecured creditors representing over 95% in value by registered post.
16. In case of second petitioner company notices were sent by registered post on 19.09.2018 to various creditors. Seven secured creditors having a aggregate value of ₹11,251.41 Crores, 21,820 Unsecured creditors having an aggregate value of ₹3,955.46 Crores, 58 Secured debenture holders having an aggregate value of ₹1,725 Crores, 47 Unsecured debenture holders having an aggregate value of ₹1,010.00 Crores and 105 debenture holders (secured and unsecured), notices were sent by registered post on 19.09.2018 and affidavit of service dated 17.10.2018 was submitted by the company secretary.

17. In response to the notices issued to various creditors as stated above, the approval, responses received from various creditors are given in the table below:-

<b>Centaury Textiles and Industries Ltd (Secured Creditors)</b>		<b>Ultra Tech Cement (Secured Creditors)</b>	
SBI letter dated 10.06.2019	Acknowledged receipt of the notice sent to the shareholders dated 14.09.2018.	SBI (₹300 Crores) letter dated 10.06.2019	Acknowledged receipt of the notice sent to the shareholders dated 14.09.2018.
SBICAP Trustee Co. Ltd letter dated 11.06.2019	Acknowledged receipt of the notice sent to the shareholders dated 14.09.2018.	Uttar Pradesh Financial Corporation (₹146.18 Crores) letter dated 10.06.2019	Acknowledged receipt of the notice sent to the shareholders dated 14.09.2018.
Export-Import Bank of India letter dated 11.06.2019	Acknowledged receipt of the notice sent to the shareholders dated 14.09.2018.	HDFC Bank (₹3317.92 Crores) letter dated 07.06.2019	Secured Creditor accorded consent and approval to the scheme
HDFC Bank letter dated 07.06.2019	Secured Creditor granted consent and approval to the	ICICI Bank (₹3613.99 Crores) letter date	Secured Creditor granted consent and approval to the



	scheme	07.06.2019	scheme
Axis Bank letter dated 10.06.2019	Secured Creditor accorded consent and approval to the scheme	Axis Bank (₹3257.08 Crores) letter dated 10.06.2019	Secured Creditor granted consent and approval to the scheme
ICICI Bank letter dated 07.06.2019	Secured Creditor accorded consent and approval to the scheme		

Apart from the above responses received from the creditors as submitted by the petitioner companies, the Tribunal has not received any objections, representations from other creditors to the scheme of demerger.

18. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy. None of the parties concerned have come forward to oppose the Scheme.
19. Since all the requisite statutory compliances have been fulfilled, the Company Scheme Petition No. 4236 of 2019 is made absolute in terms of the prayer clauses 38 (a) to 38 (g) in the said Company Scheme Petition.
20. The Petitioner Companies are directed to file a copy of this Order along with a copy of the Scheme with the concerned Registrar of Companies, within 30 days of the receipt of copy of this Order along with the sanctioned Scheme, duly certified by the Designated Registrar of this National Company Law Tribunal.

21. The Petitioner Companies are to lodge a copy of this Order along with a copy of the Scheme with the concerned Superintendent of Stamps, for adjudication of stamp duty payable, if any, on the same, within 60 days from the date of receipt of the Order duly certified by the Designated Registrar of this National Company Law Tribunal.
22. The Petitioner Companies are to pay costs of Rs.25,000/- each to the Regional Director, Western Region, Mumbai. The costs are to be paid within four weeks from the date of the receipt of the duly certified copy of this Order.
23. All concerned regulatory authorities to act on a copy of this Order along with Scheme duly certified by the Designated Registrar, National Company Law Tribunal, Mumbai Bench.
24. Any person interested is at liberty to apply to this Tribunal in the above matters for any directions that may be necessary in regard to the working of the Scheme.
25. The Scheme is sanctioned, and the appointed date of the Scheme is fixed as 20.05.2018.
26. Both the petitioner companies are directed to publish the status of approval granted by this Bench for the demerger scheme in the same newspapers in which previous publications are made to ensure complete transparency to all stakeholders.

Sd/-

**RAVIKUMAR DURAISAMY**  
**MEMBER (TECHNICAL)**

Date: 03.07.2019

Pratiksha Shukla

Sd/-

**V.P. SINGH**  
**MEMBER (JUDICIAL)**

**SCHEME OF AMALGAMATION**  
**OF**  
**ULTRATECH NATHDWARA CEMENT LIMITED,**  
**SWISS MERCHANDISE INFRASTRUCTURE LIMITED,**  
**AND**  
**MERIT PLAZA LIMITED**  
**WITH**  
**ULTRATECH CEMENT LIMITED**

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
MUMBAI BENCH, COURT- V**

**C.P.(CAA)/252(MB)2023**

**Connected with**

**C.A.(CAA)/145(MB)2023**

In the matter of sections 230 to 232 and  
other applicable provisions of the  
Companies Act, 2013

and

In the matter of the Scheme of  
Amalgamation of Ultratech Nathdwara  
Cement Limited, Swiss Merchandise  
Infrastructure Limited and Merit Plaza  
Limited with Ultratech Cement Limited

**UltraTech Cement Limited**, a company )  
incorporated under the Companies Act, )  
1956 and being a company within the )  
meaning of the Companies Act, 2013, )  
having corporate identity number )  
L26940MH2000PLC128420 and its )  
registered office at B-Wing, Ahura Centre, )  
2nd Floor, Mahakali Caves Road, Andheri )  
East, Mumbai 400 093, Maharashtra. ) **..... Petitioner / Transferee Company**

**Order Reserved on: 24.11.2023**

**Order Pronounced on: 18.12.2023**

**Coram:**

K.R. Saji Kumar, Hon'ble Member (Judicial)

Madhu Sinha, Hon'ble Member (Technical)

**Appearances: (Physical)**

For the Petitioner: Mr. Haabil Vahanvaty, Mr. Peshwan Jehangir, Mr. Aniket Agarwal, Mr. Harsh Salgia, i/b Khaitan & Co,

For Regional Director: Representative of Regional Director

**ORDER**

***Per: Madhu Sinha, Member (Technical)***

1. Heard Learned Counsel for the Petitioner Company. No objection has been received by the Tribunal opposing the Company Scheme Petition and nor has any party controverted any averments made in the Company Scheme Petition.
2. The sanction of this Tribunal is sought under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("**Act**") to the Scheme of Amalgamation of UltraTech Nathdwara Cement Limited, Swiss Merchandise Infrastructure Limited and Merit Plaza Limited ("**Transferor Companies**") with UltraTech Cement Limited, the Petitioner/**Transferee Company** ("**Scheme**").

3. The Petitioner Company is engaged in the business of manufacturing grey cement, white cement, ready mix concrete and various building products, including autoclaved aerated concrete (AAC) blocks and waterproofing, grouting and plastering solutions.
4. The Learned Counsel for the Petitioner Company submit that the rationale mentioned in the Scheme is as under:
  - i. *“The Transferee Company is the largest cement manufacturing company in India engaged in the business of manufacturing grey cement, white cement, ready mix concrete and various building products, including autoclaved aerated concrete (AAC) blocks and waterproofing, grouting and plastering solutions. The Transferee Company has been able to significantly grow its cement manufacturing business over the years by installing and adding new manufacturing capacity itself as also by acquiring existing cement manufacturing business from other companies and successfully integrating such acquired business with itself.*
  - ii. *UNCL is also engaged in the business of manufacturing grey cement at its unit situated in District Sirohi in the State of Rajasthan. However, its business had been adversely impacted and since it was unable to repay its debts, a Corporate Insolvency Resolution Process (“CIRP”) in terms of the provisions of the Insolvency and Bankruptcy Code, 2016 (“Code”) was initiated against it by the Bank of Baroda, a financial creditor, under Section 7 of the Code. The Hon’ble National Company Law Tribunal, Kolkata Bench admitted the said application of the financial creditor for initiation of CIRP of UNCL on 25th July, 2017.*
  - iii. *In terms of the Code, plans for resolution of corporate insolvency of UNCL were invited from interested applicants. The Transferee Company also submitted a plan for resolution of corporate insolvency of UNCL. From the resolution plans submitted by various applicants, the Committee of Creditors of UNCL formed under the Code approved the resolution plan submitted by the Transferee*

*Company. The same was ultimately approved by the Hon'ble National Company Law Appellate Tribunal by its order dated 14th November, 2018 under Section 31 of the Code.*

- iv. The said resolution plan became effective on 20th November, 2018. The entire pre-resolution debts owed to the financial creditors, operational creditors and other creditors stood discharged by payment of the amounts apportioned for them under the resolution plan. The resolution plan thereby enabled and resulted in a fresh start for the business of UNCL under the new management of the Transferee Company. As part of the resolution plan, UNCL became a wholly owned subsidiary of the Transferee Company with the entire pre-resolution share capital of UNCL standing cancelled and the entire post-resolution share capital of UNCL being issued to and held by the Transferee Company and its nominees.*
- v. The business of UNCL has since turned around and stabilised under the Transferee Company's management with good capacity utilisation. The turnover of UNCL has increased from INR 1165.06 crores in the financial year 2018-2019 to INR 2072.17 crores in the financial year 2022-2023. Further, UNCL which had reported loss of INR 743.24 crores for the financial year 2018-19 reported profits of INR 92.08 crores in the financial year 2022-2023.*
- vi. In order to integrate the business of UNCL with the business of the Transferee Company more beneficially, it is considered desirable and expedient to now amalgamate UNCL with the Transferee Company in the manner and on the terms and conditions stated in this Scheme of Amalgamation.*
- vii. The other two Transferor Companies herein, viz SMIL and MPL, were wholly owned subsidiaries of UNCL at the time of approval of the resolution plan and thus came in the fold of the Transferee Company along with UNCL pursuant to the resolution plan. The said two Transferor Companies are thus step-down subsidiaries of the Transferee Company. However, the said companies do not have a significant business at present and as such no useful purpose is being served by continuing with them as separate entities. It is thus considered desirable and expedient to reduce the number of*

*companies and also amalgamate the said two step-down subsidiaries with the Transferee Company as part of this Scheme of Amalgamation.*

*viii. The other benefits and advantages of the amalgamation are, inter alia, as follows:-*

*(a) The amalgamation will enable the Transferee Company to absorb the business of UNCL completely for carrying on the same more effectively and beneficially and deriving the utmost value from the amalgamated business.*

*(b) The business of the amalgamated entity will be carried on more efficiently and economically pursuant to the amalgamation as a result, inter alia, of pooling and more effective utilisation of the combined resources of the said companies, reduction in overheads, costs and expenses, economies of scale, elimination of duplication of work and rationalization and reduction of compliance requirements which will be facilitated by and follow the amalgamation.*

*(c) The amalgamation will lead to reduction and rationalisation of multiple entities in the group.*

*(d) The amalgamation will enable greater realisation of the potential of the business of UNCL and the Transferee Company in the amalgamated entity.*

*ix. The Scheme is proposed to the advantage of the Transferor Companies and the Transferee Company and will have beneficial results for the said companies, their shareholders, employees and all concerned.”*

5. The Appointed date under the Scheme is 1 April 2023.

6. The Learned Counsel for the Petitioner Company submits that the Company Scheme Petition was filed in consonance with the Order dated 4 July 2023 passed by this Tribunal in C.A.(CAA)/252(MB)2022 (“**said Order**”).



7. The Learned Counsel for the Petitioner Company submits that *vide* the said Order, the Company Scheme Application was admitted and (i) requirement of holding and convening of the meeting of equity shareholders of the Petitioner Company was dispensed with; (ii) and the Petitioner Company was directed to convene meetings of the secured and unsecured creditors of the Petitioner Company. The Learned Counsel for the Petitioner Company submits that, as directed by this Tribunal *vide* the said Order, the meetings of the secured creditors and unsecured creditors of the Petitioner Company was held on 4 September 2023 at 11:00 a.m. at 11:30 a.m. respectively through video conferencing and other audio-visual means, for the purpose of considering and if thought fit, approving with or without modification, the Scheme. The resolutions approving the sanction of the Scheme were duly passed by the requisite majority of secured and unsecured creditors at their respective meetings. The Chairperson appointed for the said meetings has filed his report showing the conduct and results of the said meetings as directed, which is annexed as Annexure A18 to the Company Scheme Petition.
8. The Learned Counsel for the Petitioner Company submit that on 15 September 2023, the Company Scheme Petition was admitted and the date for hearing and final disposal was fixed as 27 October 2023. The Petitioner Company were directed to cause publication of the advertisement in ‘Business Standard’ in English language and translation thereof in Marathi language in ‘Navshakti’. The Petitioner Company has filed its Compliance Report on 23 October 2023 evidencing the publication of said newspaper advertisements.

