

Date: 1st December, 2017

To:
Vishnu Vyas
Asst. Manager,
The National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East)
Mumbai 400 051

Sub: Application under Regulation 37 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the purpose of obtaining 'no-objection letter' for, the Composite Scheme of Arrangement, under Sections 230 to 232 of the Companies Act, 2013 read with Section 66 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, amongst HSIL Limited, Somany Home Innovation Limited, Brilloca Limited and their respective Shareholders and Creditors. Hereinafter refer to as the Scheme.

Dear Sir:

This is in reference to your letter dated November 29, 2017 (Ref: NSE/LIST/14158), whereby you have sought certain clarifications and further information / documents to process our application for seeking "no-objection" to the Composite Scheme of Arrangement.

In this regard, please note the following:

1. **Undertaking that the draft Scheme under sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957 is in Compliance with SEBI Circular CIR/CFD/CMD/16/2015 dated November 30, 2015 (Kindly provide)**

Company Response: As requested, please find attached the said undertaking, labelled as **Annexure A**.

2. **Undertaking in accordance with Regulation 11 of the SEBI (LODR) Regulations, 2015 i.e. scheme of arrangement /amalgamation /merger /reconstruction /reduction of capital etc. to be presented to any Court or Tribunal does not in any way violate, override or limit the provisions of securities laws or requirements of the stock exchange(s). (Kindly clarify for point number 4.)**

Company Response: We undertake that the Company shall obtain the approval of the requisite majority of the shareholders of the Company, as required under the Companies Act, 2013, at the NCLT convened shareholders' meeting for approving the Scheme, for which meeting e-voting facilities will also be provided. Please also note that Para 1(A)(9)(a) of Annexure-I of SEBI Circular no. CFD/DIL3/CIR/2017/21, dated March 10, 2017, is not applicable to the Scheme and the Company has, in this regard, separately filed, as Annexure XIV, an undertaking certified by the auditors, clearly stating the reasons for non-applicability of Para 9(a) and a certified copy of the resolution of the Board of Directors of the Company approving the aforesaid auditor certificate. We have accordingly resubmitted **Annexure XIV of the Application submitted on 23rd November, 2017.**

for HSIL LIMITED

fauz
Company Secretary

HSIL Limited
(An ISO 9001 14001 OHSAS 18001 Certified Company)

Corporate Office: 301-302, IIIrd Floor Park Centra, Sector-30, NH-8, Gurgaon, Haryana - 122 001. T +91-124-4779200, F +91-124-4292898/99
Registered Office: 2, Red Cross Place, Kolkata, West Bengal - 700 001. T +91-33-22487406/07, F +91-33-22487045

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3. Auditor's Certificate as per Para 1(A)(5) of Annexure-I of SEBI Circular CIR/CFD/CMD/16/2015 dated November 30, 2015 (Kindly provide as per format specified in March 10, 2017 circular.)

Company Response: As requested, please find attached a revised Annexure VII of the Application submitted on 23rd November, 2017 (Auditor's Certificate).

4. Shareholding pattern in accordance with Regulation 31(1) of the SEBI (LODR) Regulations, 2015 - for pre and post scheme of arrangement of the Companies. (Kindly provide as per format for all the companies.)

Company Response: Please find attached the revised Annexure V of the Application submitted on 23rd November, 2017, pre and post Scheme shareholding pattern of the companies, HSIL Limited, Somany Home Innovation Limited and Brilloca Limited, in accordance with Regulation 31(1) of the SEBI (LODR) Regulations, 2015.

5. Valuation Report as per SEBI Circular CIR/CFD/CMD/16/2015 dated November 30, 2015 (Kindly provide valuation as per format as well specified on NSE Website (Circular issued to Listed Companies – June 01, 2017.)

Company Response: Paragraph 4(a) of Part I of Annexure I of SEBI Circular no. CFD/DIL3/CIR/2017/21, dated March 10, 2017 ("**SEBI Circular**") requires all listed companies to submit a valuation report from an independent chartered accountant. However, as per Paragraph 4(b) of Part I of Annexure I of the SEBI Circular, valuation report is not required to be submitted in cases where there is no change in the shareholding pattern of the listed entity or resultant companies.

The SEBI Circular further clarifies that a 'change in the shareholding pattern' shall mean:

- (i) change in the proportion of shareholding of any of the existing shareholders of the listed entity in the resultant company; or
- (ii) new shareholder being allotted equity shares of the resultant company; or
- (iii) existing shareholder exiting the company pursuant to the Scheme of Arrangement.

Further, the SEBI Circular contains the following example, illustrating 'no change in shareholding pattern':

In case a listed entity (say, "entity A") demerges a unit and makes it a separate company (say, "entity B"):

- (a) if the shareholding of entity B is comprised only of the shareholders of entity A; and
- (b) if the shareholding pattern of entity B is the same as in entity A; and
- (c) every shareholder in entity B holds equity shares in the same proportion as held in entity A before the demerger.

For HSIL LIMITED

Company Secretary

In the present case, it may be kindly noted that the composite scheme of arrangement provides for the demerger of certain businesses of HSIL Limited, a listed company (being the transferor company) to its wholly owned subsidiary, Somany Home Innovation Limited (being one of the resultant companies) and to Brilloca Limited, a wholly owned subsidiary of Somany Home Innovation Limited (being another resultant company)

On the coming into effect of the scheme,

- (a) the shareholding of Somany Home Innovation Limited will be a mirror image of the shareholding of HSIL Limited, as on the record date. In the instant case, the shareholding of the shareholders of the parent listed company (being HSIL Limited) shall not be affected and additionally, same number of equity shares shall be allotted to them in Somany Home Innovation Limited. So there will be no change in the shareholding pattern; and
- (b) there will be no change in the shareholding of Brilloca Limited, which will continue to remain a wholly owned subsidiary of Somany Home Innovation Limited.

