

Date: 22nd August, 2019

To,
BSE Limited
Corporate Relationship Dept.
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai 400001

National Stock Exchange of India Ltd.
Corporate Relationship Dept.
Exchange Plaza, C-1, Block-G
Bandra Kurla Complex, Bandra (E)
Mumbai 400051

Sub: Disclosure under Regulation 30 of the SEBI (LODR) Regulations, 2015.

Re: Scheme of Amalgamation of Schablona India Ltd. with Somany Ceramics Ltd.

Dear Sirs,

We would like to inform that the Board of Directors of Somany Ceramics Limited at their meeting held on 22nd August, 2019 has considered and approved, after recommendation of the Audit Committee of the Company, the draft Scheme of Amalgamation of Schablona India Ltd with Somany Ceramics Ltd. The proposed Scheme of Amalgamation is subject to further approval of the stock exchanges (BSE & NSE), SEBI, NCLT and other competent authorities.

The Relevant details of the Scheme of Amalgamation as per SEBI Circular CIR/CFD/CMD/4/2015 dated September 09, 2015, as amended, is enclosed herewith.

The meeting of the Board of Directors commenced at 12: 00 Noon and concluded at 2: 00 p.m.

The aforesaid is for your information and record please. We will file the application for in-principle approval of the stock exchange in due course.

Thanking you,

For Somany Ceramics Ltd


Ambrish Julka
GM (Legal) & Company Secretary
M. No. F4484



Details pursuant to SEBI Circular CIR/CFD/CMD/4/2015 dated September 09, 2015 read with Regulation 30 of the SEBI (LODR) Regulations, 2015

Scheme: Scheme of Amalgamation of Schablona India Ltd. with Somany Ceramics Ltd.

Appointed Date: 1st April, 2019

Effective Date: This Scheme shall be effective from the last of the dates on which certified copies of order of the National Company Law Tribunal (NCLT) under Sections 230 and 232 of the Companies Act, 2013, are filed in the office(s) of the concerned Registrar of Companies.

1	Name of the entity(ies) forming part of the amalgamation/merger, details in brief such as, size, turnover etc.;	<p>Transferor Company: Schablona India Ltd. [Corporate Identification No. (CIN): L 51109 DL 1983 PLC 318655] is a Company incorporated under the provisions of the Companies Act, 1956 and having its registered office situated at 82/19, Bhakerwara Road, Mundka, New Delhi-110 041</p> <p>The Equity Shares of the Transferor Company are listed at BSE.</p> <p>Transferee Company: Somany Ceramics Ltd. [Corporate Identification No. (CIN): L 40200 WB 1968 PLC 224116] is a Company incorporated under the provisions of the Companies Act, 1956 and having its registered office situated at 2, Red Cross Place, Kolkata-700 001, West Bengal.</p> <p>The Equity Shares of the Transferor Company are listed at BSE & NSE.</p> <p>Brief financial of Companies: The brief financial of the Transferor Company and the Transferee Company as per the Audited Financial Statements for the Financial Year ended March 31, 2019 is as below:</p> <table border="1" style="width: 100%; text-align: right;"> <thead> <tr> <th rowspan="2">Particulars</th> <th colspan="2">Rs./Lakhs</th> </tr> <tr> <th>Schablona India Ltd. Transferor Company</th> <th>Somany Ceramics Ltd. Transferee Company</th> </tr> </thead> <tbody> <tr> <td>Equity Paid-up Capital</td> <td>126.37</td> <td>847.59</td> </tr> <tr> <td>Reserves & Surplus</td> <td>(2016.38)</td> <td>58357.67</td> </tr> <tr> <td>Networth</td> <td>(1890.01)</td> <td>59205.26</td> </tr> <tr> <td>Turnover</td> <td>857.59</td> <td>169554.98</td> </tr> <tr> <td>Profit after Tax</td> <td>(499.03)</td> <td>4611.73</td> </tr> </tbody> </table>	Particulars	Rs./Lakhs		Schablona India Ltd. Transferor Company	Somany Ceramics Ltd. Transferee Company	Equity Paid-up Capital	126.37	847.59	Reserves & Surplus	(2016.38)	58357.67	Networth	(1890.01)	59205.26	Turnover	857.59	169554.98	Profit after Tax	(499.03)	4611.73
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2	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length";	<p>The Transferor Company and the Transferee Company are related party with each other.</p> <p>The proposed Scheme of Amalgamation, subject to the approval of the SEBI, Stock Exchange, NCLT and other competent authority would be implemented on arm's length basis.</p>																				
3	Area of business of the Entities	<p>The Transferor Company – Schablona India Ltd. is engaged in the business of manufacturing and trading of decorated tiles, transfers and stickers for decoration on ceramic articles, sanitary ware and other related activities.</p>																				