9. The Learned Counsel for the Petitioner Company states that the Petitioner Company has complied with all the requirements as per the directions of this Tribunal.
10. The Regional Director, Western Region (“**Regional Director**”) has filed his Report dated 20 October 2023 (“**Report**”) on the observations on the Scheme and praying that this Tribunal may pass such orders as it deems fit and proper in the facts and merits of the case. The observations of the Regional Director, the reply of the Petitioner Company in its affidavit dated 25 October 2023 are set out in tabular format below:

Sr no	Observations of the Regional Director in the Report of the Regional Director	Reply of Petitioner Company
(a)	<i>That on examination of the report of the Registrar of Companies, Mumbai dated 22.09.2023 (Annexed as Annexure A-1) for Petitioner Transferee Company falls within the jurisdiction of ROC, Mumbai. It is submitted that no complaint and/or representation regarding the proposed scheme of Arrangement has been received against the Petitioner Transferee Company. Further, the Petitioner Transferee Company has filed Financial Statements up to 31.03.2023.</i>	<i>The Petitioner Company submits that the observation is factual in nature and warrants no comment / response from the Petitioner Company.</i>
(a)(i)	<i>That the ROC Mumbai in his report dated 22.09.2023 has also stated that No Inquiry,</i>	<i>The Petitioner Company submits that the observation is factual in nature and warrants no</i>

	<i>Inspection, Investigations, Prosecutions under CA, 2013 have been pending against the Petitioner Companies.</i>	<i>comment / response from the Petitioner Company.</i>
(a)(ii) (a)	<i>There are several complaints pending against Transferee Company.</i>	<p><i>The Petitioner Company is a listed company having a large number of shareholders and other persons having dealings with the Company and responds to and addresses in the usual course, alleged complaints by some of such persons against the Petitioner Company. Furthermore, the Transferee Company will continue to remain in existence post approval of the Scheme and any complainants shall continue to have the option of making and pursuing their complaints, if any, against the Transferee Company even after approval of the Scheme.</i></p> <p><i>The Petitioner Company reiterates that there are no complaints and / or representation regarding the proposed Scheme and no inquiry, inspection, investigations or prosecutions under Companies Act, 2013 are pending against the Petitioner Company as also mentioned in the RD's observation under point 2(a) and 2(a)(i) above.</i></p>

<p>(a)(ii) (b)</p>	<p><i>Transferee Company is listed company hence NOC from SEBI should be obtained.</i></p>	<p><i>In terms of Securities and Exchange Board of India (“SEBI”) Master Circular dated 23<sup>rd</sup> November, 2021 and SEBI Circulars dated 17<sup>th</sup> November, 2022 and 9<sup>th</sup> December, 2022 on Scheme of Arrangement, the requirement of taking approval of Stock Exchanges to a Scheme entailing amalgamation of wholly owned subsidiaries with their listed holding company has been dispensed with and the listed holding company is only required to file the Scheme with the Stock Exchanges for the purpose of disclosure.</i></p> <p><i>The Transferee Company herein as the listed holding company of the Transferor Companies was thus not required to take the approval of the Stock Exchanges to the Scheme in terms of the SEBI Circulars, as stated above, and has duly filed the Scheme with the BSE and NSE for the purpose of disclosure by letters dated 25<sup>th</sup> May, 2023 which have been annexed to the Petition.</i></p>
<p>(a)(ii) (c)</p>	<p><i>As per provisions of section 232(3)(i) of CA, 2013 where the transferor company is dissolved, the fee, if any, paid by the transferor company on its authorized capital shall be set off against any fees payable by the</i></p>	<p><i>The Transferee Company undertakes to pay the remaining fee, if any, on its Authorized Share Capital subsequent to the amalgamation after setting off the fees already paid by the Transferor Companies and the</i></p>

	<p><i>transferee company on its authorized capital subsequent to the amalgamation. Therefore, the remaining fee, if any after setting off the fees already paid by the transferor company on its authorized capital, must be paid by the transferee company on the increased authorized capital subsequent to amalgamation.</i></p>	<p><i>Transferee Company on their Authorized Share Capital.</i></p>
<p>(a)(ii) (d)</p>	<p><i>Interest of the Creditor should be protected.</i></p>	<p><i>The Petitioner Company submits that the rights of creditors of the Petitioner Company will not be affected as there is no compromise or arrangement with the creditors of the Petitioner Company under the Scheme. Further, the assets of the Petitioner Company, post the Scheme, will be more than its liabilities and as such sufficient to discharge the liabilities in the normal course of business and the creditors would be paid off in the ordinary course of business by the Petitioner Company. Hence the rights of the creditors will not be jeopardized pursuant to the Scheme. It is also pertinent to note that the secured creditors (including debenture holders) as well as the unsecured creditors of the Transferee Company have by requisite majority sanctioned the <b>Scheme at their meetings held on 4<sup>th</sup> September, 2023.</b></i></p>

(a)(ii) (e)	<i>Interest of minority shareholders also protected.</i>	<p><i>The instant Scheme embodies the arrangement between the Transferor Companies and their shareholders as contemplated under Section 230(1)(b) of the Companies Act, 2013. However, in so far as the Transferee Company is concerned, there is no compromise or arrangement whatsoever between the Transferee Company and any classes of its shareholders under Sections 230 and 232 of the Companies Act, 2013.</i></p> <p><i>UNCL is a wholly owned (100%) subsidiary of the Transferee Company. SMIL and MPL are wholly owned (100%) subsidiaries of UNCL and step-down subsidiaries of the Transferee Company. The entire share capital of the Transferor Companies is thus held under the Transferee Company, as aforesaid.</i></p> <p><i>In terms of the Scheme, no new shares are to be issued to the shareholders of the Transferor Companies by the Transferee Company. The Scheme does not involve any reorganisation of share capital or debt of the Transferee Company.</i></p>
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		<p><i>In terms of the Scheme, the entire undertaking of the Transferor Companies, along with all its assets and liabilities, will be transferred to and vested in the Transferee Company. The combined net worth of the Transferor Companies and the Transferee Company, post amalgamation, will continue to be positive and their aggregate assets more than sufficient to meet their aggregate liabilities, in the ordinary course of business.</i></p> <p><i>The shareholding of the Transferee Company will remain unaffected as no new shares are being issued and there is no change in the capital structure.</i></p> <p><i>By virtue of the Scheme, there will be no change in control and management of the Transferee Company.</i></p> <p><i>The rights of the shareholders of the Transferee Company are not affected by the Scheme. Interest of all shareholders, including minority shareholders are duly protected. By an order dated 4<sup>th</sup> July, 2023, passed by the Hon'ble NCLT, Mumbai Bench</i></p>
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		<i>in Company Scheme Application (CAA) No.145/MB/2023 meetings of the shareholders of the Transferee Company were thus dispensed with.</i>
(b)	<i>Transferee company should undertake to comply with the provisions of section 232(3)(i) of the Companies Act, 2013 through appropriate affirmation in respect of fees payable by Transferee Company for increase of share capital on account of merger of transfer of companies.</i>	<i>The Petitioner Company undertakes to comply with Section 232(3)(i) of the Companies Act, 2013 and reiterates the statements above in response to the observations at paragraph 2(a)(ii)(c).</i>
(c)	<i>In compliance of Accounting Standard-14 or IND-AS 103, as may be applicable, the transferee company shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards including AS-5 or IND AS-8 etc.</i>	<i>The Petitioner Company undertakes to pass such accounting entries which are necessary in connection with the Scheme to comply with such accounting standards notified under Section 133 of the Companies Act, 2013 as may be applicable to the Petitioner Company.</i>
(d)	<i>The Hon'ble Tribunal may kindly direct the Petitioner Companies to file an affidavit to the extent that the Scheme enclosed to the Company Application and Company Petition are one and same and there is no discrepancy, or no change is made.</i>	<i>The Petitioner Company undertakes that the Scheme enclosed to the Company Application and the Scheme enclosed to the Company Petition are one and the same and there is no discrepancy and no change is made.</i>



(e)	<p><i>The Petitioner Companies under provisions of section 230(5) of the Companies Act 2013 have to serve notices to concerned authorities which are likely to be affected by the Amalgamation or arrangement. Further, the approval of the scheme by the Hon'ble Tribunal may not deter such authorities to deal with any of the issues arising after giving effect to the scheme. The decision of such authorities shall be binding on the petitioner companies concerned.</i></p>	<p><i>The Petitioner Company submits that notices under the provisions of Section 230(5) of the Companies Act, 2013 have been served to the concerned authorities, in compliance with the directions of the Hon'ble Tribunal and no objection has been received from any of the authorities. Further, the Petitioner Company shall be bound by any decision of the concerned authorities that is made in accordance with law.</i></p>
(f)	<p><i>As per Definition of the Scheme, "Appointed Date" means the 1st day of April 2023.</i></p> <p><i>"Effective Date" means the date or last of the dates on which all the conditions mentioned in Clause 16 are fulfilled, obtained, or waived.</i></p> <p><i>It is submitted that the Petitioners may be asked to comply with the requirements as clarified vide circular no. F. No. 7/12/2019/CL-I dated 21.08.2019 issued by the Ministry of Corporate Affairs.</i></p>	<p><i>The Scheme shall be operative from the Appointed Date which has been fixed as 1<sup>st</sup> April, 2023 and is provided in the Scheme.</i></p> <p><i>Accordingly, in terms of Section 232(6), the Scheme shall be effective from the said Appointed Date only in compliance with the said provision.</i></p> <p><i>Further, the Scheme was duly filed with the Hon'ble NCLT, Mumbai Bench on 26<sup>th</sup> May, 2023 which is well within one year of such Appointed Date. Hence, the Petitioner has duly complied with the said circular dated 21<sup>st</sup> August, 2019 issued</i></p>

		<i>by the Ministry of Corporate Affairs.</i>
(g)	<i>Petitioner Companies shall undertake to comply with the directions of the Income Tax Department &amp; GST Department, if any.</i>	<i>The Petitioner Company undertakes to comply with the directions of the Income Tax Department and GST Department, if any, made in accordance with law.</i>
(h)	<i>Petitioner Companies shall undertake to comply with the directions of the concerned sectoral Regulatory, if any.</i>	<i>The Petitioner Company undertakes to comply with the directions of the concerned sectoral Regulatory, as applicable, from time to time as may be required.</i>
(i)	<i>As per the list of shareholders of both Petitioner Companies, they have foreign shareholders hence Petitioner Companies shall undertake to comply with guidelines of RBI, FEMA, FERA.</i>	<i>The Petitioner Company submits that the present scheme involves merger of direct or indirect wholly owned subsidiaries with its holding company, and no shares would be issued or allotted as consideration pursuant to the merger. Hence approval of the Reserve Bank of India and compliance with the provisions of Foreign Exchange Management Act (or Regulations) is not required.</i>
2(j)	<i>Petitioner Transferee Company is a Listed Company and the petitioner Company vide reply letter dated 25.08.2023 has stated that "The shares of the Transferor Companies are not listed while the Equity Shares of the Transferee Company are</i>	<i>As mentioned in above point 2(a)(ii)(b), the Petitioner Company reiterates that in terms of the SEBI Master Circular dated 23<sup>rd</sup> November, 2021 and SEBI Circulars dated 17<sup>th</sup> November, 2022 and 9<sup>th</sup> December, 2022 on Scheme of</i>

	<p><i>listed on BSE Limited and the NSE Limited. However, NOC of stock Exchanges is not required in the instant case since the scheme of Amalgamation pertains to the amalgamation of wholly – owned subsidiaries with the holding company.</i></p>	<p><i>Arrangement, the requirement of taking approval of Stock Exchanges to a Scheme entailing amalgamation of wholly owned subsidiaries with their listed holding company has been dispensed with and the listed holding company is only required to file the Scheme with the Stock Exchanges for the purpose of disclosure. Accordingly, the Transferee Company has duly filed the Scheme with the BSE and NSE for the purpose of disclosure, by letters dated 25<sup>th</sup> May, 2023 which have been annexed with the Petition.</i></p>
2(k)	<p><i>UltraTech Nathdwara Cement Limited, Swiss Merchandise Infrastructure Limited, Merit Plaza Limited, the Petitioner Transferor Companies having their registered office at PS Arcadia Central, 5th Floor, 4A Abanindra Nath Thakur Sarani (Camac Street), Kolkata 700 016 in the State of West Bengal, hence Petitioner Companies shall undertake to obtain approval from Hon’ble NCLT, West Bengal Bench.</i></p>	<p><i>The Transferor Companies have already filed their petition for sanction of the instant Scheme of Amalgamation before the Hon’ble National Company Law Tribunal, Kolkata Bench and the same is pending.</i></p> <p><i>Thus, the Transferor Companies have already sought approval of the Hon’ble National Company Law Tribunal, Kolkata Bench to the Scheme.</i></p>

11. The Regional Director has not raised any other observations other than as set out above. Learned Counsel for the Petitioner Company submits that it is apparent that the Regional Director is satisfied with the responses provided.
12. From the material on record, the Scheme annexed as Annexure A1 to the Company Scheme Petition appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy.
13. Representative of the RD (WR) MCA, present at the time of hearing has submitted that the explanations and clarifications given by the petitioner companies are found to be satisfactory and stated that they have no objection for approving the Scheme of this Tribunal.
14. Since all the requisite statutory compliances have been fulfilled, the said Company Scheme Petition is made absolute in terms of prayer clauses (a), (b), (d), and (e) in the Company Scheme Petition.
15. The Scheme is hereby sanctioned, with the Appointed Date of April 1, 2023.
16. The Petitioner Company is directed to file the certified copy of this Order along with a copy of the Scheme with the concerned Registrar of Companies, within 30 days from the date of receipt of the certified copy of this Order from the Registry of this Tribunal.
17. The Petitioner Company to lodge the certified copy of this Order along with the Scheme duly certified by the Deputy Registrar or the Assistant Registrar, National Company Law Tribunal, Mumbai Bench, with the concerned Superintendent of Stamps for the purpose of adjudication of stamp duty

payable, if any, within 60 days from the date of receipt of the certified Order from the Registry of this Tribunal.

18. All concerned regulatory authorities to act on a copy of this Order along with Scheme duly certified by the Deputy Registrar or the Assistant Registrar, National Company Law Tribunal, Mumbai Bench.
19. Any person interested is at liberty to apply to this Tribunal in the above matters for any directions that may be necessary.
20. Any concerned Authorities are at liberty to approach this Tribunal for any further clarification as may be necessary.
21. Ordered Accordingly. C.P.(CAA)/252/MB-V/2023 is ‘**allowed**’ and ‘**disposed of**’.

