

STAR CEMENT LIMITED
(Formerly CEMENT MANUFACTURING COMPANY LTD)

22nd March, 2017

The Secretary
BSE Limited
Corporate Relationship Department
P. J. Tower, Dalal Street, Fort
Mumbai - 400001
Scrip Code of Star Ferro and Cement Limited (Transferor Company): 536666

The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G, 5th Floor
Bandra-Kurla Complex, Bandra (E)
Mumbai- 400051
Scrip Name of Star Ferro and Cement Limited (Transferor Company) : SFCL

Sub: Fixation of Record Date by Star Cement Limited ("Transferee Company")

Re: Scheme of Amalgamation of Star Ferro and Cement Limited ("Transferor Company") with Star Cement Limited ("Transferee Company")

Dear Sirs,

With reference to the above and further to the Scheme of Amalgamation of Star Ferro and Cement Limited (Transferor Company) with Star Cement Limited (Transferee Company) as sanctioned by the Guwahati Bench of the Hon'ble National Company Law Tribunal (NCLT) on 7th February, 2017, we would like to inform you that the Board of Directors of Star Cement Limited (Transferee Company) at their meeting held today i.e., 22nd March, 2017 has fixed 3rd April, 2017 (Monday) as the 'Record date' for the purpose of determining the members of the Star Ferro and Cement Limited to whom Equity Shares in Star Cement Limited (Transferee Company) will be issued and allotted in the ratio of 1.33 Equity Share of Re.1/- each fully paid up for every 1 Equity Share of Re.1/- each fully paid up held in Star Ferro and Cement Limited (Transferor Company).

In this regard we are enclosing herewith the following information/documents for your necessary action:

- (i) Certified copy of the Order passed by the Guwahati Bench of the Hon'ble National Company Law Tribunal (NCLT) on 7th February, 2017, sanctioning the Scheme of Amalgamation.
- (ii) Synopsis of the Scheme

STARCEMENT
Solid Setting

Regd. Office & Works : Lumshnong, P.O. - Khalielhat, Dist.- East Jaintia Hills, Meghalaya - 793 210, Ph: 03655-278215/16/18, Fax: 03655-278217, e-mail: lumshnong@starcement.
Works : Gopinath Bordoloi Road, Village - Chamatapathar, District - Kamrup (M), Guwahati - 782 402, Assam, e-mail: ggu@starcement.c
Guwahati office : Mayur Garden, 2nd Floor, Opp. Rajiv Bhawan, G.S. Road, Guwahati - 781 005, Assam, Ph: 0361-2462215/16, Fax: 0361- 2462217, e-mail: guwahati@starcement.
Delhi Office : 281, Deepali, Pitampura, Delhi-110 034, Ph: 011 - 2703 3821/22/27, Fax: 011 - 2703 3824, e-mail: delhi@starcement.c
Kolkata Office : 3, Alipore Road, Satyam Towers, 1st Floor, Unit No. 9B, Kolkata - 700 027, Ph: 033-2448 4169/4170, Fax: 033-2448 4168, e-mail: kolkata@starcement.
Durgapur Office : C/o - Ma Chandi Durga Cements Ltd., Bamunara Industrial Area, P.O.- Bamunara, P.S.- Kanksha, Dist. Burdwan, West Bengal - 713
Siliguri Office : Village - Kartowa, P.O. - Mohanvita, District - Jalpaiguri, West Bengal - 735 135 / Top Plaza, 3rd Floor, Near City Plaza, Sevoke Road, Siliguri -734 001, Ph: 0353-264361

Bankura Office : Purandar Pur, District - Bankura, West Bengal -722 155

AN ISO 9001, ISO 14001 & OHSAS 18001 CERTIFIED COMPANY

CIN NO. U26942ML2001PLC006663

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- (iii) Copy of Form INC 28 filed by both Transferor and Transferee Companies with the Registrar of Companies, Shillong on 22nd February, 2017.

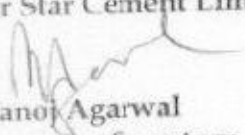
The Board of Directors at the aforesaid meeting also decided to convene next meeting of the Board on 7th April, 2017 (Friday) to inter alia consider issue and allot Equity Shares in Star Cement Limited (Transferee Company) to the members of the Star Ferro and Cement Limited (Transferor Company) as on the Record date i.e., 3rd April, 2017 in the ratio of 1.33 Equity Share of Re.1/- each fully paid up for every 1 Equity Share of Re.1/- each fully paid up held by them in Star Ferro and Cement Limited.

