



## S Chand And Company Limited

Registered Office: A-27, 2nd Floor, Mohan Co-Operative Industrial Estate, New Delhi - 110044, India.

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Date: February 11, 2020

To Listing Department BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai, Maharashtra 400001	To Listing Department, National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai, Maharashtra 400051
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Dear Sir,

**Re: Disclosure under Regulation 30 of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”)**

The Board of Directors at its meeting held on November 17, 2017 had approved the Composite Scheme of Arrangement [“Scheme”] amongst Blackie & Son (Calcutta) Private Limited, Nirja Publishers & Printers Private Limited, DS Digital Private Limited, Safari Digital Education Initiatives Private Limited, S Chand And Company Limited and their respective shareholders and creditors. The Company has received the observation letters from BSE Limited and National Stock Exchange of India Limited. The said Scheme was filed with the Hon’ble National Company Law Tribunal (“Tribunal”) for its approval. The Tribunal has passed its 1<sup>st</sup> motion order dated February 10, 2020.

The details of the said merger as required as per Schedule III of the Listing Regulations read with SEBI Circular CIR/CFD/CMD/4/2015 dated September 09, 2015 is enclosed herewith.

Request you to kindly take note of the above.

Thanking You.

For S Chand And Company Limited


Jagdeep Singh

Company Secretary & Compliance Officer

Membership No. A15028

Address: A-27, 2nd Floor,

Mohan Co-operative Industrial Estate,

New Delhi-110044

Encl: as above

**Details of the proposed merger**

1. **Name of the entity (ies) forming part of the amalgamation/merger, details in brief such as size, turnover etc:**

**Transferor Company No. 1-**Blackie & Son (Calcutta) Private Limited is a private limited company duly incorporated on October 9, 1979 bearing corporate identity number U74899DL1979PTC014517 and having its registered office situated at 7361, Ravindra Mansion, Ram Nagar, New Delhi-110055.

**Transferor Company No. 2-**Nirja Publishers & Printers Private Limited is a private limited company duly incorporated on August 31, 1971 bearing corporate identity number U74899DL1971PTC005776 and having its registered office situated at 7361, Ram Nagar, Qutab Road, New Delhi-110055.

**Transferee Company No. 1-**S Chand And Company Limited is a public limited company duly incorporated on September 9, 1970 bearing corporate identity number L22219DL1970PLC005400 and having its registered office at A-27, 2<sup>nd</sup> Floor, Mohan Co-operative Industrial Estate, New Delhi-110044.

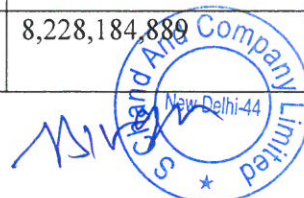
**Demerged Company No. 1 or Transferor Company No. 3-**DS Digital Private Limited is a private limited company duly incorporated on January 28, 2008 bearing corporate identity number U72200DL2008PTC173250 and having its registered office situated at A-27, 2<sup>nd</sup> Floor, Mohan Co-operative Industrial Estate, New Delhi-110044.

**Demerged Company No. 2 or Transferee Company No. 2-**Safari Digital Education Initiatives Private Limited is a private limited company duly incorporated on June 23, 2010 bearing corporate identity number U80904DL2010PTC204512 and having its registered office situated at A-27, 2<sup>nd</sup> Floor, Mohan Co-operative Industrial Estate, New Delhi-110044.

The proposed Scheme involves amalgamation of Transferor Company No. 1 and Transferor Company No. 2 with and into Transferee Company No. 1. Demerger of education businesses of Demerged Company No. 1 and Demerged Company No. 2 with and into Transferee Company No.1. The remaining business of Transferor Company No. 3 to be merged with and into Transferee Company No. 2.