SD/-

**Madhu Sinha**  
**Member (Technical)**

SD/-

**K.R. Saji Kumar**  
**Member (Judicial)**

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
DIVISION BENCH, COURT NO. II  
KOLKATA**

**Company Petition (CAA) No.152/KB/2023  
Connected With  
Company Application (CAA) No.138/KB/2023**

**IN THE MATTER OF:  
The Companies Act, 2013 –  
Section 230(6) read with Section 232(3).**

**IN THE MATTER OF:**

**UltraTech Nathdwara Cement Limited**, a Company incorporated under the Companies Act, 1956 and being a company within the meaning of the Companies Act, 2013, having Corporate Identification No. U26941WB1996PLC076612 and its registered office at PS Arcadia Central, 5th Floor, 4A Abanindra Nath Thakur Sarani (Camac Street), Kolkata 700 016 in the State of West Bengal.

**And**

**Swiss Merchandise Infrastructure Limited**, a Company incorporated under the Companies Act, 1956 and being a Company within the meaning of the Companies Act, 2013, having Corporate Identification No. U45400WB2010PLC154432 and its registered office at PS Arcadia Central, 5th Floor, 4A Abanindra Nath Thakur Sarani (Camac Street), Kolkata 700 016 in the State of West Bengal.

**And**

**Merit Plaza Limited**, a Company incorporated under the Companies Act, 1956 and being a Company within the meaning of the Act, having Corporate Identification No. U70109WB2010PLC155943 and its registered office at PS Arcadia Central, 5th Floor, 4A Abanindra Nath Thakur Sarani (Camac Street), Kolkata 700 016 in the State of West Bengal.

**IN THE MATTER OF:**

1. UltraTech Nathdwara Cement Limited
2. Swiss Merchandise Infrastructure Limited
3. Merit Plaza Limited

... Petitioners

**Date of Pronouncement: April 03, 2024.**

**CORAM:**

**SMT. BIDISHA BANERJEE, HON'BLE MEMBER (JUDICIAL)  
SHRI D ARVIND, HON'BLE MEMBER (TECHNICAL)**

**Appearance:**

**For the Petitioner: Mr. Ratnanko Banerji, Senior Advocate.  
Mr. D N Sharma, Advocate.  
Mr. Aniket Agarwal, Advocate.  
Mr. Bhargav Chakraborty, Advocate.**

**For the RD (ER), MCA: Mr. Sudhir Kapoor, Joint Director.**

**ORDER**

***Per: Coram***

1. The Court congregated through hybrid mode.
2. Heard the Learned Senior Counsel/ Counsel appearing on behalf of the Petitioner Companies and the Joint Director, MCA, Kolkata representing the Regional Director (Eastern Region) MCA, at length.
3. The instant petition has been filed under Section 230(6) read with Section 232(3) of the Companies Act, 2013 ("**Act**") for

sanction of the Scheme of Amalgamation of UltraTech Nathdwara Cement Limited (“**UNCL**”), Swiss Merchandise Infrastructure Limited (“**SMIL**”) and Merit Plaza Limited (“**MPL**”), being the Petitioners abovenamed (“**Transferor Companies**”), with **UltraTech Cement Limited** (“**Transferee Company**”) whereby and whereunder the entire Undertakings of the Transferor Companies is proposed to be transferred to and vested in the Transferee Company from the Appointed Date, **viz 1st April, 2023** in the manner and on the terms and conditions stated in the said Scheme of Amalgamation (“**Scheme**”). The Scheme is annexed as Annexure “A” at pages 31 to 50 of the petition.

4. The Petition has now come up for final hearing. Counsel for the Petitioners submit as follows:
  - (a) The Scheme was approved unanimously by the respective Board of Directors of the Petitioners at their meetings held on 28th April 2023. The board resolutions are annexed as Annexure “K” at pages 1069 to 1080 of the petition.
  - (b) The circumstances which justify and/or have necessitated the Scheme and the benefits of the same are, inter alia, as follows: -



- i.** The Transferee Company is the largest cement manufacturing company in India engaged in the business of manufacturing grey cement, white cement, ready mix concrete and various building products, including autoclaved aerated concrete (AAC) blocks and waterproofing, grouting and plastering solutions. The Transferee Company has been able to significantly grow its cement manufacturing business over the years by installing and adding new manufacturing capacity itself as also by acquiring existing cement manufacturing business from other companies and successfully integrating such acquired business with itself.
- ii.** UNCL is also engaged in the business of manufacturing grey cement at its unit situated in District Sirohi in the State of Rajasthan. However, its business had been adversely impacted and since it was unable to repay its debts, a Corporate Insolvency Resolution Process (“CIRP”) in terms of the provisions of the Insolvency and Bankruptcy Code, 2016 (“Code”) was initiated against it by the Bank of Baroda, a financial creditor, under Section 7 of the Code. The Hon’ble National Company Law Tribunal, Kolkata Bench admitted the said application of the financial creditor for initiation of CIRP of UNCL on 25th July, 2017.

**iii.** In terms of the Code, plans for resolution of corporate insolvency of UNCL were invited from interested applicants. The Transferee Company also submitted a plan for resolution of corporate insolvency of UNCL. From the resolution plans submitted by various applicants, the Committee of Creditors of UNCL formed under the Code approved the resolution plan submitted by the Transferee Company. The same was ultimately approved by the Hon'ble National Company Law Appellate Tribunal by its order dated 14th November, 2018 under Section 31 of the Code.

**iv.** The said resolution plan became effective on 20th November, 2018. The entire pre-resolution debts owed to the financial creditors, operational creditors and other creditors stood discharged by payment of the amounts apportioned for them under the resolution plan. The resolution plan thereby enabled and resulted in a fresh start for the business of UNCL under the new management of the Transferee Company. As part of the resolution plan, UNCL became a wholly owned subsidiary of the Transferee Company with the entire pre-resolution share capital of UNCL standing cancelled and the entire post-resolution share capital of UNCL being issued to and held by the Transferee Company and its nominees.

**v.** The business of UNCL has since turned around and stabilized under the Transferee Company's management with good capacity utilization. The turnover of UNCL has increased from INR 1165.06 crores in the financial year 2018-2019 to INR 2072.17 crores in the financial year 2022-2023. Further, UNCL which had reported loss of INR 743.24 crores for the financial year 2018-19 reported profits of INR 92.08 crores in the financial year 2022-2023.

**vi.** In order to integrate the business of UNCL with the business of the Transferee Company more beneficially, it is considered desirable and expedient to now amalgamate UNCL with the Transferee Company in the manner and on the terms and conditions stated in this Scheme of Amalgamation.

**vii.** The other two Transferor Companies herein, viz SMIL and MPL, were wholly owned subsidiaries of UNCL at the time of approval of the resolution plan and thus came in the fold of the Transferee Company along with UNCL pursuant to the resolution plan. The said two Transferor Companies are thus step-down subsidiaries of the Transferee Company. However, the said companies do not have a significant business at present and as such no useful purpose is being served by continuing with them as separate entities. It is thus

considered desirable and expedient to reduce the number of companies and also amalgamate the said two step-down subsidiaries with the Transferee Company as part of this Scheme of Amalgamation.

**viii.** The other benefits and advantages of the amalgamation are, inter alia, as follows:-

- a.** The amalgamation will enable the Transferee Company to absorb the business of UNCL completely for carrying on the same more effectively and beneficially and deriving the utmost value from the amalgamated business.
- b.** The business of the amalgamated entity will be carried on more efficiently and economically pursuant to the amalgamation as a result, inter alia, of pooling and more effective utilisation of the combined resources of the said companies, reduction in overheads, costs and expenses, economies of scale, elimination of duplication of work and rationalization and reduction of compliance requirements which will be facilitated by and follow the amalgamation.
- c.** The amalgamation will lead to reduction and rationalisation of multiple entities in the group.

**d.** The amalgamation will enable greater realisation of the potential of the business of UNCL and the Transferee Company in the amalgamated entity.

**(c)** The Statutory Auditors of the Transferee Company have by their certificate dated 19<sup>th</sup> May, 2023 confirmed that the accounting treatment in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Companies Act, 2013. The Certificate issued by the Auditors is annexed as Annexure “L” at page 1081 to 1084 of the Petition.

**(d)** The shares of the Petitioners are not listed on the stock exchanges.

**(e)** By an order made on 4th August, 2023 in Company Application CA(CAA) No.138/KB/2023, this Hon’ble Tribunal was pleased to dispense with the convening and holding of meetings of the Equity Shareholders and Unsecured Creditors of the Petitioners in view of the Equity Shareholders and Unsecured Creditors of the Petitioners having already considered and given their consent to the Scheme by their affidavits. The Petitioners do not have any Secured Creditors.

A copy of the said order is annexed as Annexure “P” at pages 1089 to 1096 of the petition.

**(f)** In compliance with the said order dated 4<sup>th</sup> August, 2023, the Petitioners had duly sent notices to the Statutory Authorities, being (i) the Regional Director, Eastern Region, Ministry of Corporate Affairs, Kolkata; (ii) Registrar of Companies, West Bengal; (iii) the Official Liquidator, Kolkata; (iv) Securities and Exchange Board of India and (v) Income Tax Authorities having jurisdiction over the Petitioners by email and by speed-post on 18<sup>th</sup> August, 2023. An affidavit of compliance in this regard has also been filed by them on 25<sup>th</sup> August, 2023. Copies of the Notice served on the Statutory Authorities as aforesaid, and postal receipts are annexed as Annexures “A” and “B”, at pages 5 to 58 and pages 59 to 64, respectively, of the affidavit of service filed by the Petitioner on 25<sup>th</sup> August, 2023.

**(g)** Consequently, the Petitioners presented the instant petition for sanction of the Scheme. By an order dated 20<sup>th</sup> September, 2023, the instant petition was admitted by this Tribunal and made returnable on 19<sup>th</sup> October, 2023. In compliance with the said order, the Petitioners have duly sent notices afresh

to the Statutory Authorities, being (i) the Regional Director, Eastern Region, Ministry of Corporate Affairs, Kolkata; (ii) Registrar of Companies, West Bengal; (iii) the Official Liquidator, Kolkata; (iv) Securities and Exchange Board of India and (v) Income Tax Authorities having jurisdiction over the Petitioners by email on 28th September, 2023 and by speed-post on 29<sup>th</sup> September, 2023. Further, the Petitioners in compliance with the directions given by this Tribunal on 20th September, 2023 have also duly published the notice of hearing once each in the “Financial Express” in English and “Aajkal” in Bengali in their respective issues dated 4th October, 2023. An affidavit of compliance in this regard has also been filed by them on 11<sup>th</sup> October, 2023. Copies of the Notice served on the Statutory Authorities and published in the newspapers, as aforesaid, are annexed as Annexures “A” and “C” at pages 5 to 61 and pages 63 to 64, respectively, of the affidavit of service filed by the Petitioner on 11<sup>th</sup> October, 2023.

- (h)** All statutory formalities requisite for obtaining sanction of the Scheme have been duly complied with by the Petitioners. The Scheme has been made bona fide and is in the interest of all concerned.

5. Pursuant to the said advertisements and notices, the Regional Director, Ministry of Corporate Affairs, Kolkata (“**RD**”) and the Official Liquidator, Kolkata (“**OL**”) have filed their representations before this Tribunal.
6. The Official Liquidator by his report dated 12<sup>th</sup> October, 2023 has stated as follows:-

*“18. That the Official Liquidator on the basis of information submitted by the Petitioner Companies is of the view that the affairs of the aforesaid Transferor Companies do not appear to have been conducted in a manner prejudicial to the interest of its members or to **public interest** as per the provisions of the Companies Act, 1956/the Companies Act, 2013 whichever is applicable.*

*19. That in View of the submission made above the Hon'ble National Company Law Tribunal may like to pass such order/orders as deemed fit and proper in the facts and circumstance of the case.”*

7. The Regional Director (RD) had initially filed an affidavit dated 5<sup>th</sup> January, 2024, inter alia seeking time to file their representation in the matter upon receipt of information/report regarding investigation of the company. The said affidavit was duly dealt with by the petitioners by an affidavit dated 7<sup>th</sup> January, 2024 filed by them in response to the said affidavit of



the RD. Thereafter the hearing of the petition was adjourned.

8. The RD has since made his representation by his reply affidavit dated 7<sup>th</sup> February, 2024 (“**RD Affidavit**”). The observations of the RD have been dealt with by the Petitioners by their Rejoinder affidavit dated 6<sup>th</sup> March, 2024 (“**Rejoinder**”). The observations of the RD and responses of the Petitioner are as under:

a. **Paragraph 3 of Rejoinder:**

“Before dealing with the said Affidavit in seriatim and at the outset, I state and submit that UltraTech Cement Limited (“**Transferee Company**”) acquired UltraTech Nathdwara Cement Limited (“**UNCL**”) erstwhile Binani Cement Limited, and its subsidiaries under a resolution plan approved by the Hon’ble National Company Law Appellate Tribunal (“**NCLAT**”) by an order dated 14.11.2018 made under Section 31 of the Insolvency and Bankruptcy Code, 2016 (“**Code**”). All cases referred to in the said Affidavit against UNCL i.e., the Corporate Debtor appear to have been initiated in the years 2010, 2013 and 2014. Pertinently, the said cases relate to offences allegedly committed much before initiation of Corporate Insolvency Resolution Process against UNCL/Corporate Debtor on 25.07.2017. The approval of the resolution plan has resulted in change of management and control of UNCL and its subsidiaries

and the new management of UNCL and its subsidiaries has no relation whatsoever to the erstwhile management of UNCL and its subsidiaries nor is in any manner connected with the offences mentioned in the said Affidavit. As such neither UNCL nor the present management of UNCL are liable for the said offences by virtue of the provisions of section 32A of the Code. Consequently, prosecution for the said offences mentioned in the said Affidavit cannot hinder any processes undertaken by UNCL or its subsidiaries and the Transferee Company, including the present proceedings. Without prejudice to the aforesaid but fully relying thereon, I now deal with the said Affidavit in seriatim as hereunder.”