The meeting commenced at 12:30 p.m. and concluded at 01:15 p.m.

Please take above information on your record.

Thanking you,

Yours faithfully,
For Star Cement Limited


Manoj Agarwal
Company Secretary

CC:

National Securities Depository Ltd. 4 th floor, A Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013	Central Depository Services Ltd Phiroze Jeejeebhoy Towers 17 th floor, Dalal Street, Mumbai - 400 001	Maheshwari Datamatics Pvt. Ltd. 23, R.N. Mukherjee Road, 5 th floor, Kolkata- 700 001
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SYNOPSIS OF THE SCHEME OF ARRANGEMENT

The Hon'ble National Company Law Board Tribunal at Guwahati, vide its Order dated February 7, 2017, has approved the Scheme of Amalgamation of Star Ferro and Cement Limited with Star Cement Limited with effect from April 1, 2016 (i.e. the Appointed Date under the Scheme) under Sections 391 to 394 of the Companies Act, 1956.

The Scheme is operative from the Appointed Date i.e., April 1, 2016. However, it is effective from the date of filing of order of Hon'ble National Company Law Board Tribunal in relation to the Scheme along with Form INC 28 with the Registrar of Companies, Shillong & Meghalaya i.e., February 7, 2017.

Rationale of the Scheme:

- i. The Transferor Company holds 29,54,75,000 Equity Shares of the Transferee Company constituting 70.48% of the total Issued, Subscribed and Paid up Share Capital of the Transferee Company, a Company engaged in the business of manufacturing cement with its main cement plant being situated in Village: Lumshnong in the State of Meghalaya and Grinding Unit at Sonapur in the State of Assam. Accordingly, the Transferor Company is the holding company of the Transferee Company. The Transferor Company was previously also an operating Company engaged in the business of manufacturing ferro alloys from its plant in Byrnihat in the State of Meghalaya. Such ferro alloys business was demerged to a Company by the name of Shyam Century Ferrous Limited with effect from 1st April, 2014. The Transferor Company has since neither undertaken nor has plans to commence any other business. At present the Transferor Company does not have any other significant business interest other than its investment in the cement business through the Transferee Company.
- ii. The value of the interest in the cement business is however not adequately reflected in the Transferor Company since such business is not held directly but through the Transferee Company. Both the Companies are under the same management and have interests in the same business. As such the business of the Transferor Company and the Transferee Company can be combined conveniently and carried on in conjunction more advantageously and therefore no useful purpose is being served in continuing with two separate legal entities. Amalgamation of the two companies is proposed accordingly. While the Transferee Company holds operating facilities and assets which cannot be transferred easily, the Transferor Company does not have any such operating facilities or assets. In view, inter alia, of the aforesaid, operationally it is considered more convenient to amalgamate the Transferor Company with the Transferee Company than vice versa.
- iii. In the circumstances it is considered desirable and expedient to amalgamate the Transferor Company with the Transferee Company in the manner and on the terms and conditions stated in this Scheme of Amalgamation.
- iv. The amalgamation will enable appropriate consolidation of the undertakings of the Transferor Company and the Transferee Company. The business of the amalgamated entity will be carried on more efficiently and economically as a result, inter alia, of pooling and more effective utilisation of the combined resources of the said companies and substantial reduction in costs and expenses which will be facilitated by and follow the amalgamation.
- v. In consideration of the amalgamation, the Transferee Company will issue and allot to the shareholders of the Transferor Company, Equity Shares credited as fully paid up in the

Transferee Company. The existing Equity Shares of the Transferee Company held by the Transferor Company shall stand necessarily cancelled as a consequence of the amalgamation. The aforesaid will enable the shareholders of the Transferor Company to hold shares directly in the operating company, viz the Transferee Company. The same will unlock shareholders value. The Transferee Company will also seek listing of its shares pursuant to the amalgamation.

- vi. The amalgamation will also result in the formation of a larger company having greater capacity to raise and access funds for growth and expansion of its business, marketing and selling its units and conducting trade on more favourable terms. The amalgamation will enable greater realisation of the potential of the cement business in the merged entity.
- vii. The Scheme is proposed accordingly and will have beneficial results for the said Companies, their shareholders, employees and all concerned.