Accordingly, considering that the ultimate shareholding of the shareholders in HSIL shall be replicated in the Somany Home Innovation Limited, the Proposed Scheme would be value neutral to the ultimate shareholders of HSIL Limited.

In view of the above, we state that, since there will be no change in the shareholding pattern and the shareholders of HSIL Limited will receive same number of shares in Somany Home Innovation Limited and the economic interest of the shareholders shall be remain same, the relevant Paragraph of the SEBI Circular, regarding submission of valuation report, is not applicable and also the various approaches for valuation are not applicable in the instant case.

Therefore, it is reiterated that as per Paragraph 4(b) of Part I of Annexure I of the SEBI Circular, no valuation report is required to be submitted by HSIL Limited for the present Scheme, as there is no change in the shareholding pattern of the listed entity or the resultant companies.

However, as a matter of good corporate governance, HSIL Limited has obtained a valuation report and the same has been submitted to the NSE (as Annexure II) for your reference and records. The said report also clarifies the aforesaid arrangement between HSIL Limited, Somany Home Innovation Limited and Brilloca Limited and their respective shareholders and creditors.

We respectfully submit that, as there is no requirement under the SEBI Circular for HSIL Limited to submit a valuation report, the format of the valuation report as specified by the NSE, by way of its circular dated June 1, 2017, will not be applicable to this composite scheme of arrangement.

6. **Brief details about the business of the Companies.(Kindly provide as per format specified some points missing in the format. Further provide PAN number of all promoter and promoter group.)**

Company Response: Please find attached the revised Annexure XII of the Application submitted on 23rd November, 2017, containing brief details about the business of the Companies, in the format prescribed by NSE.

For HSIL LIMITED

Company Secretary

7. Further provide SEBI Fees as per requirement.

Company Response: Please find attached as Annexure B.

8. Provide PAN Details of all promoter and promoter group and its companies. Also provide PAN Details of Directors, KMP of the Companies mentioned in the Scheme. (IN EXCEL FILE)

Company Response: Please find attached as Annexure C.

9. It is observed that in the application the company has not provided the correct details for the following:

(a) **Subject of Scheme**

Company Response: The proposed scheme is a Composite Scheme of Arrangement, under Sections 230 to 232 of the Companies Act, 2013 read with Section 66 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, amongst HSIL Limited, Somany Home Innovation Limited, Brilloca Limited and their respective Shareholders and Creditors.

(b) **Fees details**

Company Response: Please find attached a separate letter with regards to the payment of the processing fee for the application made under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, to the NSE, marked as Annexure D.

(c) **Complaint Report**

Company Response: As per Paragraph 6(b) of Part I of Annexure I of the SEBI Circular, the Complaints' Report is required to be submitted by the listed entity to the Stock Exchanges within 7 days of the expiry of 21 days from the date of filing (November 24, 2017) of the Draft Scheme with the Stock Exchanges alongwith relevant annexures for in-principle approval of the exchange and hosting the Draft Scheme (alongwith specified documents) on the websites of the Stock Exchanges and the listed entity.

Therefore, no Complaints' Report is required to be submitted by HSIL Limited as of now. HSIL Limited will submit the Complaints' Report to the stock exchanges in accordance with the timelines set out in the SEBI Circular.

Thank you,

For HSIL Limited,



Name: Payal M Puri
Designation: Company Secretary

1st December, 2017

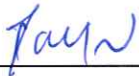
To,

Manager - Listing Compliance
National Stock Exchange of India Limited
'Exchange Plaza'. C-1, Block G,
Bandra Kurla Complex, Bandra (E),
Mumbai - 400 051
Dear Sir,

Sub: Application under Regulation 37 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the purpose of obtaining 'no-objection letter' for the Composite Scheme of Arrangement under Sections 230 to 232 of the Companies Act, 2013 read with Section 66 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, amongst HSIL Limited, Somany Home Innovation Limited, Brilloca Limited and their respective Shareholders and Creditors.

With reference to the aforesaid Composite Scheme of Arrangement, we hereby undertake that the Composite Scheme of Arrangement shall comply with the eligibility conditions as listed under Annexure I, Part-III, Paragraph A of SEBI Circular no. CFD/DIL3/CIR/2017/21, dated March 10, 2017, for seeking relaxation under sub-Rule (7) of Rule 19 of the Securities Contracts (Regulation) Rules, 1957.

For HSIL Limited,



Name: Payal M Puri
Designation: Company Secretary

HSIL Limited

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India's most awarded & certified bathroom products company

1st December, 2017

Manager - Listing Compliance
National Stock Exchange of India Limited
'Exchange Plaza'. C-1, Block G,
Bandra Kurla Complex, Bandra (E),
Mumbai - 400 051

Dear Sir,

Sub: Fee for application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015

We are enclosing herewith a Cheque of Rs. 5,00,000/- in favour of Securities and Exchange Board of India towards statutory fee. The details of fee calculation are given below:

Serial No.	Particulars	Amount
1	fee payable to SEBI	5,00,000
	Total	5,00,000

The details of Cheque drawn is given below:

Name of Bank: Standard Chartered Bank

Cheque No.: 930439

Date: 30/11/2017

Enclosure: Scan copy of cheque

Thanking you,

Yours faithfully,

For HSIL Limited



Payal M Puri
Company Secretary

HSIL Limited

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India's most awarded & certified bathroom products company

HSIL LIMITED
Delhi-Rohtak Road, Bahadurgarh - 124 507.
Dist. Jhajjar, Haryana.