**b. Paragraph 2(a) of RD Affidavit:**

*“That it is submitted that on the examination of report of the Registrar of Companies, West Bengal, it appears that no complaint and/or representation has been received against the proposed Scheme of Amalgamation. However, in the said report, the ROC, WB further stated that a letter from the Government of Rajasthan has been received against the Transferor Company, Ultratech Nathdwara Cement Limited for non-clearance of stamp duty. In view of this, Hon’ble Tribunal may direct the Petitioner Company to file/give an undertaking through appropriate affirmation clarifying the position regarding the clearance of such dues including stamp duty to the Government of Rajasthan.”*

**Response as per Paragraph 5 of Rejoinder:**

“With reference to paragraph 2(a) of the said Affidavit, save what are matters of record and save what appears therefrom, the petitioners do not admit any of the observations in the paragraph under reference or the report of the Registrar of Companies (“**ROC**”) referred to therein. It is apparent from the said paragraph under reference that there is no complaint and/or representation against the instant Scheme of Amalgamation (“**Scheme**”) of UNCL, being the Petitioner No.1 abovenamed Swiss Merchandise Infrastructure Limited, being the Petitioner No.2 abovenamed (“**SMIL**”) and Merit Plaza Limited, being the Petitioner No.3 abovenamed (“**MPL**”) with Transferee Company. In so far as the earlier representation dated 05/01/2024 is concerned, I repeat and reiterate what is stated in my earlier affidavit dated 7<sup>th</sup> February, 2024 in response thereto and deny and dispute all observations contrary thereto and/or inconsistent therewith. I further say that by an order dated 8<sup>th</sup> April, 2021, the Collector of Stamps, Jaipur (State of Rajasthan) has held that no stamp duty is payable under the provisions of Rajasthan Stamp Act, 1998 on the resolution plan approved by the NCLAT, New Delhi. A copy of the said order dated 7<sup>th</sup> February, 2024 is annexed hereto and marked “A”. Thus there is no non-clearance of stamp duty to the Government of Rajasthan as observed in the paragraph under reference.”

**c. Paragraph 2(b) of RD Affidavit:**

*“Further, as per report of ROC, WB, it is submitted that the Transferor Company, Ultratech Nathdwara Cement Limited has*

*changed its name from Binani Cement Limited and consequent upon inspection, certain number of prosecutions pertaining to the said Binani Cement Limited (now Ultratech Nathdwara Cement Limited) are pending before the Ld. Court. (Copy of the said report of ROC, WB marked as Annexure-I is enclosed herewith for perusal and ready reference.)”*

**Response as per Paragraph 6:**

“With reference to paragraph 2(b) of the said Affidavit, save what are matters of record and save what appears therefrom, the petitioners do not admit any of the observations in the paragraph under reference or the report of the ROC referred to therein. In so far as the prosecutions, as referred to therein in respect of UNCL are concerned, I say that UNCL was acquired by the Transferee Company under a resolution plan approved by the Hon’ble National Company Law Appellate Tribunal (“**NCLAT**”) by an order dated 14th November, 2018 made under Section 31 of the Insolvency and Bankruptcy Code, 2016 (“**Code**”). The prosecution cases as referred to in the paragraph under reference and the report of the ROC mentioned therein are all admittedly filed in the years 2010 to 2013 which is well before the acquisition of UNCL by the Transferee Company under the resolution plan, as aforesaid. The present management is not aware of the said cases and has not been provided with copies of the papers relating to the same and makes no admission with regard thereto. Further, and in any event, I say that the said prosecutions, being all admittedly prior to the

acquisition of UNCL by the Transferee Company, as aforesaid, UNCL or the present management of UNCL is not liable for the said prosecutions by virtue of the provisions of section 32A of the Code. I further state and submit that the observations in the paragraph under reference are not relevant or material to the adjudication of the petition herein for sanction of the Scheme.”

**d. Paragraph 2(c) of RD Affidavit:**

*“It is further submitted that all the Transferor Petitioner Companies are updated in filing of their Financial Statements and Annual Returns for the financial year ended 31/03/2023.”*

**Response as per Paragraph 7 of Rejoinder:**

“With reference to paragraph 2(c) of the said Affidavit, it is admitted that the petitioners are updated in filing their financial statements and annual returns for the financial year ended 31/03/2023.”

**e. Paragraph 2(d) of RD Affidavit:**

*“The Rationale forming part of the Scheme of Amalgamation, inter alia, stated that UltraTech Nathdwara Cement Limited (UNCL), one of the Transferor Companies was acquired by the Transferee Company, UltraTech Cement Limited in terms of the provision of the Insolvency and Bankruptcy Code, 2016 by order dated 14/11/2018 approved by the Hon’ble National Company Law Appellate Tribunal. The other two Transferor Companies, i.e. Swiss Merchandise Infrastructure Limited (SMIL) and Merit Plaza Limited (MPL) were*

*wholly owned subsidiaries of UNCL at the time of approval of the resolution plan and thus came in the fold of the Transferee Company along with UNCL pursuant to the resolution plan.*

**Response as per Paragraph 8 of Rejoinder:**

*“The contents of paragraph 2(d) are admitted.”*

**f. Paragraph 2(e) of RD Affidavit:**

**“It is further submitted that the Transferor Company namely Ultratech Nathdwara Cement Limited (UNCL), formerly Binani Cements Limited is under investigation pursuant to the provision of section 212 of the Companies Act, 2013 by Serious Fraud Investigation Office (SFIO) and the same has already been stated in the earlier representation dated 05/01/2024. However, this Deponent has received an email dated 05/02/2024 along with copy of letter vide no. SFIO/Inv/BCL/1292/2020 dated 05/02/2024 from the Serious Fraud Investigation Office (SFIO) in the matter, which is self-explanatory, a copy of which is enclosed herewith in Annexure-II for perusal and further necessary consideration. The content in the SFIO's communication is reproduced as under:**

*"The MCA vide its order dated 11.05.2020 had directed SFIO to investigate the affairs of Binani Cement Limited under i.e. the Company Under Investigation (CUI) 212(l)(c) of the Companies Act, 2013. In exercise of powers conferred u/s 212(1) of the Companies*

*Act, 2013 Director, SF10 has appointed undersigned as Investigating Officer along with 4 Other Inspectors.*

*During the course of investigation, this office has issued various/summons u/s 217 of the Companies Act, 2013 to KMPs/Directors/Promoters to the CUI and its related parties including Swiss Merchandise Limited and Merit Plaza Limited. Though vide aforesaid order dated 1 1.05.2020 MCA had directed to investigate into the affairs of Binani Cement Limited only, but your kind attention is required at the provisions of Section 219 of Companies Act, 2013 which is reproduced as under-*

*"219. Power of inspector to conduct investigation into affairs of related companies, etc: If an inspector appointed under section 210 or section 212 or section 213 to investigate into the affairs of a company considers it necessary for the purpose of the investigation, to investigate also the affairs of---*

***(a)** Any other body corporate which is, or has at any relevant time been the company's subsidiary company or holding company, or a subsidiary company of its holding company.*

***(b)** Any other body corporate which is or has at any relevant time been managed by any person as managing director or as manager, who is, or was, at the relevant time, the managing director or the manager of the company.*

*(c) Any other body corporate whose Board of Directors companies nominees of the company or is accustomed to act in accordance with the directions or instruction of the Company or any of its directors, or*

*(d) Any person who is or has at any relevant time been the company's managing director or manager or employee.*

*He shall, subject to the prior approval of the Central Government, investigate into and report on the affairs of the other body corporate or of the managing director or manager, in so far as he considers that the results of his investigation are relevant to the investigation of the affairs of the company for which he is appointed.*

*In view of the above, any specific concern with respect to the proposed amalgamation scheme in light of the ongoing investigation of the CUI could not be commented upon at this stage of investigation. However, during the &hire course of investigation, if the inspector/IO considers it necessary for the purpose of the investigation, to investigate also the affairs of Swiss Merchandise Limited and Merit Plaza Limited it shall, subject to the prior approval of the Central Government, investigate into and report on the affairs of Swiss Merchandise Limited and Merit Plaza Limited also.*

*Further, on the basis of opinion sought in this regard from Prosecution Division, SFIO and as per directions received, I am hereby directed to state that as the investigation is under progress,*



*it is hereby proposed to oppose the current scheme of amalgamation as amalgamation of Binani Cement Limited (Now Ultratech Nathdwara Cement Limited), Swiss Merchandise Limited and Merit Plaza Limited may impact the ongoing investigation of Binani Cements Limited (Now Ultratech Nathdwara Cement Limited."*

*In view of the above and in light of the concerns expressed by the SFIO as stated hereinbefore, the proposed Scheme of Amalgamation is objected upon and it is prayed that the said Scheme should not be sanctioned."*

**Response as per Paragraph 9 of Rejoinder:**

"With reference to paragraph 2(e) of the said affidavit, save what are matters of record and save what appears therefrom, the petitioners do not admit any of the observations in the paragraph under reference. The petitioners further state and submit as follows:-

(a) UNCL was acquired by the Transferee Company, as aforesaid, on a clean slate basis under a resolution plan for revival of the business of UNCL approved by the Hon'ble NCLAT by an order dated 14th November, 2018 made under Section 31 of the Code. The said resolution plan became effective on 20th November, 2018. The resolution plan thereby enabled and resulted in a fresh start for the business of UNCL under the new management of the Transferee Company. As part of the resolution plan, UNCL became a wholly

owned subsidiary of the Transferee Company. The other two Transferor Companies herein, viz SMIL and MPL, which were wholly owned subsidiaries of UNCL at the time of approval of the resolution plan thus also came in the fold of the Transferee Company along with UNCL pursuant to the resolution plan and became step down subsidiaries of the Transferee Company.

(b) The business of UNCL turned around and stabilised under the Transferee Company's management with good capacity utilisation. The turnover of UNCL has increased from INR 1165.06 crores in the financial year 2018-2019 to INR 2072.17 crores in the financial year 2022-2023. Further, UNCL which had reported loss of INR 743.24 crores for the financial year 2018-19 reported profits of INR 92.08 crores in the financial year 2022-2023. In order to integrate the business of UNCL with the business of the Transferee Company more beneficially in furtherance of the acquisition under the resolution plan, it is necessary to now amalgamate UNCL with the Transferee Company in the manner and on the terms and conditions stated in this Scheme of Amalgamation. As part of the Scheme it is also proposed to reduce the number of companies and also amalgamate the said two step-down subsidiaries, viz SMIL and MPL, with the Transferee Company as no useful purpose is being served by continuing with them as separate entities.

(c) The Scheme is proposed to the advantage of the Transferor Companies and the Transferee Company and will have beneficial

results for the said companies, their shareholders, employees and all concerned and deserves to be sanctioned and implemented.

(d) Mere pendency of investigation proceedings under Section 212 of the Companies Act, 2013 in respect of UNCL since 11<sup>th</sup> May, 2020 or the apprehension that affairs of SMIL and MPL may also have to be investigated in future under Section 219 of the Companies Act, 2013 as observed in the paragraph under reference cannot be a ground to object to the Scheme or hold up sanction of the Scheme which is in the interest of the Companies and all concerned.

(e) The pendency of the investigation proceedings are irrelevant and cannot detract from the consideration and sanction of the Scheme on merits. In this context, it is significant to note that admittedly the pending investigation is primarily for the period prior to the coming into effect of the aforesaid resolution plan of UNCL and its take over by the Transferee Company. The Transferee Company has actively pursued and achieved revival of the business of UNCL following such take over of UNCL on a clean slate basis under the resolution plan. The amalgamation is only a logical step in furtherance of the same and cannot be held up due to the past affairs of the Transferor Companies under their former promoters/management.

(f) Further and in any event, the investigation proceedings in respect of the said past affairs of UNCL and in respect of SMIL/MPL (if initiated), can continue even after the amalgamation and the amalgamation will not impact or prejudice the same. In this context, it is respectfully stated and submitted that in terms of Section 32A of the Code and the approved resolution plan, the Transferor Companies and the Transferee Company and their present management are not liable for the past defaults, if any, of the Transferor Companies and their erstwhile promoters and management. Be that as it may, even after the amalgamation, the Transferee Company will be bound and will continue to provide all further information and documents as may be required in connection with the ongoing investigation, as were available with the Transferor Companies prior to the amalgamation.

In the facts and circumstances, the Petitioners state and submit that there cannot be any concern or apprehension with respect to the proposed amalgamation and the same cannot be objected upon as observed in the paragraph under reference.”

**g. Paragraph 2(f) of RD Affidavit:**

*“The Hon’ble Tribunal may kindly direct the Petitioners to file an affidavit to the extent that the Scheme enclosed to the Company Application and Company Petition are one and same and there is no discrepancy, or no change is made.”*

**Response as per Paragraph 10 of Rejoinder:**

“With reference to paragraph 2(f) of the said Affidavit, the Petitioners confirm that the Scheme enclosed to the Company Application and the Company Petition are one and same and there is no discrepancy, and no change is made.”

