

March 05, 2018

BSE Limited Corporate Relationship Department Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 (Stock Code: 531548)	National Stock Exchange of India Ltd. Corporate Relationship Department Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai-400051 (Stock Code: SOMANYCERA)
--	--

Sub: Outcome of Board Meeting held on 05.03.2018

Dear Sir/ Madam,

In compliance with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("**LODR**") this is to inform you that the Board of Directors in its meeting held today i.e. March 05, 2018 (ended at 2:00 PM) at our Corporate Office at F- 36, Sector – 6, Noida – 201301, inter alia, considered and approved the draft Scheme of Amalgamation ("**Scheme**") under Sections 230 and 232 of the Companies Act, 2013 of Bhilwara Holdings Limited ("**BHL**"), Sarvottam Vanijya Limited ("**SVL**") and Scope Vinimoy Private Limited ("**SVPL**") into Somany Ceramics Limited ("**SCL**") with effect from April 1, 2018 (Appointed date), pursuant to the recommendation of the Audit Committee at their meeting held on March 5, 2018, prior to the meeting of Board of Directors of SCL.

The Scheme will come into effect on receipt of necessary approvals for the same, including approval of the relevant stock exchanges and such other statutory authorities as may be required.

The relevant details of the Scheme, as required under Circular no. CIR/CFD/CMD/4/2015 dated September 09, 2015, are enclosed herewith as an Annexure to this letter, as required under Regulation 30 of the LODR.

Thanking You,
Yours truly,
For Somany Ceramics Limited

Ambrish Julka 
DGM (Legal) and Company Secretary
M. No.: F4484



1

ANNEXURE

The details as required under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in relation to the Scheme are as follows:

1. Details of the Transferor and Transferee Companies:**Transferor Companies:**

- Bhilwara Holdings Limited ("**BHL**") is a company incorporated on September 23, 1980 and received certificate of commencement of business dated November 15, 1980. The registered office of BHL is located at 2, Red Cross Place, Kolkata -700001. BHL is engaged in the business to invest in, acquire, hold and otherwise deal in shares securities, debentures, bonds etc. in India. It is further highlighted that BHL is registered with the Reserve Bank of India ("**RBI**"), Kolkata as a Non Banking Financial Company ("**NBFC**") (Non Deposit Taking).
- Sarvottam Vanijya Limited ("**SVL**") was incorporated on October 26, 1981 and received Certificate of Commencement of business dated January 25, 1982. The registered office of SVL is located at 2, Red Cross Place, Kolkata -700001. SVL deals in shares, stocks debentures, bonds, obligations and securities issued or guaranteed by Company and deals in debentures, stocks, bonds, obligations and securities issued or guaranteed by government, public body, authority etc. in India or elsewhere and to promote, acquire, purchase interest in any Company and transfer such company, any property out of its own funds. It is further highlighted that SVL is registered with the RBI, Kolkata as a NBFC (Non Deposit Taking).
- Scope Vinimoy Private Limited ("**SVPL**") was incorporated on December 15, 2004. The registered office of SVPL is located at 2, Red Cross Place, Kolkata -700001. SVPL is not involved in any business activity other than



holding investments in the share capital of group Companies including Somany Ceramics Limited.

Transferee Company:

- **SCL** was incorporated on January 20, 1968. The registered office of SCL is located at 2, Red Cross Place, Kolkata -700001. SCL is an internationally acclaimed organization that specializes in ceramics and allied products segment. SCL has an access to tiles manufacturing capacity of about 61 million square meters through two owned units (Kadi, Gujarat and Kassar, Haryana), six associate/subsidiary companies and also other outsource vendors. Somany is a complete décor solutions provider and its extensive range of products include – Ceramic Wall and Floor Tiles, Polished Vitrified Tiles, Glazed Vitrified Tiles, Digital Tiles, Sanitaryware and Bath Fittings as well as Tile Laying Solutions.
- The Equity Shares of SCL are listed on BSE Limited ('**BSE**') and National Stock Exchange of India Ltd. ('**NSE**').