Securities and Exchange Board of India From: CD-I, Bahadurgarh Bahadurgarh
CHEQUE NO. : 930439
CHEQUE DATE : 30.11.2017
VOUCHER NO. : 3100013865

MUMBAI -
Dear Sir / Madam,
Kindly acknowledge receipt of the enclosed cheque in settlement of the following

S. No.	BILL NO	BILL DATE	PARTICULARS	TOTAL (Rs.)
1	ADV/SEBI	30.11.2017	ADVANCE ISSUE FOR SEBI/HEENA	500000.00
			Total	500000.00
			Less TDS Amt	0.00
Cheque Amount Rs.				500000.00

For HSIL LIMITED

Authorised Signatory



Narain Manzil, 23 Barakhamba Road,
New Delhi - 110 001
IFSC "SCBL0036020"

VALID FOR THREE MONTHS FROM THE DATE OF ISSUE
दिनांक Date 30/11/2017
D D M M Y Y Y Y

Pay Securities and Exchange Board of India को या उनके आदेश पर Or Order
रुपये Rupees Five Lakh only / - रु 5,00,000/-
भुदा करें।
For HSIL LIMITED
A/c No. 522-0-592719-6
PAYABLE AT PAR AT ALL THE BRANCHES OF STANDARD CHARTERED BANK IN INDIA
Please sign above

⑈930439⑈ 110036002⑈ 258156⑈ 29

HSIL LTD.		
PAN of the Promoter and Promoter Group and it's Companies		
Sl. No	Name of the Promoter	PAN
1	RAJENDRA KUMAR SOMANY	AIYPS6274J
2	SANDIP SOMANY	AIYPS6270N
3	SUMITA SOMANY	ALMPS0475L
4	DIVYA SOMANY	ALMPS4606B
5	SHASHVAT SOMANY	ENCPS4665E
6	PACO EXPORTS LIMITED	AABCP7783K
7	SOMA INVESTMENTS LTD	AAACS0348E
8	NEW DELHI INDUSTRIAL PROMOTORS AND INVESTORS LTD	AAACN0092L
9	MATTERHORN TRUST	AAETM9786B

For HSIL LIMITED
Jay J
Company Secretary

HSIL LTD.		
PAN of the Directors and KMP		
Sl. No.	Name of the Directors	PAN
1	Dr. Rajendra Kumar Somany	AIYPS6274J
2	Mr. Sandip Somany	AIYPS6270N
3	Ms. Sumita Somany	ALMPS0475L
4	Mr. Girdhari Lal Sultania	AOTPS8376L
5	Mr. Ashok Jaipuria	AAAPJ4737B
6	Mr. Vijay Kumar Bhandari	AAPPB5117J
7	Mr. Nand Gopal Khaitan	AFLPK3827K
8	Mr. Salil Bhandari	AAAPB5902A
9	Dr. Rainer Siegfried Simon	N.A.
Sl. No.	Name of KMP	PAN
1	Ms. Payal M. Puri	AIBPM5745K
2	Mr. Sandeep Sikka	AATPS3365D

For HSIL LIMITED

Jay
Company Secretary

1st December, 2017

Manager - Listing Compliance
National Stock Exchange of India Limited
'Exchange Plaza'. C-1, Block G,
Bandra Kurla Complex, Bandra (E),
Mumbai - 400 051

Dear Sir,

Sub: Processing fee for application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015

We are enclosing herewith a Cheque of Rs. 2,16,000/- in favour of NSE Limited towards processing fee. The details of fee calculation are given below:

Serial No.	Particulars	Amount
1	Processing fee payable to NSE Ltd.	2,00,000
2	CGST @ 18%	36,000
3	TDS Deducted	(20,000)
	Total	2,16,000

The details of Cheque drawn is given below:

Name of Bank: Standard Chartered Bank

Cheque No.: 930432

Date: 23/11/2017

Thanking you,

Yours faithfully,
For HSIL Limited



Payal M Puri
Company Secretary

HSIL Limited

(An ISO 9001 14001 OHSAS 18001 Certified Company)

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Format of holding of specified securities

1. Name of Listed Entity: HSIL LTD. (CIN:L51433WB1960PLC024539)
2. Scrip Code 500187 Name of Scrip -- Class of Security Equity
3. Share Holding Pattern Filled under : Reg. 31(1)(a)/Reg. 31(1)(b)/Reg. 31(1)(c)
 - a. If under 31 (1)(b) then indicate the report for Quarter ending: 03/11/2017
 - b. If under 31(1)(c) then indicate date of allotment/extinguishment

4. Declaration : The Listed entity is required to submit the following declaration to the extent of submission of information:-

Particulars	Yes*	No*
1 Whether the Listed Entity has issued any partly paid up shares?		No
2 Whether the Listed Entity has issued any Convertible Securities or Warrants?		No
3 Whether the Listed Entity has any shares against which depository receipts are issued?		No
4 Whether the Listed Entity has any shares in Locked-in?		No
5 Whether any shares held by promoters are pledge or otherwise encumbered?		No

* If the Listed Entity selects the option 'No' for the questions above, the column for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed Entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.

5. The tabular format for disclosure of holding of specified securities is as follows:-

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For HSIL LIMITED



Company Secretary

ANNEXURE - V
(Pre-Shareholding)
dated: 3/11/2017

HSIL LTD.
Table I - Summary Statement holding of specified securities as on 03/11/2017

Category (I)	Nos. of shareholder's (II)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV) + (V) + (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (X)		No of Underlying convertible securities (including Warrants) (X)	Shareholding as a % assuming full conversion of convertible securities (as a diluted share. (XI) = (VII) + (X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)	Number of equity shares held in dematerialized form. (XIV)
							Class eqx	Total			No. (a)	As a % of total shares held (b)		
(A) Promoter & Promoter group	9	35012819	0	0	35012819	48.4296	35012819	0	48.4296	0	0	0	0	35012819
(B) Public	27320	37283576	0	0	37283576	51.5704	37283576	0	51.5704	0	0	0	NA	36204802
(C) Non Promoter - Non Public													NA	
(C1) Shares underlying DRs						NA							NA	
(C2) Shares held by Employee Trusts													NA	
Total	27329	72296395	0	0	72296395	100.0000	72296395	0	100.0000	0	0	0		71217621