**h. Paragraph 2(g) of RD Affidavit:**

*“It is submitted that the Income Tax Department vide its letter No. PCIT(C)-1/Kol/amalgamation/2023-24/ 7576 dated 02/11/2023 along with copy of letter vide No. JCIT/R(C)/Kol/amalgamation/2023-24/1795 dated 02/11/2023 and letter no. JCIT /R-2(C)/Kol/amalgamation/2023-24/1690 dated 18/10/2023 and other letters stating therein some observations, inter alia, submitted that notice pursuant to the section 230(5) of the Companies Act, 2013 has been served on 21/08/2023 and the Income Tax Department has no objection for such Scheme of amalgamation and also stated that any pending issues can be examined even after amalgamation in the light of Deptt. Of Income Tax Vs. Vodafone Essar Gujarat Ltd (2015) 16 SCC 629. Copies of such letters of Income Tax Department collectively marked as Annexure- 111 is enclosed herewith for perusal and ready reference.”*

**Response as per Paragraph 11 of the Rejoinder:**

“With reference to paragraph 2(g) of the said Affidavit, the same are matters of record. It is evident from the same, that the Income Tax Department has no objection to the sanction of the Scheme.”

**i. Paragraph 12 of Rejoinder:**

“The instant Scheme of Amalgamation is to the benefit and advantage of the said companies, their shareholders, employees and all concerned. The Scheme is just, fair and reasonable and is not contrary to any provisions of law and does not violate any public policy. The Scheme has also been approved bona fide by the shareholders of the petitioner companies. The Central Government has not disclosed any plausible reason to oppose the sanctioning of the said Scheme on merits. The Official Liquidator has filed his report that the affairs of the Transferor Companies have not been conducted in a manner contrary to the interest of its members or to the **public interest**.”

**9.** With regard to the pending prosecutions and investigation against UNCL, Ltd. Senior Counsel for the Petitioners have relied upon the decisions of the Hon’ble Supreme Court of India in ***Manish Kumar v. Union of India, reported at (2021) 5 SCC 1 (paras 323 – 324 at Pg 170)*** to reiterate that upon takeover of UNCL by the new management on a clean slate consequent to the resolution plan approved under Section 31 of the Code, UNCL and its new management cannot be held responsible or made to suffer for the past defaults, if any, of UNCL and its

erstwhile promoters and management and UNCL or its new management cannot be prosecuted for such past defaults by virtue of the immunity granted to UNCL in this regard by Section 32A of the Code. Accordingly, Ld. Senior Counsel for the Petitioners further submit that while the pending prosecutions as referred to in paragraph 2(b) of the RD's Affidavit cannot be continued against UNCL or the Transferee Company, the pending investigation as referred to in paragraph 2(e) of the RD's Affidavit into the past affairs can continue but the Transferee Company or its management cannot be made liable for any past defaults of UNCL as a result of such investigation.

10. It is further submitted by Ld. Senior Counsel for the Petitioners that the NCLT, Mumbai Bench has already **sanctioned** the Scheme of Amalgamation by an **order dated 18<sup>th</sup> December, 2023 passed in Company Petition (CAA) No. 252/MB/2023** filed by the Transferee Company before the NCLT, Mumbai Bench.
11. Heard submissions made by the Learned Senior Counsel/ Counsel appearing for the Petitioners and the Joint Director in the Office of R.D. (E.R), MCA, Kolkata. Upon perusing the records and documents in the instant proceedings and considering the submissions, we **allow** the petition and make the following **orders**:

- (a) The Scheme of Amalgamation mentioned in paragraph 1 of this petition, being Annexure "A" hereto, be **sanctioned** and be binding with effect from **1st April, 2023** ("**Appointed Date**") on **UltraTech Nathdwara Cement Limited, Swiss Merchandise Infrastructure Limited** and **Merit Plaza Limited** ("**Transferor Companies**"), their shareholders and all concerned.
- (b) All the property, rights and powers of the Transferor Companies, including those described in the Schedule of Assets herein, be transferred from the said Appointed Date, without further act or deed, to UltraTech Cement Limited ("Transferee Company") and, accordingly, the same shall pursuant to Section 232(4) of the Companies Act, 2013, be transferred to and vest in the Transferee Company for all the estate and interest of the Transferor Companies therein but subject nevertheless to all charges now affecting the same, as provided in the said Scheme.
- (c) All the debts, liabilities, duties and obligations of the Transferor Companies be transferred from the said Appointed Date without further act or deed to the Transferee Company, as provided in the Scheme, and, accordingly, the same shall pursuant to Section 232 (4) of the Companies Act, 2013, be transferred to and become the debts, liabilities, duties and obligations of the Transferee Company.



- (d)** All the workmen and employees of the Transferor Company shall be engaged by the Transferee Company, as provided in the Scheme. All the obligations/ liabilities of the Transferor Companies with regard to their workmen and employees shall be the responsibilities of the Transferee Company.
- (e)** All proceedings and/or suits and/or appeals now pending by or against the Transferor Company be continued by or against the Transferee Company, as provided in the Scheme; and the sanctioning of the scheme by this tribunal shall not come in the way of any proceedings pending/ contemplated against any of the petitioner companies, for which the relevant records shall be preserved by the Transferee company who is any way responsible for attending to any such proceedings on behalf of the constituent companies.
- (f)** In case of any default including any Provisions of Income Tax Act in this respect of the Transferor Company the Income Tax department, the Registrar of Companies, West Bengal, and all other Statutory Department shall be at liberty to initiate appropriate proceedings against the Transferee Company, which after the sanction of the scheme by this Tribunal is in any case responsible for the liabilities/non-compliance of the Transferor Companies also. The transferee company shall preserve all the records of the transferor companies as per the requirement of the Companies act 2013, in this regard.

(g) With effect from the Appointed Date and up to and including the Effective Date, all legal, arbitration, active charges and tax assessment proceedings/appeals of whatsoever nature by or against the Transferor Companies pending and/or arising on or after the Appointed Date shall be continued and/or enforced by or against the Transferee Company. Any Compounding/ Penalties/ Liabilities/ Taxes/Active Charges required to be done on behalf of the Transferor Companies for any violation of the Companies Act, 2013 shall be the responsibility of the Transferee Company. The Transferee Company shall also preserve the necessary records in respect of any such pending proceedings, at least till the culmination of such proceedings. To fortify our view, we would rely upon the judgment passed by the Hon'ble Apex Court in **Religare Finvest Limited vs. State of NCT of Delhi** reported in **AIR 2023 SC 4537: MANU/SC/1004/2023**, where the ratio laid down in **Saraswati Industrial Syndicate Ltd. v. CIT, Haryana, H.P. & Delhi** reported in **MANU/SC/0584/1990: 1990 Supp (1) SCR 332**, was discussed as:

“The true effect and character of the amalgamation largely depends on the terms and scheme of merger but there cannot be any doubt that when two companies amalgamate and merge into one the transferor company loses its entity as it ceases to have its business.

However, their respective rights or liabilities are determined under the scheme of amalgamation, but the corporate entity of the transferor company ceases to exist with effect from the date the amalgamation is made effective.”

**(Emphasis Added)**

**Further, the Hon’ble Apex Court held that:**

“32. Every scheme of amalgamation is statutory and sanctioned under the Banking Act. Such amalgamation is to ensure that the interests of the depositors, the creditors and others who had invested, or given credit to in the erstwhile bank, before its sickness, and that the general public are protected. It aims at securing larger public interest and health of the banking industry.”

**(Emphasis Added)**

- (h)** The Transferee Company do without further application issue and allot to the shareholders of the Transferor Companies, the shares in the Transferee Company to which they are entitled in terms of the Scheme.
- (i)** Leave is granted to the Petitioners to file the Schedule of assets and liabilities of the Transferor Companies in the form as prescribed in the Schedule to Form No. CAA7 of the Companies (Compromises, Arrangements and

Amalgamations) Rules, 2016 within three weeks from the date of receiving a copy of this order.

- (j)** That any person/authority interested/aggrieved shall be at liberty to apply to this Tribunal in the above matter for any directions that may be necessary.
- (k)** The Transferor Companies shall each within thirty days of the date of the receipt of this order, cause a certified copy thereof to be delivered to the Registrar of Companies for registration and on such certified copies being so delivered and on the Scheme being effective in terms thereof, the Transferor Companies shall be dissolved without winding up with effect from the Effective Date, as defined in the Scheme, and all documents relating to the Transferor Companies kept by the Registrar of Companies, West Bengal shall be consolidated with the file kept by the Registrar of Companies, Mumbai in relation to the Transferee Company;
- (l)** The Petitioner Companies shall stand dissolved, without winding up, from the date of filing of the certified copy of this Order with the respective Registrar of Companies.
- (m)** All other matters covered by the Scheme shall take effect subject to and in terms of the Scheme.
- (n)** Leave be granted to the Petitioners to file the Schedule of Assets of the Transferor Companies in the form as prescribed

in the Schedule to Form No. CAA7 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 within three weeks from the date of the order to be made herein.

- 12.** During the course of hearing, the Joint Director in the Office of Regional Director (ER) MCA Kolkata, vehemently objected and opposed to the approval of the scheme based on the objections raised by Serious Fraud Investigation Office (SFIO) due to pending investigation in respect of past affairs of erstwhile Binani Cement (now, Ultratech Nathdwala Cement Limited) and the investigation can lead to the investigation of two other small subsidiaries namely, Swiss Merchandise Infrastructure Limited and Merit Plaza Limited. Both of which are transferor companies in the scheme in hand.
- 13.** We have noted that erstwhile Binani Cement was acquired through a Corporate Insolvency Resolution Process (CIRP) under Insolvency and Bankruptcy Code, 2016 (I&B Code), and hence the principle of “Fresh Slate” would be applicable. We would refer the Section 32A of I&B Code, which deals with liability for prayer answers that his prayer to takeover of a company under I&B Code states that no action shall be taken against the new management for the offences committed by the previous management.

14. It is a settled position of law that upon the approval of the Resolution Plan, the Corporate Debtor avails the limbs of new management to revive its business. Thus, all the past liabilities of the Corporate Debtor including criminal liability prior to the initiation of the CIR Process shall stand effaced and the new management will step into the shoes of the company with a fresh or clean slate. Hence, the old management shall be liable to face all the offences committed prior to the commencement of the CIR Process. At this junction, we would rely upon the judgment rendered by the Hon'ble Apex Court in ***Ajay Kumar Radheyshyam Goenka vs. Tourism Finance Corporation of India Ltd.*** reported in **MANU/SC/0244/2023: (2023) 10 SCC 545** that:

“67. Thus, Section 32A broadly leads to:

a. **Extinguishment of the criminal liability of the corporate debtor, if the control of the corporate debtor goes in the hands of the new management which is different from the original old management [...].**”

**(Emphasis Added)**

15. Further, in a very recent judgment rendered by the **Hon'ble High Court of Madras** in ***Vasan Healthcare Pvt. Ltd. vs. The Deputy Director of Income Tax (Investigation), Unit 3(2)*** reported in **MANU/TN/0243/2024: (2024) ibclaw.in 80 HC** that:

*“9. [...] it clear that the persons who are involved in the day today affairs of the company and were incharge and responsible for running of the company, will be liable to face all the **offence committed prior to the commencement of the Corporate Insolvency Resolution Process. There is no escape for those persons from criminal liability even though the corporate debtor is given a clean slate and is handed over to the new Management.**”*

**XXX**

**XXX**

**XXX**

11. [...] The moment the Corporate Insolvency Resolution Process is initiated against the corporate debtor and the application is accepted by the NCLT, the moratorium comes into operation. **Once the resolution plan is accepted by the NCLT and orders are passed and the Corporate debtor gets into hands of the new management, all the past liabilities including the criminal liability of the Corporate debtor gets wiped off and the new Management takes over the company with clean slate.”**

**(Emphasis Added)**

- 16.** Further, we find that through an affidavit dated 18.03.2024 filed by the Constituted Attorney of the Petitioners Company, it has been categorically stated and undertaken that:

*“3. With regard to the pending investigation by the Serious Fraud Investigation Office (“SFIO”) in respect of the past affairs of UNCL, the Petitioners in paragraph 5(f) of the Rejoinder have states as follows:*

*“5(f) Further in any event, the investigation proceedings in respect of the said past affairs of UNCL and in respect of SMIL/MPL (if initiated), can continue even after the amalgamation and the amalgamation will not impact or prejudice the same. In this context, it is respectfully stated and submitted that in terms of Section 32A of the Code and the approved resolution plan, the Transferor Companies and the Transferee Company and their present management are **not** liable for the past defaults, **if any, of the Transferor Companies and their erstwhile promoters and management. Be that as it may, even after the amalgamation, the Transferee Company will be bound and will continue to provide all further information and documents as may be required in connection with the ongoing investigation, as were available with the Transferor Companies prior to the amalgamation.”***

***4.** The petitioners reiterate that in terms of, inter alia, Section 32A of the Insolvency and Bankruptcy Code of India, 2016, the Transferor Companies and the Transferee Company and their present management cannot be made liable for the past affairs, if any, of the Transferor Companies and their erstwhile management. However, the same will not prejudice the pending investigation by the SFIO. **Even after the amalgamation, the SFIO can continue the investigation proceedings and take steps against the erstwhile***



**management as the SFIO may deem fit in accordance with law.**”

17. In terms of the undertaking and the legal positions enumerated above, we are of the view that approval of the scheme will not prejudice the rights or interests of the Serious Fraud Investigation Office (SFIO) or any other party in connection with the offences committed by the erstwhile promoters of the transferor companies.
18. As the law laid down in ***Religare Invest Limited (Supra)*** and ***Saraswati Industrial Syndicate Ltd. (Supra)***, we would clearly infer that the liability to comply the investigation proceedings initiated and continued by the SFIO shall not be wiped off or extinguished upon the approval the present scheme. All the proceedings and/or investigation by the SFIO, shall be run and continued sans any bar against the concerned accused persons and the liability of complying all such proceedings and/or investigation shall be upon those concerned accused persons. The Transferee company shall also preserve the necessary records in respect of any such pending proceedings, at least till the culmination of such proceedings. In any event, if the SFIO requires to initiate any separate proceedings in connection with the ongoing investigation, the approval of the scheme shall not come into their way at all.