2. Net Worth and Turnover:

Transferor Companies details:

Name of the Company	(Rs. in Lakhs)	
	Net Worth (31.01.2018)	Total Revenue (31.01.2018)
BHL	2195.51	615.25
SVL	1581.32	327.66
SVPL	1085.26	165.99

Transferee Company details:

Name of the Company	(Rs. in Lakhs)	
	Net Worth (31.12.2017)	Total Revenue (31.12.2017)
SCL	53661.83	118036.03



3. Share Capital:

CAPITAL STRUCTURE OF BHL AS ON JANUARY 31, 2018	
Particulars	Amount in Rs.
Authorized share capital	
12,30,000 Equity shares of Rs.10/- each	1,23,00,000
Total	1,23,00,000
Issued, subscribed, paid up share capital	
5,09,686 equity shares of Rs.10/- each	50,96,860
Total	50,96,860

CAPITAL STRUCTURE OF SVL AS ON JANUARY 31, 2018	
Particulars	Amount in Rs.
Authorized share capital	
3,60,000 Equity shares of Rs.10/- each	36,00,000
Total	36,00,000
Issued, subscribed, paid up share capital	
3,55,210 equity shares of Rs.10/- each	35,52,100
Total	35,52,100

CAPITAL STRUCTURE OF SVPL AS ON JANUARY 31, 2018	
Particulars	Amount in Rs.
Authorized share capital	
7,10,000 Equity shares of Rs.10/- each	71,00,000
Total	71,00,000
Issued, subscribed, paid up share capital	
5,27,250 equity shares of Rs.10/- each	52,72,500
Total	52,72,500

CAPITAL STRUCTURE OF SCL AS ON JANUARY 31, 2018	
Particulars	Amount in Rs.
Authorized share capital	
12,50,00,000 Equity Shares of Rs. 2/- each	25,00,00,000
Total	25,00,00,000
Issued, subscribed, paid up share capital	
4,23,79,426 Equity Shares of Rs. 2/-each	8,47,58,852
Total	8,47,58,852



4. Salient features of the proposed Scheme:

The proposed Scheme is for amalgamation of Bhilwara Holdings Limited, Sarvottam Vanijya Limited and Scope Vinimoy Private Limited ("herein after referred as "**Transferor Company 1**", "**Transferor Company 2**", "**Transferor Company 3**" respectively or collectively as "**Transferor Companies**") into Somany Ceramics Limited ("herein after referred as "**Transferee Company**"). The salient features of the proposed Scheme are, inter-alia, as follows:

- i. The Appointed Date for the proposed Scheme is April 1, 2018.
- ii. Subject to receipt of necessary approvals, the Transferor Companies will be amalgamated with the Transferee Company with effect from the Appointed Date. Accordingly, the Transferor Companies, including all its assets and liabilities, would stand transferred to the Transferee Company, if any, as a going concern, to the Transferee Company with effect from the Appointed Date.
- iii. The Transferor Companies forms part of the Promoter Group of Transferee Company, pursuant to the proposed Scheme, BHL, SVL and SVPL would be ceased to form part of the promoter group of SCL and individual promoters of SCL would directly hold the equity shares in SCL in the same proportion as they hold in BHL, SVL and SVPL.
- iv. The proposed Scheme will be filed with the Stock Exchanges for approval in terms of SEBI Circular dated 10th March, 2017 including any amendments, thereof.

5. Rationale & Benefits:

- a) BHL, SVL AND SVPL (collectively referred to as "**Promoter Group**") forms part of the Promoter Group of SCL. BHL currently holds



92,02,200 equity shares of Rs. 2/- each fully paid up constituting 21.72% of SCL's paid up equity share capital. SVL currently holds 63,32,500 equity shares of Rs. 2/- each fully paid up constituting 14.94% of SCL's paid up equity share capital and SVPL currently holds 35,52,500 equity shares of Rs. 2/- each fully paid up constituting 8.38% of SCL's paid up equity share capital.