For HSIL LIMITED
[Signature]
Company Secretary

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Table II - Statement showing shareholding pattern of the Promoter and Promoter Group as on 03/11/2017

Category & Name of the Shareholders (I)	PAN (II)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	Party paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Shareholding % as per SCRR, 1957 As a % of (A+B+C2) (VII)	Number of Voting Rights held in each class of securities (X)			Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)	Number of shares pledged or otherwise encumbered (XIII)	Number of equity shares held in dematerialized form (XIV)	
							Class X	Class Y	Total					
(1) Indian														
(a) Individuals/Hindu undivided Family		5	5747719	0	0	7.9502	5747719	0	7.9502	0	0.0000	0	0.0000	5747719
RAJENDRA KUMAR SOMANY	AIYP56274J	1	3080000	0	0	4.2602	3080000	0	4.2602	0	0.0000	0	0.0000	3080000
SANDIP SOMANY	AIYPS6270N	1	2283563	0	0	3.1586	2283563	0	3.1586	0	0.0000	0	0.0000	2283563
SUMITA SOMANY	ALMPS0475L	1	161000	0	0	0.2227	161000	0	0.2227	0	0.0000	0	0.0000	161000
DIIVA SOMANY	ALMPS4606B	1	146912	0	0	0.2032	146912	0	0.2032	0	0.0000	0	0.0000	146912
SHASHVAT SOMANY	ENCPS4665E	1	76244	0	0	0.1055	76244	0	0.1055	0	0.0000	0	0.0000	76244
(b) Central Government/State Government(s)														
(c) Financial Institutions/Banks														
(d) Any Other (specify)														
Bodies Corporate		4	29265100	0	0	40.4793	29265100	0	40.4793	0	0.0000	0	0.0000	29265100
PAGO EXPORTS LIMITED	AABCP783K	1	21280000	0	0	29.4344	21280000	0	29.4344	0	0.0000	0	0.0000	21280000
SOMA INVESTMENTS LTD	AAACS0348E	1	4235000	0	0	5.8578	4235000	0	5.8578	0	0.0000	0	0.0000	4235000
NEW DELHI INDUSTRIAL PROMOTORS AND INVESTORS LTD	AAACN092L	1	3750000	0	0	5.1870	3750000	0	5.1870	0	0.0000	0	0.0000	3750000
MATTERHORN TRUST	AAETM9785B	1	100	0	0	0.0001	100	0	0.0001	0	0.0000	0	0.0000	100
Sub Total		9	35012819	0	0	48.4296	35012819	0	48.4296	0	0.0000	0	0.0000	35012819
(2) Foreign														
(a) Individuals (Non-Resident Individuals/Foreign Individuals)														
(b) Government														
(c) Institutions														
(d) Foreign Portfolio Investor														
(e) Any Other (specify)														
Sub Total		0	0	0	0	0.0000	0	0	0.0000	0	0.0000	0	0.0000	0
Total Shareholding of Promoter and Promoter Group (A)=(A1)+(A2)		9	35012819	0	0	48.4296	35012819	0	48.4296	0	0.0000	0	0.0000	35012819


FOR HSIL LIMITED
 Company Secretary

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Category & Name of the Shareholders (i)	Nos. of shareholders (iii)	No. of fully paid up equity shares held (iv)	Partly paid-up equity shares held (v)	Nos. of shares underlying Depository Receipts (vi)	Total nos. shares held (vii)=(iv)+(v)+(vi)	Shareholding % as per SCRR, 1957) As a % of (A+B+C2) (viii)	Number of Voting Rights held in each class of securities (ix)			Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (X)=(vii)+(X)	As a % of total shares held (b)	Number of Locked in shares (xii)	Number of shares pledged or otherwise encumbered (xiii)	Number of equity shares held in dematerialized form (xiv)
							No of Voting Rights		No of shares Underlying outstanding convertible securities (including Warrants) (x)					
							Class X	Class Y, Total						
(1) Institutions														
(a) Mutual Funds / UTI	30	18523320	0	0	18523320	25.6214	18523320	0	18523320	25.6214	0	0.0000	NA	18523320
RELJANCE CAPITAL TRUSTEE CO. LTD.-A/C RELJANCE CAPITAL BUILDER FUND 2 SR B	4	6997103	0	0	6997103	9.6784	6997103	0	6997103	9.6784	0	0.0000	NA	6997103
HDFC TRUSTEE COMPANY LIMITED - HDFC PRUDENCE FUND	3	5140044	0	0	5140044	7.1097	5140044	0	5140044	7.1097	0	0.0000	NA	5140044
SUNDARAM MUTUAL FUND A/C SUNDARAM INFRASTRUCTURE ADVANTAGE FUND	18	4223140	0	0	4223140	5.8414	4223140	0	4223140	5.8414	0	0.0000	NA	4223140
UTI - CAPITAL PROTECTION ORIENTED SCHEME - SERIES V - II (1135 DAYS)	3	1113033	0	0	1113033	1.5395	1113033	0	1113033	1.5395	0	0.0000	NA	1113033
ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C ADITYA BIRLA SUN LIFE MANUFACT	2	1050000	0	0	1050000	1.4524	1050000	0	1050000	1.4524	0	0.0000	NA	1050000
(b) Venture Capital Funds														
(c) Alternate Investment Funds	1	211291	0	0	211291	0.2923	211291	0	211291	0.2923	0	0.0000	NA	211291
(d) Foreign Venture Capital Investors														
(e) Foreign Portfolio Investors	62	4372485	0	0	4372485	6.0480	4372485	0	4372485	6.0480	0	0.0000	NA	4372485
RAMS EQUITIES PORTFOLIO FUND-INDIA EQUITIES PORTFOLIO FUND	1	944692	0	0	944692	1.3067	944692	0	944692	1.3067	0	0.0000	NA	944692
(f) Financial Institutions / Banks	11	249716	0	0	249716	0.3454	249716	0	249716	0.3454	0	0.0000	NA	233872
(g) Insurance Companies	1	500	0	0	500	0.0007	500	0	500	0.0007	0	0.0000	NA	0
(h) Provident Funds / Pension Funds														
(i) Any Other (specify)														
Sub Total	105	23357312	0	0	23357312	32.3077	23357312	0	23357312	32.3077	0	0.0000	NA	23340968