Upon the Scheme becoming effective:

- i. The Transferor Company shall be dissolved without winding up pursuant to the provisions of Section 394 of the Act.
- ii. It is expressly clarified and provided that the consequent entitlement of every member of the Transferor Company to credit in the Equity Share Capital of the Transferee Company to the extent of Re.1.33 for every 1 Equity Share of Re.1. each of the Transferor Company shall be aggregated in respect of all Equity Shares held by such member in the Transferor Company. Every such member shall accordingly be issued and allotted such number of whole Equity Shares of Re.1 each in the Transferee Company (hereinafter referred to as "New Equity Shares") into which their aggregate entitlement to credit as aforesaid can be divided with the remaining fractional entitlement, if any, which does not constitute a whole New Equity Share, being consolidated, sold, distributed and dealt with in the manner following:-

No fractional shares shall be issued by the Transferee Company in respect of the fractional entitlements, if any, to which the members of the Transferor Company may be entitled on issue and allotment of the New Equity Shares in the Transferee Company as above. The Board of Directors of the Transferee Company or a committee thereof shall consolidate all such fractional entitlements, and issue and allot the New Equity Shares in lieu thereof to a Director and / or Officer(s) of the Transferee Company on the express understanding that such Director and / or Officer(s) to whom such New Equity Shares are allotted shall sell the same in the market and pay to the Transferee Company the net sale proceeds thereof, whereupon the Transferee Company shall distribute such net sale proceeds to the members of the Transferee Company in proportion to their fractional entitlements.

- iii. The New Equity Shares of the Transferee Company to be issued and allotted in lieu of the Equity Shares of the Transferor Company shall rank pari passu in all respects with the existing Equity Shares of the Transferee Company. Further such new Equity Shares shall pursuant to circular issued by the Securities Exchange Board of India ("SEBI") on 30th November, 2015 bearing No. CIR/CFD/CMD/16/2015 and subject to compliance with requisite formalities, be listed and/or admitted to trading on the relevant stock exchange(s) where the existing Shares of the Transferor Company are listed and/or admitted to trading.

- iv. In respect of the shareholding of the members of the Transferor Company held in dematerialised form, the Equity Shares in the Transferee Company shall, subject to applicable regulations, also be issued to them in the dematerialised form pursuant to clause 11.1 of the Scheme with such shares being credited to the existing depository accounts of the members of the Transferor Company entitled thereto, as per records maintained by the National Securities Depository Limited and / or Central Depository Services (India) Limited on the Record Date. In respect of the shareholding of the members in the Transferor Company held in the certificate form, the Equity Shares in the Transferee Company shall be issued to such members in certificate form. Members of the Transferor Company desirous of receiving the new shares in the Transferee Company in dematerialised form should have their shareholding in the Transferor Company dematerialised on or before the Record Date.
- v. For the purposes as aforesaid, the Transferee Company shall, if and to the extent required, apply for and obtain the requisite consent or approval of the Government of India and the Reserve Bank of India and other Appropriate Authorities concerned, for the issue and allotment by the Transferee Company to the respective non-resident members of the Transferor Company, of the New Equity Shares in the Share Capital of the Transferee Company in the ratio aforesaid.
- vi. The New Equity Shares of the Transferee Company allotted pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated stock exchange.
- vii. Apart from cancellation of existing shares of the Transferee Company as provided in clause 12 of the Scheme, there shall be no change in the shareholding pattern or control in the Transferee Company between the Record Date and the listing which may affect the status of the approval of the Stock Exchanges to this Scheme.
- viii. Consequent to and as part of the amalgamation of the Transferor Company with the Transferee Company herein, the Authorised Share Capital of the Transferor Company shall stand merged into and combined with the Authorised Share Capital of the Transferee Company pursuant to the Scheme, without any further act of deed, and without payment of any registration or filing fee on such combined Authorised Share Capital, the Transferor Company and the Transferee Company having already paid such fees. Accordingly, the Authorised Share Capital of the Transferee Company resulting from the amalgamation of the Transferor Company with the Transferee Company shall be a sum of Rs.83,00,00,000/- divided into 83,00,00,000 Equity Shares of Re.1/- each and Clause V of the Memorandum of Association of the Transferee Company and Article 4 of the Articles of Association of the Transferee Company shall stand altered accordingly.
- ix. Upon the Scheme becoming effective, all Equity Shares held by the Transferor Company in the share capital of the Transferee Company, shall stand cancelled, without any further act or deed.
- x. The amalgamation shall be accounted for in the books of account of the Transferee Company according to the pooling of interests method under Accounting Standard (AS) 14, 'Accounting for Amalgamations' ("AS14") annexed to the Companies (Accounting Standards) Rules, 2006.