

- | | |
|---|--|
| 1 BSE Ltd.
Department of Corporate Services
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 001
Through: BSE Listing Centre
Security Code No. 500380 | 2 National Stock Exchange of India Ltd.
“Exchange Plaza”
Bandra-Kurla Complex
Bandra (East)
Mumbai – 400 051
Through: NEAPS
Symbol: JKLAKSHMI, Series: EQ |
|---|--|

Re: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 - Composite Scheme of Amalgamation and Arrangement between JK Lakshmi Cement Ltd., Udaipur Cement Works Ltd., Hansdeep Industries & Trading Company Ltd. and Hidrive Developers and Industries Private Limited and their respective Shareholders and Creditors, under Sections 230 - 232 and other applicable provisions of the Companies Act, 2013

Dear Sir/Madam,

Pursuant to Regulation 30 read with Schedule III to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, together with any amendments thereto from time to time (the 'SEBI Listing Regulations') and SEBI Circular dated 13th July 2023 ('SEBI Circular'), this is to inform that the Board of Directors ('Board') of JK Lakshmi Cement Ltd. ('Company') at its meeting held today i.e. 31st July 2024, has considered and approved Composite Scheme of Amalgamation and Arrangement amongst JK Lakshmi Cement Ltd. ('JKLC' / 'Amalgamated Company'), Udaipur Cement Works Ltd. ('UCWL' / 'Amalgamating Company 1'), Hansdeep Industries & Trading Company Ltd. ('HITCL' / 'Amalgamating Company 2'), Hidrive Developers and Industries Pvt. Ltd. ('HDIPL' / 'Amalgamating Company 3') and their respective Shareholders and Creditors, in terms of the provisions of Sections 230 - 232 and other applicable provisions of the Companies Act, 2013 read with Rules made thereunder ('Scheme'), after considering the recommendations of Audit Committee and Committee of Independent Directors. The Appointed date under the Scheme is 1st April 2024.

In consideration for amalgamation of the Amalgamating Company-1 with the Amalgamated Company, the Shareholders of the Amalgamating Company-1 shall receive equity shares of the Amalgamated Company as consideration for the proposed Scheme.

The Scheme is subject to necessary statutory and regulatory approvals under applicable laws and the approval of the Shareholders, Creditors and others including from the Hon'ble National Company Law Tribunal, Jaipur Bench.





Further, once the Scheme becomes effective, it is proposed to list the equity shares of the Company issued as consideration for the proposed Scheme on BSE Limited and National Stock Exchange of India Limited.

The details as required under Regulation 30 of the Listing Regulations read with the SEBI Circular are given in **Annexure** hereto.

The said Board meeting of the Company commenced at 12.30 PM and concluded at 05.35 P.M.

Kindly take the above information on records.

Yours faithfully,

For JK Lakshmi Cement Ltd.

(Amit Chaurasia)
Company Secretary and Compliance Officer

Encl: a.a.



Disclosure of information in relation to the Scheme pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the SEBI Circular dated 13th July, 2023.

S.No.	Particulars	Description
1	name of the entity(ies) forming part of the amalgamation/merger, details in brief such as, size, turnover etc.;	<p>The Composite Scheme of Amalgamation and Arrangement is between JK Lakshmi Cement Ltd. ('JKLC' / 'Amalgamated Company'), Udaipur Cement Works Ltd. ('UCWL' / 'Amalgamating Company-1'), Hansdeep Industries & Trading Company Ltd. ('HITCL' / 'Amalgamating Company-2') and Hidrive Developers and Industries Pvt. Ltd. ('HDIPL' / 'Amalgamating Company-3') (collectively UCWL, HITCL and HDIPL referred as 'Amalgamating companies') and their respective Shareholders and Creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ('Scheme').</p> <p>Brief details of the companies involved in the Scheme are as under:</p> <p>(i) JKLC is a listed company incorporated under the laws of India and having its registered office at Jaykaypuram Basantgarh Dist Sirohi, Rajasthan, India, 307019. The CIN of JKLC is L74999RJ1938PLC019511. The PAN of JKLC is AAACJ6715G. JKLC is primarily engaged in the business of, <i>inter alia</i>, manufacturing, selling and trading of Clinker and Cement.</p> <p>(ii) UCWL is a listed company incorporated under the laws of India and having its registered office at Shripati Nagar, CFA, PO: Dabok Udaipur Rajasthan 313022, India. The CIN of UCWL is L26943RJ1993PLC007267. The PAN of UCWL is AAACU8858M. UCWL is primarily engaged in the business of, <i>inter alia</i>, manufacturing and selling Clinker and Cement which is similar to the business of JKLC. UCWL is the Subsidiary of JKLC.</p> <p>(iii) HITCL is a company incorporated under the laws of India and having its registered office at Jaykaypuram Basantgarh Dist Sirohi, Rajasthan, India, 307019. The CIN of HITCL is U74899RJ1993PLC096253. The PAN of</p>



