



Date: November 09, 2022

To
BSE Limited,
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai – 400 001
BSE Scrip Code: 540203
Scrip ID: SFL

The National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block,
Bandra Kurla Complex,
Bandra (East),
Mumbai – 400 051
NSE - SFL

Subject: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended (“Listing Regulations”)

Dear Sir/Madam,

This is with reference to our earlier communication dated 02nd August 2022 in relation to the Scheme of Amalgamation of the wholly owned subsidiaries of the Company, i.e., Sleepwell Enterprises Private Limited (“SEPL”) and International Comfort Technologies Private Limited (“ICTPL”) with Sheela Foam Limited and their respective Shareholders and Creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (“Old Scheme”). The said Old Scheme provided for amalgamation of (i) SEPL; and (ii) ICTPL, wholly owned subsidiaries of the Company, with the Company.

At the meeting held on November 08, 2022, the Board of Directors of the Company discussed the Old Scheme and after deliberation, decided to amend the Old Scheme by excluding SEPL from the proposed amalgamation with the Company.

Accordingly, Board of Directors of the Company has approved Scheme of Amalgamation of ICTPL with SFL (“the Company”) and their respective Shareholders and Creditors (“the Scheme”) under sections 230 to 232 and other applicable provisions of the Companies Act, 2013 on November 08, 2022

The Scheme is subject to necessary statutory and regulatory approvals including the approvals of National Company Law Tribunal, Bench at Delhi (“NCLT”).

The disclosure required under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015, is enclosed as Annexure A to this intimation.

Thanking You.

Thanking you,

For Sheela Foam Limited

Md. Iquebal Ahmad
Company Secretary & Compliance Officer

SHEELA FOAM LTD.

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CIN-L74899DL1971PLC005679

Annexure – 1

Disclosure of information pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Amalgamation of International Comfort Technologies Private Limited with Sheela Foam Limited

S. No.	Items	Details																
1.	Name of the entity (ies) forming part of the Scheme and brief details such as size, turnover etc.	<p>Transferor Company: International Comfort Technologies Private Limited</p> <table border="1"> <tr> <td>Authorised capital (As on 31st March 2022)</td> <td>1,00,000 Equity Shares of Rs. 10/- each and 2,99,00,000 Convertible Preference Shares of Rs. 10/- each</td> </tr> <tr> <td>Paid-up share capital (As on 31st March 2022)</td> <td>1,00,000 Equity Shares of Rs. 10/- each and 2,99,00,000 Convertible Preference Shares of Rs. 10/- each</td> </tr> <tr> <td>Turnover (FY 2021-22)</td> <td>Rs. 762.96 Lakhs</td> </tr> <tr> <td>Net Losses (FY 2021-22)</td> <td>Rs. 721.21 Lakhs</td> </tr> </table> <p>Transferee Company: Sheela Foam Limited*</p> <table border="1"> <tr> <td>Authorised capital (As on 31st March 2022)</td> <td>8,80,21,000 Equity Shares of Rs. 5/- each</td> </tr> <tr> <td>Paid-up share capital (As on 31st March 2022)</td> <td>4,87,82,808 equity shares of Rs. 5/- each</td> </tr> <tr> <td>Turnover (FY 2020-21)</td> <td>Rs. 1,68,949.07 Lakhs</td> </tr> <tr> <td>Net Profits/ Losses (FY 2020-21)</td> <td>Rs. 18,324.87 Lakhs</td> </tr> </table> <p><i>*Transferee company holds 100% paid up share capital of the Transferor Company.</i></p>	Authorised capital (As on 31 st March 2022)	1,00,000 Equity Shares of Rs. 10/- each and 2,99,00,000 Convertible Preference Shares of Rs. 10/- each	Paid-up share capital (As on 31 st March 2022)	1,00,000 Equity Shares of Rs. 10/- each and 2,99,00,000 Convertible Preference Shares of Rs. 10/- each	Turnover (FY 2021-22)	Rs. 762.96 Lakhs	Net Losses (FY 2021-22)	Rs. 721.21 Lakhs	Authorised capital (As on 31 st March 2022)	8,80,21,000 Equity Shares of Rs. 5/- each	Paid-up share capital (As on 31 st March 2022)	4,87,82,808 equity shares of Rs. 5/- each	Turnover (FY 2020-21)	Rs. 1,68,949.07 Lakhs	Net Profits/ Losses (FY 2020-21)	Rs. 18,324.87 Lakhs
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Net Profits/ Losses (FY 2020-21)	Rs. 18,324.87 Lakhs																	
2.	Whether the transaction would fall within related party transactions? If yes, whether the same is done at “arm’s length”	In terms of General Circular No. 30/2014 dated July 17, 2014, issued by the Ministry of Corporate Affairs, the proposed Scheme would not be considered as related party transaction (‘RPT’). However, in terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the proposed Scheme would be considered as RPT. However, compliance with Regulation 23(2), 23(3) and 23(4) is not required in view of Regulation 23(5) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.																
3.	Area of business of the entity(ies)	International Comfort Technologies Private Limited is engaged in the business of manufacturing of polyurethane foams, mattress and home comfort products.																

		Sheela Foam Limited is engaged in the business of manufacturing of polyurethane foams, mattress and home comfort products.
4.	Rationale for Amalgamation	<p>The Transferor Company is a direct wholly owned subsidiary of the Transferee Company. In order to consolidate and effectively manage the Transferor Company and the Transferee Company in a single entity, which will provide several benefits including optimal utilization of resources, economies of scale, attain efficiencies and cost competitiveness, it is intended that the Transferor Company be merged with the Transferee Company. The rationale for the Scheme of Amalgamation of the Transferor Company by the Transferee Company would, inter alia, have the following benefits:</p> <ol style="list-style-type: none"> i. Simplification of the group structure and consolidation of legal entities; ii. Reducing the number of legal entities, resulting into lesser administrative and regulatory compliances; iii. Improved allocation of capital and optimization of cash flows contributing to the overall growth prospectus of the combined entity; iv. Creation of a larger asset base by consolidation of the assets and facilitation of access to better financial resources; v. Enable greater / enhanced focus of the management on the business; and vi. Creating enhanced value for shareholders and allow a focused strategy in operations, which would be in the best interest of all its shareholders, creditors and all other stakeholders.
5.	Consideration	The entire issued, paid-up, subscribed share capital of the Transferor Company is directly held by the Transferee Company. Therefore, no shares shall be issued by the Transferee Company pursuant to the Scheme becoming effective.
6.	Brief details of change in shareholding pattern (if any) of listed entity	There will not be any change in the shareholding of the Transferee Company pursuant to the Scheme.