19. In terms of foregoing directions and conditions, we hereby **finally approve and sanction** the Scheme annexed as Annexure "A" to the petition, binding with effect from **1st April, 2023 ("Appointed Date")** on the Petitioner Companies and their shareholders and all concerned.
20. The Petitioners shall supply legible print out of the scheme and schedule of assets in acceptable form to the department and the department will append such printout, upon verification to the certified copy of the order.
21. The Company Petition being **C.P. (CAA) No. 152/KB/2023** connected with **C.A. (CAA) No. 138/KB/2023** is **disposed of** accordingly.
22. Certified copy of the order may be issued, if applied for with the Registry, upon compliance of all requisite formalities.

**D. Arvind**  
**Member (Technical)**

**Bidisha Banerjee**  
**Member (Judicial)**

**This Order is signed on the 03rd Day of April, 2024.**

Bose, R. K. [LRA]/ PH (P.S.)

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KOLKATA**

**Company Petition (CAA) No.152/KB/2023  
Connected With  
Company Application (CAA) No.138/KB/2023**

**IN THE MATTER OF:  
The Companies Act, 2013 –  
Section 230(6) read with Section 232(3).**

**IN THE MATTER OF:**

- 1. UltraTech Nathdwara Cement Limited**
- 2. Swiss Merchandise Infrastructure Limited**
- 3. Merit Plaza Limited**

**... Petitioners.**

**CORAM:**

**SMT. BIDISHA BANERJEE, HON'BLE MEMBER (JUDICIAL)  
SHRI D ARVIND, HON'BLE MEMBER (TECHNICAL)**

**CORRIGENDUM**

- 1.** This Order for approval of Scheme of Amalgamation has been pronounced on **03.04.2024**, by this Adjudicating Authority.
- 2.** The Learned Counsel Mr. D.N. Sharma, appearing on behalf of the Petitioners has mentioned through a Mentioning Memo dated 08.04.2024, before us indicating some typographical errors appear to have crept into the operative part on pages 30, 31, and 32 of the order dated 03.04.2027.
- 3.** We have noted that at **paragraphs (h) and (i) on page 30** and **paragraph (i) on page 31** of the order, the contents have wrongly recorded which are deleted and removed from the order and the direction given in said paragraphs, i.e., **(h), (i) and (l)** at pages 30-31 of the order shall have no effect after this corrigendum is passed.

4. Further, we would note that at 6<sup>th</sup> line of paragraph 13 on page 32 of the order dated 03.04.2024, wrongly recorded that “*for prayer answers that his prayer to takeover of a company*”. Paragraph 13 would be rightly read as under:

*“13. We have noted that erstwhile Binani Cement was acquired through a Corporate Insolvency Resolution Process (CIRP) under Insolvency and Bankruptcy Code, 2016 (I&B Code), and hence the principle of “Fresh Slate” would be applicable. We would refer the Section 32A of I&B Code, which deals with liability under I&B Code states that no action shall be taken against the new management for the offences committed by the previous management.”*

5. The rest of the order shall stand unchanged.
6. This corrigendum be read along with the Order dated **03.04.2024.**

**D. Arvind**  
**Member (Technical)**

**Bidisha Banerjee**  
**Member (Judicial)**

**Place: Kolkata.**  
**Date: 10.04.2024.**

Bose, R. K. [LRA]

**COMPOSITE SCHEME OF ARRANGEMENT**

**BETWEEN**

**KESORAM INDUSTRIES LIMITED**

**AND**

**ULTRATECH CEMENT LIMITED**

**AND**

**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
DIVISION BENCH, COURT NO. II  
KOLKATA**

**Company Petition (CAA) No. 175/KB/2024  
Connected With  
Company Application (CAA) No. 150/KB/2024**

*A petition under Section 230(6) read with Section 232(6) of the  
Companies Act, 2013.*

**IN THE MATTER OF:**

**A SCHEME OF ARRANGEMENT (FINAL STAGE)**

**KESORAM INDUSTRIES LIMITED,**  
a Company incorporated under the  
Companies Act, 1913 and being a  
Company within the meaning of the  
Companies Act, 2013, having  
Corporate Identification No.  
L17119WB1919PLC003429 and its  
registered office at Birla Building,  
9/1 R.N. Mukherjee Road, Kolkata  
700 001 in the State of West Bengal

... Petitioner.

**Date of Pronouncement: November 14, 2024.**

**CORAM:**

**SMT. BIDISHA BANERJEE, HON'BLE MEMBER (JUDICIAL)  
SHRI D. ARVIND, HON'BLE MEMBER (TECHNICAL)**

**Appearances:**

**For the Petitioner:** Mr. D. N. Sharma, Advocate  
Mr. Aniket Agarwal, Advocate  
Mr. Bhargav Chakraborty, Advocate

**For RD (ER) MCA:** Mr. Alok Tandon, Joint Director

**ORDER**

***Per: Bidisha Banerjee, Member (Judicial)***

1. The Court congregated through hybrid mode.

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KOLKATA**

**Company Petition (CAA) No. 175/KB/2024**  
**Connected With**  
**Company Application (CAA) No. 150/KB/2024**

**2.** Heard Mr. D. N. Sharma, learned Counsel assisted by Mr. Aniket Agarwal and Mr. Bhargav Chakraborty, learned Counsels appearing on behalf of the Petitioner company.

**3.** The present petition has been filed under Section 230(6) read with Section 232(3) of the Companies Act, 2013 ("**Act**") for sanction of the "Scheme of Arrangement" amongst **Kesoram Industries Limited**, being the Petitioner abovenamed ("**Demerged Company**") and **UltraTech Cement Limited** ("**Resulting Company**") and their respective shareholders, whereby and whereunder the Cement Business (Demerged Undertaking) of the Demerged Company is proposed to be transferred to and vested in the Resulting Company from the Appointed Date, in the manner and on the terms and conditions stated in the said Scheme of Arrangement ("**Scheme**"). The Scheme is annexed as Annexure "A" at pages 28 to 116 of the petition.

**4.** The Petition has now come up for final hearing. Counsel for the Petitioner submits as follows:

**(a)** The Scheme was approved unanimously by the respective Board of Directors of the Petitioner and the Resulting Company at their meetings held on 30th November 2023.

**(b)** The benefits of the same are, inter alia, as follows:

**(A)** in case of the Demerged Company:

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- (i) unlocking the value of the Cement Business for the shareholders of the Demerged Company;
  - (ii) assisting in the de-leveraging of its balance sheet including reduction of debt and outflow of interest as well as creation of value for its shareholders; and
  - (iii) focusing on core business areas such as rayon, transparent paper and chemicals.
- (B) in case of the Resulting Company:
- (i) expansion in markets where the Resulting Company has no physical presence;
  - (ii) creating value for shareholders by acquiring ready to use assets which shall create operational efficiencies and reduce time to markets vis-à-vis greenfield projects which are time consuming on account of acquisition of land and limestone mining leases;
  - (iii) good fit for serving existing markets and catering to additional cement volume requirements in new markets;
  - (iv) the transaction will provide the Resulting Company the opportunity to extend its footprint



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in the highly fragmented, competitive and fast growing Western and Southern markets in the country;

(v) it will help enhance the Resulting Company's geographic reach in Southern markets; and

(vi) synergies in manufacture and distribution process and logistics alignment leading to economies of scale and creation of efficiency by reducing time to market and benefiting customers.

The Scheme is in the best interests of the shareholders, employees and the creditors of each of the Demerged Company and the Resulting Company.

**(c)** The respective Statutory Auditors of the Demerged Company and the Resulting Company have confirmed that the accounting treatment in the said Scheme is in conformity with the accounting standards prescribed under Section 133 of the Companies Act, 2013. ~~The certificates are annexed as Annexure "I" at pages 999 to 1010 of the petition.~~

**(d)** No proceedings are pending under Sections 210 to 227 of the Companies Act, 2013 against the Petitioner.

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(e) The Share Exchange Ratios in consideration of the demerger has been fixed on a fair and reasonable basis and on the basis of the joint Valuation Report of Bansil S. Mehta Valuers LLP (“**BSMV**”), Registered Valuer (Registration No. IBBI/RV-E/06/2022/172) and PwC Business Consulting Services LLP (“**PwCBCS**”), Registered Valuer (Registration No. IBBI/RV-E/02/2022/158). The report is annexed as Annexure “J” at pages 1011 to 1027 of the petition.

(f) Dam Capital Advisors Limited and ICICI Securities Limited, independent SEBI registered Category-I Merchant Bankers by their respective Fairness Opinions dated 30th November, 2023, have also opined that the Share Exchange Ratios are fair. The said Fairness Opinions are annexed as Annexure “K” at pages 1028 to 1041 of the petition.

(g) The Demerged Company is a listed Company. The Equity Shares of the Demerged Company are listed on BSE Limited (“**BSE**”), National Stock Exchange of India Limited (“**NSE**”) and The Calcutta Stock Exchange Limited (“**CSE**”) (hereinafter collectively referred to as **the “Stock Exchanges”**). The Global Depository Receipts of the Demerged Company are listed on the Societe de la Bourse de Luxembourg, Societe Anonyme. The Demerged Company had filed the Scheme with BSE, NSE and CSE in terms of the SEBI circular No. SEBI/HO/CFD/POD2/P/CIR/2023/93 dated 20<sup>th</sup> June, 2023 (“**SEBI Circular**”). BSE and NSE by their respective Observation Letters dated 13<sup>th</sup> May, 2024 and CSE by its Observation Letter dated 15<sup>th</sup> May, 2024 have since given their

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no-objection to the Scheme. The said Observation Letters are annexed as Annexure “L” at pages 1042 to 1052 of the petition.

**(h)** The Resulting Company had also sought approval of the Competition Commission of India to the acquisition of the Cement Business of the Demerged Company under the provisions of the Competition Act, 2002. By its order dated 19th March, 2024, the Competition Commission of India has given its approval to the said acquisition under Section 31(1) of the said Act. The order dated 19th March, 2024 issued by CCI is annexed as Annexure “M” at pages 1053 to 1058 of the petition.

**(i)** The Demerged Company has two classes of shareholders viz., (1) Equity Shareholders and (2) Preference Shareholders and two classes of creditors, viz (1) Secured Creditors and (2) Unsecured Creditors (including deposit holders). Certificate on classes of shareholders and creditors of the Demerged Company as on 30<sup>th</sup> April, 2024 issued by Chartered Accountants in this regard is annexed as Annexure “N” at page 1059 of the petition.

**(j)** In so far as the creditors of the Demerged Company are concerned, the Scheme embodies the arrangement between the Demerged Company and the Resulting Company and their shareholders. No change in value or terms or any compromise or arrangement is proposed under the Scheme with any of the creditors of the Demerged Company. The Demerged Company and the Resulting Company each have a positive net worth with substantial excess of assets over liabilities, and are in a position to meet all their liabilities, as and when they accrue in the ordinary

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course of business. Further, upon the Scheme coming into effect, the Demerged Company and the Resulting Company will continue to have a positive net worth with substantial excess of assets over liabilities and as such, the assets are more than sufficient to discharge such liabilities, as and when they accrue in the ordinary course of business. The creditors of the Demerged Company are not affected in any manner by the Scheme. On the contrary, the Scheme will inure to their benefit and is in their interest.

**(k)** By an order dated 7th August 2024 made in **Company Application (CAA) No.150/KB/2024**, this Adjudicating Authority was pleased, *inter alia*, to:

- (i) dispense with the meeting of the Preference Shareholders of the Demerged Company under Section 230(1) read with Section 232(1) of the Companies Act, 2013 in view of the consents provided in writing to the proposed Scheme by the sole Preference Shareholder of the Demerged Company by way of affidavit.
- (ii) dispense with the meeting of the Secured Creditors of the Demerged Company under Section 230(1) read with Section 232(1) of the Companies Act, 2013 in view of the consents provided in writing to the proposed Scheme by 99.93% in value of the Secured Creditors of the Demerged Company by way of affidavits
- (iii) dispense with the meetings of the Unsecured Creditors of the Demerged Company under Section 230(1)(a) read

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with Section 232(1) of the Companies Act, 2013 as there is no compromise or arrangement with them in terms of the Scheme and their rights are not affected.

- (iv) direct a meeting of the Equity Shareholders of the Demerged Company to be convened and held on Friday, 20th September, 2024 at 10:30 a.m. for the purpose of considering, and, if thought fit, approving the said Scheme, with or without modification through Video Conferencing (“**VC**”) or Other Audio Visual Means (“**OAVM**”) in accordance with the Companies Act, 2013 and framework for holding such meetings as prescribed by the Ministry of Corporate Affairs by General Circular No.14/2020 dated 8th April, 2020, as clarified / extended from time to time, including by General Circular No. 17/2020 dated 13th April, 2020 and General Circular No. 09/2023 dated 25th September, 2023 (“**Virtual Meeting Circulars**”).
- (v) appoint Ms. Urmila Chakraborty, Advocate as the Chairperson of the meeting and Mr. Anjan Kumar Roy, FCS as the Scrutinizer for the said meeting.