S.No.	Particulars	Description															
		<p>HITCL is AABCJ0776A. HITCL has its objects and is also engaged in a business, similar to that of JKLC. HITCL is the wholly-owned subsidiary of JKLC.</p> <p>(iv) HDIPL is a company incorporated under the laws of India and having its registered office at Jaykaypuram Basantgarh Dist Sirohi, Rajasthan, India, 307019. The CIN of HDIPL is U23941RJ2012PTC096250 and its PAN is AACCH9735Q. HDIPL has its objects and is also engaged in a business, similar to that of JKLC. HDIPL is the wholly-owned subsidiary of JKLC.</p> <p>The Net Worth and Turnover as on 30th June 2024, based on the latest audited Financial Statements of the entities involved in the Scheme are as under:</p> <p style="text-align: right;">(₹ in Lakhs)</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>Net Worth</th> <th>Turnover incl. other Income</th> </tr> </thead> <tbody> <tr> <td>JKLC</td> <td>3,23,709.00</td> <td>1,53,669.00</td> </tr> <tr> <td>UCWL</td> <td>87,617.00</td> <td>32,596.65</td> </tr> <tr> <td>HITCL</td> <td>11,656.17</td> <td>37.54</td> </tr> <tr> <td>HDIPL</td> <td>1,135.93</td> <td>2.06</td> </tr> </tbody> </table>	Particulars	Net Worth	Turnover incl. other Income	JKLC	3,23,709.00	1,53,669.00	UCWL	87,617.00	32,596.65	HITCL	11,656.17	37.54	HDIPL	1,135.93	2.06
Particulars	Net Worth	Turnover incl. other Income															
JKLC	3,23,709.00	1,53,669.00															
UCWL	87,617.00	32,596.65															
HITCL	11,656.17	37.54															
HDIPL	1,135.93	2.06															
2	whether the transaction would fall within related party transactions? If yes, whether the same is done at “arm’s length”;	<p>Yes, the transaction would fall within related party transactions.</p> <p>The transaction is being undertaken on an arms’ length basis.</p>															
3	Area of business of the entity (ies)	Please refer to point no. 1.															
4	Rationale for the amalgamation /merger	<p>(i) This Scheme will result in consolidating and improving the internal systems, procedures and controls and will also bring greater management and operational efficiency due to integration of various similar functions presently being carried out in each individual entity within the group leading to a more efficient organization.</p> <p>(ii) The Scheme shall also simplify the group structure and make it more commercially meaningful to have one combined entity focused in the business of cement and cement products.</p>															





S.No.	Particulars	Description
		<p>(iii) Amalgamation of the Amalgamating Companies, into and with the Amalgamated Company shall provide an opportunity to the Scheme Entities to better consolidate their assets and to utilize the same more efficiently, which will be in the interest of all stakeholders of all four Scheme Entities.</p> <p>(iv) Presently, the cement business is fragmented in four (4) entities i.e. JKLC and the Amalgamating companies. The Scheme shall be in the interest of the shareholders of the two (2) listed entities i.e. JKLC and the Amalgamating Company-1, as it proposes to consolidate all the cement companies into a single business focused entity resulting in optimum market multiple valuation (as opposed to discounted multiple with fragmented capacities). The Scheme would, inter alia, result in the following benefits for the Scheme Entities:</p> <p>(a) enable value unlocking for the shareholders of all the Scheme Entities and shall also enhance the potential for growth of the overall business by effectively utilizing the synergies resulting out of the Amalgamation;</p> <p>(b) provide opportunity for reduction of operational costs through synergies from sales and production planning across the business and better order load;</p> <p>(c) dedicated management approach and focus on the business, creating opportunities for pursuing independent growth and expansion strategies, and efficient capital allocation;</p> <p>(d) streamlining the group structure, rationalization of multiplicity of entities, thereby reducing compliance cost of multiple entities viz., statutory filings, regulatory compliances, labour law/ establishment related compliances;</p> <p>(e) easier to address the needs of customers by providing them uniform product and service experience, on time supplies, and improved service levels thereby improving customer satisfaction;</p> <p>(f) reduce inventory, improve vendor/customer management, and better monitoring of receivables and of age profile of creditors, resulting in release of working capital from Amalgamated</p>