		<p>The Transferee Company – Somany Ceramics Ltd. is engaged in the business of manufacturing and trading of ceramic tiles, polished vitrified tiles, glazed vitrified tiles, sanitaryware and bath fittings, tile laying solutions, other allied products and other related activities.</p>
4	<p>Rational amalgamation for</p>	<ul style="list-style-type: none"> i. Both the Transferor and Transferee Companies are under common control and it would be advantageous to combine the activities and operations in a single Company and to build strong capability to effectively meet future challenges in competitive business environment. ii. The proposed Amalgamation would result in business synergy, pooling of physical, financial and human resource of these Companies for the most beneficial utilization of these factors in the combined entity. iii. Presently, the Transferor Company is engaged in the business of manufacturing and trading of decorated tiles, transfers and stickers for decoration on ceramic articles, sanitaryware and other related activities. Whereas, the Transferee Company is engaged in the business of manufacturing and trading of ceramic tiles, polished vitrified tiles, glazed vitrified tiles, sanitaryware and bath fittings, tile laying solutions, other allied products and other related activities. The proposed amalgamation will enable the integration of the business activities of the Transferor Company with the Transferee Company. iv. The Transferor Company has a credible brand name along with a sizeable pan India distribution network. Whereas, the Transferee Company is also a well know player in the ceramic and sanitaryware industry. The proposed Scheme of Amalgamation will allow the Transferee Company to leverage these strengths in order to maximise the value creation. v. The proposed Scheme of Amalgamation will result in usual economies of a centralized and a large company including elimination of duplicate work, reduction in overheads, better and more productive utilization of financial, human and other resource and enhancement of overall business efficiency. The proposed Scheme will enable these Companies to combine their managerial and operating strength, to build a wider capital and financial base and to promote and secure overall growth. vi. The amalgamation will result in significant reduction in multiplicity of legal and regulatory compliances which at present is required to be made separately by the Transferee Company as well as by the Transferor Company.



		<p>vii. The proposed amalgamation would enhance the shareholders' value of the Transferor and the Transferee Companies.</p> <p>viii. The proposed Scheme of Amalgamation will have beneficial impact on the Transferor and the Transferee Companies, their shareholders, employees and other stakeholders and all concerned.</p>		
5	In case of cash consideration – amount or otherwise share exchange ratio	<p>The Share Swap Ratio for the proposed amalgamation would be as below:</p> <p>“3 (three) Equity Shares of Rs. 2.00 each of the Transferee Company – Somany Ceramics Ltd. to, all the Equity Shareholders of the Transferor Company – Schablona India Ltd for every 100 (one hundred) Equity Shares of Rs. 4.00 each held in Schablona India Ltd..”</p> <p>There shall not be any cash consideration payable under the proposed Scheme of Amalgamation.</p>		
6	Brief details of change in shareholding pattern (if any) of listed entity.			
Schablona India Limited				
Particulars	No. of equity Shares	%	No. of equity Shares	%
	Pre-Scheme		Post Scheme	
Promoter	19,53,811	61.84	N.A.	N.A.
Public	12,05,404	38.16	N.A.	N.A.
Total	31,59,215	100.00	N.A.	N.A.
Somany Ceramics Ltd.				
Particulars	No. of equity Shares	%	No. of equity Shares	%
	Pre-Scheme		Post Scheme	
Promoter	2,18,10,767	51.47	2,18,69,381	51.49
Public	2,05,68,659	48.53	2,06,04,821	48.51
Total	4,23,79,426	100.00	4,24,74,202	100.00

Note: A Scheme of Amalgamation of Bhilwara Holdings Ltd., Sarvottam Vanijya Ltd. and Scope Vinimoy Pvt. Ltd. with Somany Ceramics Ltd. is proposed and the same is filed with the Stock Exchanges and SEBI for their observations. While preparing the aforesaid details, the impact of the this existing pending Scheme of Amalgamation has not been taken into account.