Handwritten signature

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Company Secretary

Category & Name of the Shareholders (i)	PAN (ii)	Nos. of shareholders (iii)	No. of fully paid up equity shares held (iv)	Partly paid-up equity shares held (v)	Nos. of shares underlying Depository Receipts (vi)	Total nos. shares held (vii)=(iv)+(v)+(vi)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (viii)	Number of Voting Rights held in each class of securities (ix)			Shareholding as a % assuming conversion of convertible securities (as a percentage of diluted share capital) (X)=(vi)+(xi)+(xii) As a % of A+B+C2	Number of Locked in shares (xii)		Number of shares pledged or otherwise encumbered (xiii)	
								Class x	Class y	Total		No. (a)	As a % of total shares held (b)		
															No. of Voting Rights
(2) Central Government / State Government(s) / President of India															
(3) Non-Institutions															
(a) Individuals-															
i. Individual shareholders holding nominal share capital upto Rs.2 lakhs		25428	9521205	0	0	9521205	13.1697	9521205	0	9521205	13.1697	0	0.0000	NA	8475918
ii. Individual shareholders holding nominal share capital in excess of Rs.2 lakhs		6	902258	0	0	902258	1.2480	902258	0	902258	1.2480	0	0.0000	NA	902258
(b) NBFCs registered with RBI		6	182633	0	0	182633	0.2526	182633	0	182633	0.2526	0	0.0000	NA	182633
(c) Employee Trusts															
(d) Overseas Depositories (holding DRs) (balancing figure)															
(e) Any Other (specify)															
Bodies Corporate		430	1978074	0	0	1978074	2.7361	1978074	0	1978074	2.7361	0	0.0000	NA	1971890
FAERING CAPITAL INDIA EVOLVING FUND	AAATF3215E	1	750000	0	0	750000	1.0374	750000	0	750000	1.0374	0	0.0000	NA	750000
Clearing Member		221	128593	0	0	128593	0.1779	128593	0	128593	0.1779	0	0.0000	NA	128593
Non Resident Individual		1122	1210401	0	0	1210401	1.6742	1210401	0	1210401	1.6742	0	0.0000	NA	1199442
Trusts		2	3100	0	0	3100	0.0043	3100	0	3100	0.0043	0	0.0000	NA	3100
Sub Total		27215	13926264	0	0	13926264	19.2627	13926264	0	13926264	19.2627	0	0.0000	NA	12883834
Total Public Shareholding (B)=(B1)+(B2)+(B3)		27320	37283576	0	0	37283576	51.5704	37283576	0	37283576	51.5704	0	0.0000	NA	36204802

For HSIL LIMITED

 Company Secretary

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HSIL LTD.

Table IV - Statement Showing shareholding pattern of the Non Promoter - Non Public shareholder as on 03/11/2017

Category & Name of the Shareholders (I)	PAN (II)	No of sharehold ers (III)	No. of fully paid up equity shares held (IV)	Party paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII)=(IV)+(V)+(VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			Total Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)	
								Class x	Class y	Total		No. (a)	As a % of total shares held (b)	No. (Not applicable) (a)	As a % of total shares held in dematerialized form (b) (XIV)
(1) Custodian / DR Holder		0	0	0	0	0	0.0000	0	0	0	0	0	0	0	0
(2) Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)															
Total Non Promoter - Non Public Shareholding (C)=(C1)+(C2)		0	0	0	0	0	0.0000	0	0	0	0	0	0	0	0

For HSIL LIMITED
Tanya
 Company Secretary

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Format of holding of specified securities

1. Name of Listed Entity: HSIL LTD. (CIN:L51433WB1960PLC024539)
2. Scrip Code 500187 Name of Scrip --, Class of Security Equity
3. Share Holding Pattern Filed under : Reg. 31(1)(a)/Reg. 31(1)(b)/Reg. 31(1)(c)
 - a. If under 31(1)(b) then indicate the report for Quarter ending: 10/11/2017
 - b. If under 31(1)(c) then indicate date of allotment/extinguishment

4. Declaration : The Listed entity is required to submit the following declaration to the extent of submission of information:-

Particulars	Yes*	No*
1 Whether the Listed Entity has issued any partly paid up shares?		No
2 Whether the Listed Entity has issued any Convertible Securities or Warrants?		No
3 Whether the Listed Entity has any shares against which depository receipts are issued?		No
4 Whether the Listed Entity has any shares in Locked-in?		No
5 Whether any shares held by promoters are pledge or otherwise encumbered?		No

* If the Listed Entity selects the option 'No' for the questions above, the column for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed Entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.