S.No.	Particulars	Description
		<p>Company. Further, efficiency in debt and cash management will improve, enabling the Amalgamated Company to have unfettered access to cash flows generated which can be utilized for growth and sustenance; and</p> <p>(g) lead to synergies in manufacturing and distribution process, operational process, logistic alignment, better utilisation of human resources, elimination of duplication of work and related party transactions, rationalization and reduction of compliance requirements and financial exposure by avoidance of corporate guarantees for financial assistance for subsidiaries and further development and growth of businesses, leading to economies of scale and creation of efficiency by reducing time to market and benefiting customers.</p>
5	In case of cash consideration – amount or otherwise share exchange ratio	<p>No cash consideration is discharged under the Scheme.</p> <p>The consideration discharged under the Scheme is as follows:</p> <p>Amalgamated Company shall pay consideration to the extent indicated below, to the Eligible Shareholders of the Amalgamating Company 1 whose names appear in the register of member as on the Record Date, except to itself (JKLC / Amalgamated Company to the extent of its shareholding in UCWL) in the following manner:</p> <p><i>4 equity shares of the face value of INR 5 each credited as fully paid up in the share capital of the Amalgamated Company for every 100 fully paid-up equity shares of the face value of INR 4 each held in the Amalgamating Company 1</i></p> <p>On the amalgamation of Amalgamating Company 2 and Amalgamating Company 3 into and with the Amalgamated Company, no consideration shares shall be issued / allotted to the Amalgamated Company since the entire issued, subscribed, and paid-up Share Capital of the Amalgamating Company 2 and the Amalgamating Company 3 is held by the Amalgamated Company (along with its nominees), and because no company can hold its own shares.</p>





S.No.	Particulars	Description																												
6	Brief details of change in shareholding pattern (if any) of listed entity	<p>Pre-Amalgamation Shareholding of JK Lakshmi Cement Limited.:</p> <table border="1"> <thead> <tr> <th rowspan="2">Particulars</th> <th colspan="2">Pre-Amalgamation</th> </tr> <tr> <th>No. of Equity Shares</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Promoters & Promoter Group</td> <td>5,45,25,922</td> <td>46.34</td> </tr> <tr> <td>Public</td> <td>6,31,44,144</td> <td>53.66</td> </tr> <tr> <td>Total</td> <td>11,76,70,066</td> <td>100.00</td> </tr> </tbody> </table> <p>Post-Amalgamation Shareholding of JK Lakshmi Cement Limited.:</p> <table border="1"> <thead> <tr> <th rowspan="2">Particulars</th> <th colspan="2">Post-Amalgamation</th> </tr> <tr> <th>No. of Equity shares</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Promoters & Promoter Group</td> <td>5,60,14,101</td> <td>45.12</td> </tr> <tr> <td>Public</td> <td>6,81,30,306</td> <td>54.88</td> </tr> <tr> <td>Total</td> <td>12,41,44,407</td> <td>100.00</td> </tr> </tbody> </table>	Particulars	Pre-Amalgamation		No. of Equity Shares	%	Promoters & Promoter Group	5,45,25,922	46.34	Public	6,31,44,144	53.66	Total	11,76,70,066	100.00	Particulars	Post-Amalgamation		No. of Equity shares	%	Promoters & Promoter Group	5,60,14,101	45.12	Public	6,81,30,306	54.88	Total	12,41,44,407	100.00
Particulars	Pre-Amalgamation																													
	No. of Equity Shares	%																												
Promoters & Promoter Group	5,45,25,922	46.34																												
Public	6,31,44,144	53.66																												
Total	11,76,70,066	100.00																												
Particulars	Post-Amalgamation																													
	No. of Equity shares	%																												
Promoters & Promoter Group	5,60,14,101	45.12																												
Public	6,81,30,306	54.88																												
Total	12,41,44,407	100.00																												