- b) Also BHL currently holds 1,74,150 equity shares of Rs. 10/- each fully paid up constituting 49.03% stake in SVL (with its nominees) and 2,60,000 equity shares of Rs. 10/- each fully paid up constituting 49.31% stake in SVPL. SVL currently holds 1,15,834 equity shares of Rs. 10/- each fully paid up constituting 22.73% stake in BHL (with its nominees) and 1,88,000 equity shares of Rs. 10/- each fully paid up constituting 35.66% stake in SVPL (with its nominees). SVPL currently holds 70,940 equity shares of Rs. 10/- each fully paid up constituting 19.97% stake in SVL and 61,755 equity shares of Rs. 10/- each fully paid up constituting 12.12% stake in BHL.
- c) Pursuant to the proposed Scheme, BHL, SVL and SVPL would be ceased to form part of the Promoter Group of SCL and individual promoters of SCL ("**Promoters**") would directly hold the equity shares in SCL in the same proportion as they hold in BHL, SVL and SVPL which will be dissolved without the process of winding up.
- d) The amalgamation of BHL, SVL and SVPL into SCL would not only lead to simplification of the shareholding structure and reduction of the shareholding tiers, but also demonstrate the promoter group direct commitment to and engagement with SCL.
- e) There would be no change in the promoter shareholding of SCL. The Promoters would continue to hold the same percentage of shares collectively in SCL, pre and post amalgamation of BHL, SVL and SVPL into SCL.



6. Consideration | Exchange Ratio:

In consideration of amalgamation, the Transferee Company shall issue equity shares to the shareholders of the Transferor Companies, exactly same number of equity shares as held by the Transferor Companies in the Transferee Company. The Equity Shares on Amalgamation is based on the following share capital positions of BHL, SVL AND SVPL :

- 92,02,200 (Ninety Two Lacs Two Thousand and Two Hundred) fully paid up Equity Shares of Rs. 2 each of SCL against 92,02,200 (Ninety Two Lacs Two Thousand and Two Hundred) fully paid up Equity Shares of Rs.2 each held by BHL in SCL as on January 31st, 2018 shall be issued and allotted to the Equity Shareholders of BHL in proportion of their holdings in BHL;
- 63,32,500 (Sixty Three Lacs Thirty Two Thousand and Five Hundred) fully paid up Equity Shares of Rs. 2 each of SCL against 63,32,500 (Sixty Three Lacs Thirty Two Thousand and Five Hundred) fully paid up Equity Shares of Rs.2 each held by SVL in SCL as on January 31st, 2018 shall be issued and allotted to the Equity Shareholders of SVL in proportion of their holdings in SVL;
- 35,52,500 (Thirty Five Lacs Fifty Two Thousand and Five Hundred) fully paid up Equity Shares of Rs. 2 each of SCL against 35,52,500 (Thirty Five Lacs Fifty Two Thousand and Five Hundred) fully paid up Equity Shares of Rs.2 each held by SVPL in SCL as on January 31st, 2018 shall be issued and allotted to the Equity Shareholders of SVPL in proportion of their holdings in SVPL.

The paid up capital positions of BHL, SVL and SVPL as on January 31, 2018, are as under:

- 5,09,686 Equity Shares of Rs.10/ each of BHL
- 3,55,210 Equity Shares of Rs.10/ each of SVL



- 5,27,250 Equity Shares of Rs.10/ each of SVPL

7. No Change in Shareholding Pattern:

There would be no change in the promoter shareholding of SCL. The promoters would continue to hold the same percentage of shares collectively in SCL, pre and post amalgamation of BHL, SVL and SVPL into SCL.

8. Related Party Transactions:

The MCA vide its Circular No. 30/2014 dated July 17, 2014 has clarified that transactions arising out of compromises, arrangements and amalgamations dealt with under specific provisions of the Companies Act, 1956/ Companies Act, 2013, would not attract the requirements of Sections 188 of the Companies Act, 2013. Accordingly, the transaction does not fall under Related Party transactions.