A copy of the order is annexed as Annexure “O” at pages 1060 to 1073 of the petition.

**(1)** In terms of the said order, a notice dated 19th August 2024 convening the meeting along with a copy of the Scheme, Explanatory Statement under Sections 230(3) read with Section

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232(2) of the Companies Act, 2013 and all annexures thereto (“**Notice**”) was sent by e-mail on 19<sup>th</sup> August, 2024 to the Equity Shareholders of the Demerged Company who had registered their e-mail addresses with the Demerged Company or with the Depositories and whose names were appearing in the Register of Members or Register of Beneficial Owners of the Demerged Company as on 14<sup>th</sup> August, 2024. In terms of the said order and in accordance with the framework for holding meetings as prescribed by the Ministry of Corporate Affairs by the Virtual Meeting Circulars, the Notice along with all the accompanying documents was also made available to all the Equity Shareholders who had not registered their e-mail addresses by the posting of such Individual Notice on the website of the Demerged Company at [www.kesocorp.com](http://www.kesocorp.com). The Notice along with all accompanying documents was also made available to the said Equity Shareholders by posting of the same on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com), NSE at [www.nseindia.com](http://www.nseindia.com), BSE at [www.bseindia.com](http://www.bseindia.com) and CSE at [www.cse-india.com](http://www.cse-india.com). A copy of the said notice convening meeting is annexed as Annexure “P” at pages 1074 to 1289.

**(m)** The advertisement of the Notice of the meeting was also published in English in all the editions of the “Business Standard” and in Bengali in the Kolkata edition of “Ekdin” on 20<sup>th</sup> August, 2024. As the advertisement in the vernacular newspaper was inadvertently published in “Ekdin” on the said date instead of “Aajkal”, as directed by the said order, the said advertisement was published again by the Petitioner on the next day, i.e., 21<sup>st</sup> August,

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2024 in the Kolkata edition of “Aajkal” in Bengali. Copies of the relevant pages of the said newspapers (e-editions) containing the said advertisements are annexed as Annexure “G” at pages 20 to 32 of the Affidavit of Service filed on 26<sup>th</sup> August, 2024.

**(n)** In terms of the said order dated 7<sup>th</sup> August, 2024 of this Adjudicating Authority, a notice dated 20<sup>th</sup> August, 2024 under Section 230(5) of the Companies Act, 2013 was sent by e-mail and speed post to the relevant Statutory Authorities including the (i) Regional Director, Eastern Region, Ministry of Corporate Affairs, Kolkata; (ii) Registrar of Companies, Kolkata; (iii) Income Tax Department having jurisdiction over the Petitioner; (iv) Competition Commission of India; (v) BSE; (vi) NSE; and (vii) CSE. Affidavit proving service, as aforesaid, has been filed by the Petitioner and uploaded on the NCLT portal on 26<sup>th</sup> August, 2024. The Notices and proofs of service by speed post and email are annexed as Annexures “D” and “E” at pages 13 to 15 and 16 to 18, respectively, of the said affidavit of service.

**(o)** In compliance with the said order dated 7<sup>th</sup> August, 2024, meeting of the Equity Shareholders of the Demerged Company was duly held on 20<sup>th</sup> September, 2024 at 10:30 a.m., through VC/OAVM. Ms. Urmila Chakraborty, acted as the Chairperson of the said meeting. The Scheme was duly approved by requisite majority by the said meeting with 22,73,63,588 votes having been cast in favour of the resolution by 514 Equity Shareholders and 1,163 votes having been cast against the resolution by 15 Equity Shareholders. Further, the votes cast by the public shareholders in favour of the

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resolution was also in excess of the votes cast by them against the resolution in terms of paragraph A(10) of Part - I of the Securities and Exchange Board of India Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20th June, 2023. Report of the Chairperson on the meeting of Equity Shareholders of the Demerged Company is annexed as Annexure “Q” at page 1290 to 1320 of the petition.

**(p)** Consequently, the Petitioner presented the instant petition for sanction of the Scheme. By an order dated 27th September 2024, the instant petition was admitted by this Adjudicating Authority and made returnable on 25th October, 2024.

**(q)** In compliance with the said order dated 27th September, 2024, the Petitioner has duly sent a second notice under Section 230(5) of the Companies Act, 2013 afresh to the aforesaid Statutory Authorities, on 30th September, 2024. Affidavit proving service, as aforesaid, has been filed by the Petitioner and uploaded on the NCLT portal on 21st October, 2024. The notices and proofs of service by speed post and email are annexed as Annexures “A” and “B” at pages 5 to 225 and 226 to 228, respectively, of the said affidavit of service.

**(r)** Further, the Petitioner in compliance with the said order dated 27th September, 2024 of this Adjudicating Authority has also duly published the notice of hearing in all the editions of the “Business Standard” in English and in the Kolkata editions of “Aajkal” and “Ekdin” in Bengali in their respective issues dated



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10th October 2024. The relevant pages of the aforesaid newspapers (e-editions) containing the aforesaid advertisement published therein are annexed as Annexure “D” at pages 230 to 244 of the aforesaid affidavit of service filed on 21st October, 2024.

(s) All statutory formalities requisite for obtaining sanction of the Scheme have been duly complied with by the Petitioner. The Scheme has been made bona fide and is in the interest of all concerned.

5. Pursuant to the said advertisements and notices, the Regional Director, Ministry of Corporate Affairs, Kolkata (“**RD**”) has made his representation by his reply affidavit on 22<sup>nd</sup> October, 2024 (“**RD Affidavit**”). The observations of the RD have been dealt with by the Petitioner by their Rejoinder affidavit on 24<sup>th</sup> October, 2024 (“**Rejoinder**”). The observations of the RD and responses of the Petitioner are as under:-

A. Paragraph 2(a) of RD Affidavit:

“It is submitted that the Resulting Company, UltraTech Cement Limited is registered in the State of Maharashtra under the registry of ROC, Mumbai which is not within the jurisdiction of this Deponent. Further, in the instant Company Petition, the said Resulting Company, UltraTech Cement Limited is also not a Petitioner. Hence, this Deponent has no comment on it.”

Response as per Paragraph 4 of Rejoinder:

*“With reference to paragraph 2(a) of the said Affidavit, it is admitted that UltraTech Cement Limited (“**Resulting Company**”) has its*

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*registered office in the State of Maharashtra. Accordingly, the Resulting Company has duly filed and is pursuing its own proceedings before the Hon'ble NCLT, Mumbai Bench for sanction of the subject Scheme."*

B. Paragraph 2(b) of RD Affidavit:

*"That it is submitted that on examination of the report of the Registrar of Companies, West Bengal, it appears that the Petitioner Demerged Company is updated in filing their Financial Statements and Annual Returns for the financial year ended 31/03/2024. However, in the said report, the ROC, WB made some observations regarding complained received, pending cases and inquiry against the Petitioner Company. A copy of the said report marked as Annexure-I is enclosed herewith for perusal and ready reference."*

Response as per Paragraph 5 of Rejoinder:

*"With reference to paragraph 2(b) of the said Affidavit, save what are matters of record and save what appears therefrom, the Petitioner does not admit any of the observations in the paragraph under reference or the report of the Registrar of Companies referred to therein. Admittedly, the Petitioner is updated in filing its financial statements and annual returns and there is no complaint and/or representation against the subject Scheme of Arrangement amongst the Petitioner and the Resulting Company and their respective shareholders. As such the other observations in the paragraph under reference and the report of the Registrar of Companies referred to therein are wholly irrelevant for adjudication of the petition herein for sanction of the Scheme. The Petitioner had duly furnished its*

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*explanations and responses as and when called upon by the Registrar of Companies. As will be evident from the said report of the Registrar of Companies, admittedly at present there is no inquiry which is pending against the Petitioner. Further, no proceedings under Sections 210 to 227 of the Companies Act, 2013 are pending against the Petitioner. In so far as the purported prosecutions are concerned, the Petitioner makes no admission with regard to the same. The alleged violations, if any, in so far as the same concern the Petitioner, will be dealt with in accordance with law. Without prejudice to the aforesaid and all other rights and contentions of the Petitioner, I state and submit that the Petitioner is not being amalgamated or dissolved under the Scheme and will continue to exist after the Scheme and the aforesaid legal proceedings and any purported inquiry will not be affected in any manner by the Scheme. There has been no non-compliance by the Petitioner and no action can be taken against the Petitioner or its Directors or officers for the same. I reiterate that the said observations in the paragraph under reference are wholly irrelevant for adjudication of the petition herein for sanction of the Scheme.”*

**C. Paragraph 2(c) of RD Affidavit:**

“It is further submitted that the Demerged Petitioner Company, Kesoram Industries Limited is listed on the BSE Limited, the National Stock Exchange of India Limited (NSE) and the Calcutta Stock Exchange Limited (CSE). Further, the Non-Convertible Debentures of the Demerged Company are also listed on the BSE Limited and Global Depository Receipt of the Demerged Company are listed on Luxembourg Stock Exchange. However, the NSE vide

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its letter No. NSE/LIST/39009/39004 dated 13/05/2024 issued their 'No Objection' with the validity of six months from the said date i.e. from 13/05/2024, within which the Schem shall be submitted to Hon'ble NCLT and the BSE vide its letter No. DCS/AMAL/AK/R37/3169/2024-25 dated 13/05/2024 issued their 'No Adverse Observations' with the validity period for six months from the date of the said letter i.e. from 13/05/2024 within which the Scheme shall be submitted to the Hon'ble NCLT. Further, the CSE vide its letter dated Ref. No. CSE/LD/16145/2024 dated 15/05/2024 issued their 'No Adverse Observations' with the validity period for six months from the date of the said letter i.e. from 15/05/2024 within which the Scheme shall be submitted to the Hon'ble NCLT. (Copies from the said letters collectively marked as Annexure-II are enclosed herewith for perusal and ready reference)."

Response as per Paragraph 6 of Rejoinder:

*"The contents of paragraph 2(c) of the said Affidavit are admitted. Pursuant to the Master Circular dated 20<sup>th</sup> June, 2023 and other Circulars issued by the Securities and Exchange Board of India ("**SEBI**") on Scheme of Arrangement, BSE Limited and National Stock Exchange of India Limited by their respective Observation Letters dated 13<sup>th</sup> May, 2024 and The Calcutta Stock Exchange Limited by its Observation Letter dated 15<sup>th</sup> May, 2024 have admittedly given their no-objection to the Scheme. Further, the Petitioner had duly submitted the Scheme before this Hon'ble Tribunal on 20<sup>th</sup> May, 2024, i.e. well within the validity period of six months of the said Observation Letters of the said Stock Exchanges."*

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D. Paragraph 2(d) of RD Affidavit:

“The Petitioner Company should be directed to provide list/ details of Assets, if any, to be demerged/transferred from the Demerged/Transferor Company to the Resulting/Transferee Company upon sanctioning of the proposed Scheme.”

Response as per Paragraph 7 of Rejoinder:

*“With reference to paragraph 2(d) of the said Affidavit, I state that the Petitioner will duly file the list/ details of assets to be transferred to the Resulting Company upon sanction of the Scheme in the prescribed format as also sought by the Petitioner in prayer (i) of the petition herein.”*

E. Paragraph 2(e) of RD Affidavit:

“That the Petitioner company should undertake to comply with the provisions of section 232(3)(i) of the Companies Act, 2013, if applicable, through appropriate affirmation.”

Response as per Paragraph 8 of Rejoinder:

*“With reference to paragraph 2(e) of the said Affidavit, I state that the Petitioner is not being dissolved herein as this is a case of demerger and not amalgamation and hence Section 232(3)(i) of the Companies Act, 2013 is not applicable.”*

F. Paragraph 2(f) of RD Affidavit:

“That the Resulting Company should be directed to pay applicable stamp duty on the Demerge/Transfer of the immovable properties

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from the Demerged/Transferor Company to the Resulting/Transferee Company.”

Response as per Paragraph 9 of Rejoinder:

*“With reference to paragraph No. 2(f) of the said Affidavit, I state that the stamp duty consequent to transfer of immovable properties under the Scheme shall be paid, if applicable, by the Resulting Company in accordance with clause 23 of the Scheme.”*

G. Paragraph 2(g) of RD Affidavit:

“The Hon'ble Tribunal may kindly direct the Petitioners to file an affidavit to the extent that the Scheme enclosed to the Company Application and Company Petition are one and same and there is no discrepancy or no change is made.”

Response as per Paragraph 10 of Rejoinder:

*“With reference to paragraph 2(g) of the said Affidavit, the Petitioner confirms that the Scheme enclosed to the Company Application and the Company Petition are one and same and there is no discrepancy and no change is made.”*

H. Paragraph 2(h) of RD Affidavit:

“It is submitted that as per instructions of the Ministry of Corporate Affairs, New Delhi, a copy of the scheme was forwarded to the Income Tax Department on 10/09/2024 for their views/observation in the matter, the authority has not forwarded their report and the same is still awaited.”

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Response as per Paragraph 11 of Rejoinder:

*“With reference to paragraph 2(h) of the said Affidavit, the same are matters of record. It is evident from the same, that the Income Tax Department has no objection to the sanction of the Scheme.”*

**6.** Heard the submissions advanced by Mr. D.N. Sharma Id. Counsel assisted by Mr. Aniket Agarwal and Mr. Bhargav Chakraborty, learned Counsels appearing for the Petitioner Company and the Joint Director in the Office of R.D. (E.R), MCA, Kolkata. On last occasion, when the matter was taken up for hearing, Mr. Alok Tandon, Joint Director from the office of the Regional Director (Eastern Region) MCA would submit that he has no objection if the petition is allowed. His statement is noted.