The details of the paid-up capital, net worth and turnover of the Companies involved in the Scheme as on March 31, 2019 are follows:

Particulars	Paid-up share capital	Net worth	Turnover
Transferor Company No. 1	1,49,000	70,508,591	1,388,939
Transferor Company No. 2	1,20,000	758,298,305	226,523,174
Demerged Company No. 1	568,993,200	110,471,336	201,345,796
Demerged Company No. 2	44,36,92,680	221,105,583	175,874,875
Transferee Company No. 1	17,48,76,435	8,228,184,889	1,943,998,700



2. **Whether the transaction would fall within related party transactions? If yes, whether the same is done at “arm’s length”:**

The Transferor and Transferee Companies are part of the same group i.e. S Chand Group and are all related parties. However, pursuant to the circular No. 30/2014 dated July 17, 2014 issued by Ministry of Corporate Affairs the proposed merger does not fall within the purview of related party transactions.

3. **Area of business of the entity(ies):**

The Transferor Company No. 1 is inter alia engaged in the business of publishing of books and other literary works.

The Transferor Company No. 2 is inter alia engaged in the business of publishing, printing and reproduction of books for S Chand group.

The Transferee Company No. 1 is inter alia engaged in the business of publishing of educational books with products ranging from school books, higher academic books, competition and references books, technical and professional books and children books.

The Transferor Company No. 3 is inter alia engaged in the business of providing digital educational services and running pre- schools.

The Transferee Company No. 2 is inter alia engaged in the business of rendering digital and blended education solutions for schools.

4. **Rationale for amalgamation/merger:**

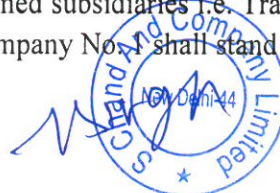
Amalgamation of Transferor Company No. 1 and Transferor Company No. 2 and demerger of Demerged Company No. 1 and Demerged Company No. 2 with and into the Transferee Company No. 1 would result in consolidation of similar business activities of printing, publication and reproduction of books and rendering of digital education services into a single entity, i.e., Transferee Company No. 1 thereby enabling the Transferee Company No. 1 to harness and optimize synergies, reducing overheads, better services to existing clientele and operational efficiencies.

Amalgamation of Transferor Company No. 3 with and into Transferee Company No. 2 would result in consolidation of business of rendering education solutions and running of pre-schools in one entity, i.e. Transferee Company No. 2 thereby to harness and optimize synergies, reducing overheads, better services to existing clientele and operational efficiencies.

5. **Incase of cash consideration-amount or otherwise share exchange ratio:**

The proposed Scheme is amongst the subsidiaries and the Company and there is no cash consideration involved.

Upon amalgamation of Transferor Company No. 1 and Transferor Company No. 2 with and into Transferee Company No. 1, the shares of the wholly owned subsidiaries i.e. Transferor Company No. 1 and Transferor Company No. 2 held by Transferee Company No. 1 shall stand cancelled and no new shares will be allotted by Transferee Company No. 1.



Upon demerger of Demerged Company No. 1 and Demerged Company No. 2 with and into Transferee Company No. 1, the Demerged Company No. 2 shall become a direct wholly-owned subsidiary of Transferee Company No. 1 and also substantial equity shares and all preference shares of Demerged Company No.1 are held by Transferee Company No. 1 and Demerged Company No. 2, therefore, the Transferee Company No. 1 shall not issue any shares neither to itself nor to Demerged Company No. 2. However, Transferee Company No. 1 will issue shares to the other shareholders of Demerged Company No. 1 in the ratio of 1:117.

Upon merger of the remaining business of Transferor Company No. 3 with and into Transferee Company No. 2, the equity and preference shares of the Transferor Company No. 3 held by Transferee Company No. 2 shall stand cancelled. Transferee Company No. 2 will issue shares to the shareholders of Transferor Company No. 3 in the ratio 2:17.

**6. Brief details of change in shareholding pattern (if any) of listed entity:**

There will be change in the shareholding pattern of the Company (Transferee Company No. 1) pursuant to share entitlement ratio in the Scheme. The brief details of the shareholding pattern of the Company is given below:

Category	Pre Amalgamation	Post Amalgamation	Remarks
Promoters & Promoters Group	1,65,26,141	1,65,26,141	-
Public	18,449,146	18,449,189	43 equity shares will be allotted to one of the shareholder of Demerged Company No. 1
<b>Total</b>	<b>34,975,287</b>	<b>34,975,330</b>	