5. The tabular format for disclosure of holding of specified securities is as follows:-

FOR HSIL LIMITED
Tam
 Company Secretary

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(Post Shareholding)
 dated - 10/11/2017

HSIL LTD.
Table 1 - Summary Statement holding of specified securities as on 10/11/2017

Category (I)	Nos. of shareholdrs (II)	No. of fully paid up equity shares held (IV)	No. of Party paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV) + (V) + (VI)	Shareholding as a % of total (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (X)		Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VI) + (X) As a % of (A+B+C2)	No of shares underlying convertible securities (including Warrants) (X)	Number of Locked in shares (XII)	Number of shares pledged or otherwise encumbered (XIII)	Number of equity shares held in dematerialized form (XIV)
							Class eq-X	Total					
(A)	(II)	(IV)	(V)	(VI)	(VII)	(VIII)	Class eq-X	Total	(XI)	(X)	(XII)	(XIII)	(XIV)
Promoter & Promoter group	9	35012819	0	0	35012819	48.4296	35012819	0	48.4296	0	0	0	35012819
Public	26689	37283576	0	0	37283576	51.5704	37283576	0	51.5704	0	0	NA	36204802
Non Promoter - Non Public												NA	
Shares underlying DRs						NA						NA	
Shares held by Employee Trusts												NA	
Total	26698	72296395	0	0	72296395	100.0000	72296395	0	100.0000	0	0		71217621

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For HSIL LIMITED
[Signature]

Company Secretary

Table II - Statement Showing shareholding pattern of the Promoter and Promoter Group as on 10/11/2017

Category & Name of the Shareholders (I)	PAN (II)	Nos. of sharehold- ers (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII)=(IV)+(V)+(VI)	Sharehold- ing % calculated as per SCRR, 1957 As a % of (A+B+C2) (XIII)	Number of Voting Rights held in each class of securities (X)			No of shares Underlying outstanding convertible securities (including Warrants) (X)	Sharehold- ing as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (X)=(VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)	Number of shares pledged or otherwise encumbered (XIII)	Number of equity shares held in dematerial- ized form (XIV)
								Class X	Class Y	Total					
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	
(a) Indian Individuals/Hindu undivided Family		5	5747719	0	0	5747719	7.9502	5747719	0	5747719	0	0	0	0.0000	5747719
RAJENDRA KUMAR SOMANY	AIYPS6274J	1	3080000	0	0	3080000	4.2602	3080000	0	3080000	0	0	0	0.0000	3080000
SANDIP SOMANY	AIYPS6270N	1	2283563	0	0	2283563	3.1586	2283563	0	2283563	0	0	0	0.0000	2283563
SUMITA SOMANY	ALMPS0475L	1	161000	0	0	161000	0.2227	161000	0	161000	0	0	0	0.0000	161000
DIVYA SOMANY	ALMPS4606B	1	146912	0	0	146912	0.2032	146912	0	146912	0	0	0	0.0000	146912
SHASHVAT SOMANY	ENCPS4665E	1	76244	0	0	76244	0.1055	76244	0	76244	0	0	0	0.0000	76244
(b) Central Government/State Government(s)															
(c) Financial Institutions/Banks															
(d) Any Other (specify)															
Bodies Corporate		4	29265100	0	0	29265100	40.4793	29265100	0	29265100	0	0	0	0.0000	29265100
PACO EXPORTS LIMITED	AAACP7783K	1	21280000	0	0	21280000	29.4344	21280000	0	21280000	0	0	0	0.0000	21280000
SOMA INVESTMENTS LTD	AAACS0348E	1	4235000	0	0	4235000	5.8578	4235000	0	4235000	0	0	0	0.0000	4235000
NEW DELHI INDUSTRIAL PROMOTORS AND INVESTORS LTD	AAAAN0062L	1	3750000	0	0	3750000	5.1870	3750000	0	3750000	0	0	0	0.0000	3750000
MATTERHORN TRUST	AAETM9786B	1	100	0	0	100	0.0001	100	0	100	0	0	0	0.0000	100
Sub Total		9	35012819	0	0	35012819	48.4296	35012819	0	35012819	0	0	0	0.0000	35012819
(2) Foreign Individuals (Non-Resident Individuals)/Foreign Individuals															
(b) Government															
(c) Institutions															
(d) Foreign Portfolio Investor															
(e) Any Other (specify)															
Sub Total		0	0	0	0	0	0.0000	0	0	0	0	0	0	0.0000	0
Total Shareholding of Promoter and Promoter Group (A)=(XI)+(XII)		9	35012819	0	0	35012819	48.4296	35012819	0	35012819	0	0	0	0.0000	35012819

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 Company Secretary

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FOSIL LTD.															
Table III - Statement Showing shareholding pattern of the Public shareholder as on 30/11/2017															
Category & Name of the Shareholders (I)	PAN (II)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV) + (V) + (VI)	Shareholding % as per SCRR, 1957) As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (X)			Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII) + (X) As a % of (A+B+C2)	Number of Locked in shares (XII)	Number of shares pledged or otherwise encumbered (XIII)		
								Class x.	Class y.	Total			No. (a)	As a % of total held (b)	No. (Not applicable) (a)
(1)															
(a)	Mutual Funds / UTI		30	18523320	0	0	18523320	25.6214	18523320	0	18523320	0	0.0000	NA	18523320
	RELANCE CAPITAL TRUSTEE CO. LTD./A/C RELIANCE CAPITAL BUILDER FUND 2 SR B	AAATR0090B	4	6997103	0	0	6997103	9.6784	6997103	0	6997103	0	0.0000	NA	6997103
	HDFC TRUSTEE COMPANY LIMITED - HDFC PRUDENCE FUND	AAATH1809A	3	5140044	0	0	5140044	7.1097	5140044	0	5140044	0	0.0000	NA	5140044
	SUNDARAM MUTUAL FUND A/C SUNDARAM INFRASTRUCTURE ADVANTAGE FUND	AAATS2554B	18	4223140	0	0	4223140	5.8414	4223140	0	4223140	0	0.0000	NA	4223140
	UTI - CAPITAL PROTECTION ORIENTED SCHEME - SERIES V - II (1135 DAYS)	AAATU1088L	3	1113033	0	0	1113033	1.5595	1113033	0	1113033	0	0.0000	NA	1113033
	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C ADITYA BIRLA SUN LIFE MANUFACT	AAATB0102C	2	1050000	0	0	1050000	1.4524	1050000	0	1050000	0	0.0000	NA	1050000
(b)	Venture Capital Funds														
(c)	Alternate Investment Funds		1	211291	0	0	211291	0.2923	211291	0	211291	0	0.0000	NA	211291
(d)	Foreign Venture Capital Investors														
(e)	Foreign Portfolio Investors		62	4373779	0	0	4373779	6.0498	4373779	0	4373779	0	0.0000	NA	4373779
	RAMS EQUITIES PORTFOLIO FUND-INDIA EQUITIES PORTFOLIO FUND	AAHCR4850P	1	944692	0	0	944692	1.3067	944692	0	944692	0	0.0000	NA	944692
(f)	Financial Institutions / Banks		11	249469	0	0	249469	0.3451	249469	0	249469	0	0.0000	NA	235625
(g)	Insurance Companies		1	500	0	0	500	0.0007	500	0	500	0	0.0000	NA	0
(h)	Provident Funds / Pension Funds														
(i)	Any Other (specify)														
	Sub Total		105	23356359	0	0	23356359	32.3092	23356359	0	23356359	0	0.0000	NA	123342015