**7.** We are satisfied with explanations given by the Petitioner. Upon perusing the records and documents in the instant proceedings and considering the submissions, we allow the petition and make the following orders:

(a) the Scheme mentioned in paragraph 1 of this petition, being Annexure “A” hereto, is hereby sanctioned by this Adjudicating Authority to be binding with effect from 1<sup>st</sup> April, 2024 (“**Appointed Date**”) on **Kesoram Industries Limited** and its shareholders and all concerned, subject to the order passed in respect to the Resulting Company by the concerned Bench of NCLT for sanction of the subject Scheme;

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(b) all the property, rights and powers of the Demerged Company relating to the Demerged Undertaking, including those described in the Schedule of Assets herein, be transferred from the said Appointed Date, without further act or deed, to the Resulting Company, and accordingly, the same shall, pursuant to Section 232(4) of the Companies Act, 2013 be transferred to and vest in the Resulting Company, for all the estate and interest of the Demerged Company therein subject to all charges now affecting the same, as provided in the said Scheme;

(c) all the debts, liabilities, duties and obligations of the Demerged Company relating to the Demerged Undertaking be transferred from the said Appointed Date, without further act or deed, to the Resulting Company, and accordingly, the same shall pursuant to Section 232(4) of the Companies Act, 2013 be transferred to and become the debts, liabilities, duties and obligations of the Resulting Company, subject to and in terms of the Scheme;

(d) the employees of the Demerged Company relating to the Demerged Undertaking shall be engaged by the Resulting Company, as provided in the Scheme;

(e) all proceedings and/or suits and/or appeals, by or against the Demerged Company in respect of the Demerged Undertaking be continued by or against the Resulting Company as provided in the Scheme;



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(f) the Resulting Company, without further application, to issue and allot to the shareholders of the Demerged Company, the shares in the Resulting Company to which they are entitled in terms of Clause 9 of the said Scheme;

(g) all other matters covered by the Scheme, including Reduction of Preference Share Capital of the Demerged Company, shall take effect, subject to and in terms of the Scheme;

(h) the Demerged Company shall within thirty days of the date of the receipt of the certified copy of the order herein, cause a certified copy thereof to be delivered to the Registrar of Companies for registration; and

(i) Leave is hereby granted to the Petitioner to file the Schedule of Assets of the Demerged Undertaking of the Demerged Company in the form as prescribed in the Schedule to Form No. CAA. 7 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 within four weeks from the date of the order herein.

**8.** The Petitioner shall supply legible print out of the scheme and schedule of assets in acceptable form to the department and the department will append such printout, upon verification to the certified copy of the order.

**9.** **Company Petition (CAA) No. 175/KB/2024** connected with Company Application (CAA) No. 150/KB/2024 is **disposed of** accordingly.

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**10.** Certified copy of the order, if applied for with the Registry, may be issued upon necessary compliance of all requisite formalities.

**D. Arvind  
Member (Technical)**

**Bidisha Banerjee  
Member (Judicial)**

**This Order is signed on the 14<sup>th</sup> Day of November 2024.**

Bose, R. K. [LRA]

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*In the matter of*

*The Companies Act, 2013 (18 of 2013);*

*And*

*In the matter of*

*Sections 232 r/w Section 230*

*and other applicable provisions of the Companies*

*Act, 2013 and Rules framed thereunder as in*

*force from time to time;*

*and*

*In the matter of*

*Scheme of Amalgamation*

**UltraTech Cement Limited**

CIN: L26940MH2000PLC128420

...Petitioner Company/

**Resulting Company**

***Order delivered on 26.11.2024***

***Coram:***

**Shri Prabhat Kumar**

**Justice V.G. Bisht (Retd.)**

Hon'ble Member (Technical)

Hon'ble Member (Judicial)

***Appearances (through)***

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**For the Petitioner** : Senior Advocate Mr. Gaurav Joshi a/w Mr Peshwan Jehangir, Mr. Aman Yagnik, Mr. Haabil Vahanvaty, Mr. Jamsheed Dadachanji, Ms. Ishrita Bagchi, i/b Khaitan & Co.

For the Regional Director : Mr. Bhagwati Prasad, Deputy Director, Western Region, Ministry of Corporate Affairs.

**ORDER**

1. Heard Learned Senior Counsel for the Petitioner Company. No objection has been received by the Tribunal opposing the Company Scheme Petition and nor has any party controverted any averments made in the Company Scheme Petition.
2. The sanction of this Tribunal is sought under Sections 232 r/w Section 230 and other applicable provisions of the Companies Act, 2013 (“**Act**”) for Composite Scheme of Arrangement between **Kesoram Industries Limited** (“**Demerged Company**”) and **UltraTech Cement Limited** (“**Petitioner Company**” or “**Resulting Company**”) and their respective shareholders and creditors (“**Scheme**”).
3. The Scheme provides for:

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- (i) the demerger of the Demerged Undertaking (*as defined in the Scheme*) from the Demerged Company and its transfer to and vesting into the Petitioner Company on a going concern basis, and issue of shares by the Petitioner Company to the shareholders of the Demerged Company; and
- (ii) reduction and cancellation of the Preference Share Capital (*as defined in the Scheme*) of the Demerged Company.

The Board of Directors of the Petitioner Company *vide* resolution dated 30<sup>th</sup> November 2023 have approved the Scheme.

- 4. The registered office of the Petitioner Company is situated in Mumbai, Maharashtra and hence, the subject matter of the Petition is within the jurisdiction of the National Company Law Tribunal, Mumbai Bench.
- 5. The registered office of the Demerged Company is situated in Kolkata and the Demerged Company has filed the Company Scheme Petition No. C.P.(CAA)/175(KB)2024 before the National Company Law Tribunal, Kolkata Bench. The National Company Law Tribunal, Kolkata Bench *vide* its order dated September 27, 2024 has admitted the said Company Scheme Petition filed by the Resulting Company. The matter is currently reserved for orders by the National Company Law

Tribunal, Kolkata Bench *vide* its order dated November 4, 2024.

6. The Petitioner Company is, *inter alia*, engaged in the business of manufacture and sale of various grades and types of cement, ready mix concrete and other building solutions related products.

**Rationale for the Scheme**

*The transfer of the Demerged Undertaking from the Demerged Company to the Resulting Company pursuant to this Scheme would, inter alia, result in the following benefits for the Demerged Company and the Resulting Company:*

*(A) in case of the Demerged Company:*

- (i) unlocking the value of the Cement Business for the shareholders of the Demerged Company;*
- (ii) assisting in the de-leveraging of its balance sheet including reduction of debt and outflow of interest as well as creation of value for its shareholders; and*
- (iii) focusing on core business areas such as rayon, transparent paper and chemicals.*

*(B) in case of the Resulting Company:*

- (i) expansion in markets where the Resulting Company has no physical presence;*

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- (ii) creating value for shareholders by acquiring ready to use assets which shall create operational efficiencies and reduce time to markets vis-a-vis greenfield projects which are time consuming on account of acquisition of land and limestone mining leases;*
- (iii) good fit for serving existing markets and catering to additional cement volume requirements in new markets;*
- (iv) the transaction will provide the Resulting Company the opportunity to extend its footprint in the highly fragmented, competitive and fast growing Western and Southern markets in the country;*
- (v) it will help enhance the Resulting Company's geographic reach in Southern markets; and*
- (vi) synergies in manufacture and distribution process and logistics alignment leading to economies of scale and creation of efficiency by reducing time to market and benefiting customers.*

*The Scheme is in the best interests of the shareholders, employees and the creditors of each of the Demerged Company and the Resulting Company.*

7. The consideration for the Scheme is as under:

- (i) 1 (one) fully paid up equity share of INR 10 (Indian Rupees Ten only) each of the Resulting Company for every 52 (fifty two) fully paid up*

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*equity shares of INR 10 (Indian Rupees Ten only) each of the Demerged Company (Ref: Clause 9.1.1 of Scheme – Pg. 30 – Vol I)*

*(ii) 54,86,608 (Fifty four lakh eighty six thousand six hundred and eight) fully paid 7.3% non-convertible redeemable preference shares of INR 100 (Indian Rupees Hundred only) each of the Resulting Company for 90,00,000 (Ninety Lakhs) 5% cumulative non-convertible redeemable preference of INR 100 (Indian Rupees Hundred only) each of the Demerged Company (Ref: Clause 9.1.2 of Scheme – Pg. 30 – Vol I)*

*(iii) 8,64,275 (Eight lakh sixty four thousand two hundred and seventy five) fully paid 7.3% non-convertible redeemable preference shares of INR 100 (Indian Rupees Hundred only) each of the Resulting Company for 19,19,277 (Nineteen Lakhs Nineteen Thousand Two Hundred Seventy-Seven) zero% optionally convertible redeemable preference shares of INR 100 (Indian Rupees Hundred only) each of the Demerged Company (Ref: Clause 9.1.3 of Scheme – Pg. 30 – Vol I)*

8. The Appointed Date means the opening business hours of 1 April 2024 or such other date as may be mutually agreed by the respective Board of the Parties, subject to receipt of regulatory approvals from the CCI or any other Appropriate Authority.



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9. The Company Scheme Petition No. C.P.(CAA)/176(MB)/2024 was filed in consonance with the Order dated July 8, 2024 passed by this Tribunal in the Company Scheme Application No. C.A.(CAA)/112(MB)/2024. The Petitioner Company submits that on September 27, 2024, the Company Scheme Petition was admitted and the date for hearing and final disposal was fixed as November 12, 2024. The Petitioner Company has complied with all the requirements as per the directions of this Tribunal. Moreover, the Petitioner Company undertakes to comply with all statutory requirements, if any, as required under the Companies Act, 2013 and the rules & regulations made thereunder. The said undertaking is accepted.
10. The Regional Director has filed his Report dated 05.11.2024 making certain observations and the Petitioner Companies have undertaken/made following submission that :
- a. The Resulting Company shall pass such accounting entries which are necessary in connection with the Scheme to comply with such accounting standards notified under Section 133 of the Companies Act, 2013 as may be applicable;
  - b. The Scheme enclosed to the Company Scheme Application and Company Scheme Petition are one and the same and there is no discrepancy / change made;

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- c. The Scheme is in compliance with the requirements of circular no. F. No. 7/12/2019/CL-1 dated 21.08.2019 issued by the Ministry of Corporate Affairs;
  - d. The Petitioner Company shall comply with the directions of the Income Tax Department and GST Department, if any, in accordance with applicable law;
  - e. The Petitioner Company shall comply with the guidelines of RBI, FEMA, FERA, as applicable;
  - f. The Petitioner Company shall comply with the observations pointed out by the stock exchanges vide their letter dated 13<sup>th</sup> May, 2024 and 15<sup>th</sup> May, 2024; and the Petitioner Company shall also comply with the SEBI (LODR) Regulations 2015;
  - g. The Petitioner Company shall protect the interest of creditors of Demerged Company as on the appointed date of the Scheme.
11. Mr. Bhagwati Prasad, Additional Director for the Office of Regional Director (WR), Mumbai appeared on the date of hearing and submits that above explanations and clarifications given by the Petitioner Company in rejoinder are satisfactory and they have no further objection to the Scheme.
12. The Petitioner Company had filed an application in relation to the proposed Scheme with the CCI for its approval / NOC and has received the requisite approval / NOC dated March 19, 2024 from CCI. The said approval / NOC issued to the

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Petitioner Company by CCI has been placed on record as Exhibit A-16 to the captioned Company Scheme Application.

13. From the material on record, Company Scheme Petition appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy. Since all the requisite statutory compliances have been fulfilled, the said Company Scheme Petition filed by the Petitioner Company is made absolute in terms of the prayers mentioned in the Company Scheme Petition. The Scheme annexed is hereby sanctioned, with the Appointed Date of April 01, 2024.
14. The creditors of undertaking, being demerged, shall be entitled to make claim against the resulting company as well as demerged company in relation to their debt up to the date of demerger. In case the resulting Company is made to pay the debt of such undertaking, it shall be entitled to seek reimbursement of the amount so paid from the Demerged Company.
15. The Income Tax Department will be at liberty to examine the aspect of any tax payable as a result of this scheme and, it shall be open to the income tax authorities to take necessary action as possible under the Income Tax Law.
16. The Petitioner Company is directed to file the certified copy of this Order along with a copy of the Scheme with the concerned

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Registrar of Companies, within 30 days from the date of receipt of the certified copy of this Order from the Registry of this Tribunal.

17. The Petitioner Company to lodge the certified copy of this Order along with the Scheme duly certified by the Deputy Registrar or the Assistant Registrar, National Company Law Tribunal, Mumbai Bench, with the concerned Superintendent of Stamps for the purpose of adjudication of stamp duty payable, if any, within a period of 60 working days from the date of receipt of the certified Order from the Registry of this Tribunal or within a period of 60 working days from the date of receipt of the certified Order from the Registry of the Hon'ble National Company Law Tribunal, Kolkata Bench, whichever is later. Provided that the stamp duty shall be payable only upon the Scheme becoming effective.
18. All concerned regulatory authorities to act on a copy of this Order along with Scheme duly certified by the Deputy Registrar or the Assistant Registrar, National Company Law Tribunal, Mumbai Bench.
19. Any person interested shall be at liberty to apply to this Tribunal in the above matters for any directions that may be necessary.

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20. Any concerned Authorities are at liberty to approach this Tribunal for any further clarification as may be necessary.
21. Ordered accordingly. File to be consigned to records.

Sd/-

**Prabhat Kumar**  
Member (Technical)

Sd/-

**Justice V.G. Bisht**  
Member (Judicial)