

Ref: B/GSCL/SE/VRM/20-21

19th May, 2020

Corporate Relationship Manager, Bombay Stock Exchange Limited, 1 st Floor, New Trading Ring, Rotunda Bldg, P.J.Tower, Dalal Street, Mumbai - 400001. Stock Code No: 518029	National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra East) Mumbai – 400015 Stock Symbol: GSCLCEMENT
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Dear Sir,

Sub: Outcome of Board Meeting - Draft Scheme of Amalgamation

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, kindly take note of that the Board of Directors of the Company at their meeting held today i.e 19th May 2020 approved the following:-

AMALGAMATION OF BHADRA TEXTILES & TRADING PRIVATE LIMITED (BTTPPL) AND VILLA TRADING COMPANY PRIVATE LIMITED (VTCPL) WITH GUJARAT SIDHEE CEMENT LIMITED (GSCL)

The Board, inter alia, considered and approved the draft scheme of amalgamation of Bhadra Textiles & Trading Private Limited, a Holding Company (“BTTPPL”) and Villa Trading Company Private Limited (“VTCPL”), a wholly owned subsidiary company with Gujarat Sidhee Cement Limited (“GSCL”) and their respective Shareholders (‘the Scheme’) under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013.

Upon this Scheme coming into effect and in terms of the Scheme and based on the Valuation Report issued by M/s SSPA & Co, Chartered Accountants, (Registered Valuer) and fairness opinion provided by M/s. Fortress Capital Management Services P. Ltd, a Category I Merchant Banker:-

- i) GSCL will issue and allot 4,88,00,000 New equity shares of Rs.10/- each as fully paid up to the equity shareholders of BTTPPL in proportion of their holding in GSCL. The New Equity Shares shall rank *pari-passu* in all respects, including dividend, with the existing equity shares of GSCL.

- ii) The issued, subscribed and paid up share capital of GSCL to the extent held by BTTPL in GSCL, shall be automatically cancelled.
- iii) The equity shares of the VTCPL held by the GSCL directly and/or through its nominee(s) constituting the entire paid up share capital of the VTCPL, will stand cancelled.

Accordingly, there will be no issue of shares of the GSCL to the shareholders (including those holding the shares as nominees of the GSCL, if any) of the VTCPL.

Pursuant to the Scheme, there will no change in the shareholding of Promoter Group and Public Shareholders of GSCL.

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

The scheme would be subject to the approval of NCLT (Ahmedabad Bench) and such other competent authority and various statutory approvals, shareholders, lenders/ creditors of each of the Company as may be directed by NCLT.

The scheme would also require approval from majority of public shareholder of GSCL as per SEBI circular no. CFD/DIL 3/CIR2017/2017/21 dated March 10, 2017.

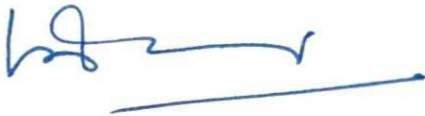
The Board shall take necessary actions for completing the requirements in this regard and to do all acts and deeds as may be necessary.

The details as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 09, 2015 are given in **Annexure A** to this letter.

Thanking You,

Yours faithfully,

For Gujarat Sidhee Cement Limited



V. R. Mohnot
CFO & Company Secretary

ANNEXURE A

Sr. No.	Details to be provided	Information
1.	Name of the entity(ies) forming part of the amalgamation / merger, details in brief such as, size, turnover etc.	i. Transferor Companies: Bhadra Textiles & Trading Private Limited (BTTPL); and Villa Trading Company Private Limited (VTCPL) ii. Transferee Company: Gujarat Sidhee Cement Limited (GSCL) iii. BTTPL holds 4,88,00,000 number of equity shares of face value Rs. 10/- each of GSCL representing 55.82% of the paid up share capital of GSCL. iv. Turnover/Revenue for year ended 31st March 2020: GSCL: Rs. 58,475.67 lakhs (standalone) BTTPL: Rs. Nil lakhs VTCPL: Rs. Nil Lakhs v. Appointed date: April 01, 2020
2.	Whether the transaction would fall within related party transactions? If yes, whether the same is done at 'arm's length'	The transaction is between GSCL and its holding company (BTTPL) and 100% wholly owned subsidiary (VTCPL) is at arms' length basis. For the said purpose, Valuation Report has been obtained from M/s. SSPA & Co, Chartered Accountant which is confirmed by fairness opinion given by M/s.Fortress Capital Management Services P Ltd, Category I Merchant Banker.
3.	Area of business of the entity(ies)	GSCL is in the business of manufacturing of cement and clinker. BTTPL is a holding company of GSCL VTCPL is wholly owned subsidiary company of GSCL.

4.	Rationale for amalgamation / merger	The Amalgamation of BTTPL and VTCPL with GSCL would have the following benefits: - Harnessing and optimization of the synergy benefits on account of amalgamation of companies to carry on businesses more economically and efficiently with better utilization of common and combined resources. - Will reduce the overlaps and administration and the managerial cost. - The amalgamation will result in the shareholders of BTTPL directly holding shares in the GSCL, which will lead to simplification of the shareholding structure and reduction of shareholding tiers of GSCL.
5.	In case of cash consideration – amount or otherwise share exchange ratio	The consideration is in the form of issue of shares. The share entitlement ratio based on the valuation report issued by M/s.SSPA & Co, Chartered Accountant, which is confirmed by the fairness opinion issued by M/s. Fortress Capital Management Services P Ltd, Category I Merchant Banker is as follows: <i>4,88,00,000 equity shares of the face value of Rs. 10 each fully paid-up to the equity shareholders of BTTPL, as on the Record Date as defined in the Draft Scheme, in the proportion of their holding in BTTPL;</i> In case BTTPL acquire additional equity shares of GSCL before the Appointed Date without incurring any additional liability, such additional number of equity shares of GSCL shall also be issued and allotted to the shareholders of BTTPL in proportion of their holdings in BTTPL respectively.

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		The equity shares of GSCL to be issued to the shareholders of BTTPL pursuant to the Scheme shall rank <i>pari passu</i> with the existing shares of GSCL and shall be listed on the BSE Limited and the National Stock Exchange of India Limited. The equity shares of the VTCPL held by the GSCL directly and/or through its nominee(s) constituting the entire paid up share capital of the VTCPL, will stand cancelled. Accordingly, there will be no issue of shares of the GSCL to the shareholders (including those holding the shares as nominees of the GSCL, if any) of the VTCPL.
6.	Brief details of change in shareholding pattern (if any) of listed entity	Post the Scheme of Amalgamation: The promoter group holding of GSCL would continue to remain same. The shareholding of the public shareholders in GSCL shall continue to remain same .

For Gujarat Sidhee Cement Limited



V. R. Mohnot
CFO & Company Secretary