FOSIL LIMITED
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Table III - Statement Showing shareholding pattern of the Public shareholder as on 10/11/2017

Category & Name of the Shareholders (I)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	Party paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding % calculated as per SCRR, 1957) As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (X)			Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)
							Class x	Class y	Total		No. (a)	As a % of total shares held (b)	
(2) Central Government / State Government(s) / President of India													
(3) Non-Institutions													
(a) Individuals-													
i. Individual shareholders holding nominal share capital upto Rs.2 lakhs	24702	9410390	0	0	9410390	13.0164	0	9410390	13.0164	0	0.0000	NA	8366103
ii. Individual shareholders holding nominal share capital in excess of Rs.2 lakhs	6	902258	0	0	902258	1.2480	0	902258	1.2480	0	0.0000	NA	902258
(b) NBFCs registered with RBI	6	181882	0	0	181882	0.2516	0	181882	0.2516	0	0.0000	NA	181882
(c) Employee Trusts													
(d) Overseas Depositories (holding DIRs) (balancing figure)													
(e) Any Other (specify)													
Bodies Corporate	414	1997866	0	0	1997866	2.7632	0	1997866	2.7632	0	0.0000	NA	1997866
FAIRING CAPITAL INDIA EVOLVING FUND	1	750000	0	0	750000	1.0374	0	750000	1.0374	0	0.0000	NA	750000
Clearing Member	342	224234	0	0	224234	0.3102	0	224234	0.3102	0	0.0000	NA	224234
Non Resident Individual	1112	1206187	0	0	1206187	1.6684	0	1206187	1.6684	0	0.0000	NA	1195228
Trusts	2	2600	0	0	2600	0.0036	0	2600	0.0036	0	0.0000	NA	2600
Sub Total	26584	13925217	0	0	13925217	19.2613	0	13925217	19.2613	0	0.0000	NA	12862767
Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)	26689	37283576	0	0	37283576	51.5704	0	37283576	51.5704	0	0.0000	NA	36204802

For HSIL LIMITED

Company Secretary

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Table IV - Statement Showing shareholding pattern of the Non-Promoter - Non-Public shareholder as on 10/11/2017

Category & Name of the Shareholders (I)	PAN (II)	No of shareholders (III)	No. of fully paid up equity shares held (IV)	Partly paid up equity shares held (V)	Nos. of underlying Depository Receipts (VI)	Total nos. shares held (VII)=(IV)+(V)+(VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			Total Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (X)=(VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)	Number of shares pledged or otherwise encumbered (XIII)			
								No of Voting Rights						As a % of total shares held (b)	As a % of total shares held (a)	As a % of total shares held (b)
								Class X	Class Y	Total						
(1) Custodian / DR Holder																
(2) Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)																
Total Non Promoter - Non Public Shareholding (C)=(X)+(Y)+(Z)		0	0	0	0	0	0.0000	0	0	0	0	0.0000	NA	NA	0	

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For HSIL LIMITED
Tanuj
 Company Secretary

Format of holding of specified securities

1. Name of Entity: SOMANY HOME INNOVATION LIMITED (CIN:U74999WB2017PLC222970)
2. Scrip Code Not applicable Name of Scrip - Not applicable
3. Share Holding Pattern Filed under : Reg. 31(1)(a)/Reg. 31(1)(b)/Reg. 31(1)(c)
 - a. If under 31 (1)(b) then indicate the report for 03/11/2017
 - b. If under 31(1)(c) then indicate date of allotment/extinguishment

4. **Declaration** : The Listed entity is required to submit the following declaration to the extent of submission of information:-

	Particulars	Yes*	No*
1	Whether the Listed Entity has issued any partly paid up shares?		No
2	Whether the Listed Entity has issued any Convertible Securities or Warrants?		No
3	Whether the Listed Entity has any shares against which depository receipts are issued?		No
4	Whether the Listed Entity has any shares in Locked-in?		No
5	Whether any shares held by promoters are pledge or otherwise encumbered?		No

* If the Listed Entity selects the option 'No' for the questions above, the column for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed Entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.

5. The tabular format for disclosure of holding of specified securities is as follows:-

For Somany Home Innovation Limited.

