



SAGAR CEMENTS LIMITED

April 28, 2021

The National Stock Exchange of India Ltd.,
"Exchange Plaza", 5th Floor,
Bandra - Kurla Complex
Bandra (East)
Mumbai - 400 051.

With reference to your email dated.28.04.2021, we herewith submit our clarifications on the observations made by you on the announcement submitted by us on 26th April, 2021:

S.No	Observation	Clarification
1	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length";	As the proposal is for merger of a wholly owned subsidiary company with its holding company, it does not fall under the Related Party Transactions.
2	Area of business of the entity (ies);	Both the Transferor and the Transferee companies are in the same line of business i.e., Manufacture of Cement.
3	Rationale for amalgamation/ merger;	1. Reduction in the cost of overheads and improvement in professional management. 2. Reduction in multiplicity of legal and regulatory compliances and simplification of group structure. 3. Enhance the scale of operations thereby providing significant impetus to the growth of the Companies, since they are engaged in the same line of business that could draw upon synergies between the Transferor Company and the Transferee Company. 4. Consolidation of Transferor Company with the Transferee Company by way of amalgamation would lead to a more efficient utilization of capital and improved financial structure. 5. The benefit of consolidation of financial resources, managerial and technical expertise of the Transferor Company and the Transferee Company shall be available to the Transferee entity leading to the overall optimization of operational and administration costs. 6. The amalgamation will rationalize and optimize the group legal entity structure to ensure greater alignment of the businesses by reducing number of legal entities and also statutory compliances. 7. will achieve synergies in business activity, consolidation, focused attention, centralized administration, economy of operation, integrated business approach and greater efficiency.



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CIN : L26942TG1981PLC002887



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4	Brief details of change in shareholding pattern (if any) of listed entity.	There will not be any change in Share Holding Pattern of the Listed Entity (Transferee Company) in as much as the proposal is for merger of a Wholly owned subsidiary with its Holding company and no fresh issue of shares is contemplated by the Holding Company.
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Thanking you

Yours faithfully

For Sagar Cements Limited

RANGASWAMY
SOUNDARARAJAN

Digitally signed by RANGASWAMY
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Date: 2021.04.28 13:31:02 +05'30'

R.Soundararajan
Company Secretary