Yee
Director

Table I - Summary Statement holding of specified securities as on 03/11/2017 (PRE)

Category (I) (A)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII)=(IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No of shares outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								Class eg. x	Class eg. y	Total			As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	No. (a)	
(A)	Promoter & Promoter group	7	500000	0	0	500000	100.0000	0	0	0	100.0000	0	0	0	0	0	0
(B)	Public	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0	0	0	0	0
(C)	Non Promoter - Non Public																
(C1)	Shares underlying DRs																
(C2)	Shares held by Employee Trusts																
	Total	7	500000	0	0	500000	100.0000	0	0	0	100.0000	0	0	0	0	0	0

For Somany Home Innovation Limited

Udey
Director

(1)	(2)	(3)	(4)	(5)	(6)	Number of Voting Rights held in each class of securities (X)			Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) As a % of A+B+C2	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)	Number of equity shares held in dematerialized form (XIV)	
						No of Voting Rights	Class x	Class y		Total	No. (a)			As a % of total shares held (b)
	Category & Name of the Shareholders (I)	PAN (II)	Nos of shareholders (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of underlying Depository Receipts (VI)	Total nos shares held (VII)=(IV)+(V)+(VI)	Shareholding % calculated as per SCRR, 1957) As a % of (A+B+C2) (VII)	Total as a % of Total Voting rights (X)	No. of shares underlying convertible securities (including Warrants) (X)	No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)
(a)	Individuals/Hindu undivided Family		6	6	0	0	0	0.0100	6	0.0100	0	0.0100	0	0.0000
	SANDIP SOMANY*	AIYPS6270N	1	1	0	0	1	0.0000	1	0.0000	0	0.0000	0	0.0000
	NIRANJAN KUMAR GOENKA*	ADPPG9043F	1	1	0	0	1	0.0000	1	0.0000	0	0.0000	0	0.0000
	G. L. SULTANIA*	AOTPS8376L	1	1	0	0	1	0.0000	1	0.0000	0	0.0000	0	0.0000
	AJAY KUMAR DOKANIA*	ADOPD5939N	1	1	0	0	1	0.0000	1	0.0000	0	0.0000	0	0.0000
	MANOJ KUMAR AGARWAL*	ACTPA6636K	1	1	0	0	1	0.0000	1	0.0000	0	0.0000	0	0.0000
	RAVI KEDIA*	AILPK8886B	1	1	0	0	1	0.0000	1	0.0000	0	0.0000	0	0.0000
(b)	Central Government/State Government(s)													
(c)	Financial Institutions/Banks													
(d)	Any Other (specify)													
	Bodies Corporate		1	499994	0	0	499994	99.9900	499994	99.9900	0	99.9900	0	0.0000
	HSIL LIMITED		1	499994	0	0	499994	99.9900	499994	99.9900	0	99.9900	0	0.0000
	Sub Total		7	500000	0	0	500000	100.0000	500000	100.0000	0	100.0000	0	0.0000
(2)	Foreign Individuals (Non-Resident Individuals/Foreign Individuals)													
(a)	Government													
(b)	Institutions													
(c)	Foreign Portfolio Investor													
(d)	Any Other (specify)													
(e)	Sub Total		0	0	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000
	Total Shareholding of Promoter and Promoter Group (A)=(1)+(A)(2)		7	500000	0	0	500000	100.0000	500000	100.0000	0	100.0000	0	0.0000
	* Nominee of HSIL Limited													

For Somany Home Innovation Limited

Ver
Director

Table III - Statement Showing shareholding pattern of the Public shareholder as on 03/11/2017 (PRE)

Category & Name of the Shareholders (I)	Nos. of shareholders (II)	No. of fully paid up equity shares held (IV)	Partly paid up equity shares held (V)	Nos. of underlying Depository Receipts (VI)	Total nos. shares held (VII)=(IV)+(V)+(VI)	Shareholding % calculate as per SCRR, 1957) As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)	
							No of Voting Rights				No. of underlying securities outstanding (including Warrants) (X)	No. (Not applicable) (a)		As a % of total shares held (b)
							Class x	Class y	Total					
(1) Mutual Funds / UTI	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0	0	
(b) Venture Capital Funds														
(c) Alternate Investment Funds	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0	0	
(d) Foreign Venture Capital Investors														
(e) Foreign Portfolio Investors	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0	0	
(f) Financial Institutions / Banks	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0	0	
(g) Insurance Companies	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0	0	
(h) Provident Funds / Pension Funds														
(i) Any Other (specify)														
(2) Sub Total Central Government / State Government(s) / President of India	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0	0	
(3) Non-Institutions Individuals-														
(a) i. Individual shareholders holding nominal share capital upto Rs.2 lakhs	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0	0	
ii. Individual shareholders holding nominal share capital in excess of Rs.2 lakhs	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0	0	
(b) NBFCs registered with RBI	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0	0	
(c) Employee Trusts														
(d) Overseas Depositories (holding DRs) (balancing figure)														
(e) Any Other (specify)														
Bodies Corporate	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0	0	
Clearing Member	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0	0	
Non Resident Individual	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0	0	
Trusts	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0	0	
Sub Total	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0	0	
Total Public Shareholding (B)=(A)+(2)+(B)(3)	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0	0	

For Somany Home Innovation Limited
Director
Wael

	Category & Name of the Shareholders (I)	PAN (II)	No of shareholders (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII)=(IV) + (V)+(VI)	Shareholding % calculate d as per SCRR, 1957) As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			Total as a % of Total Voting rights (X)	No of shares Underlying outstanding convertible securities (including Warrants) (X)	Total Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) As a % of A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
									No of Voting Rights						No. (a)	As a % of total shares held (b)	No. (Not applicable) (a)	As a % of total shares held (Not applicable) (b)	
									Class x	Class y	Total								
(1)	Custodian / DR Holder																		
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations 2014)																		
	Total Non Promoter - Non Public Shareholding (C)=(C)(1)+(C)(2)		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0

For Somany Home Innovation Limited:



Director

Format of holding of specified securities

1. Name of Entity: SOMANY HOME INNOVATION LIMITED (CIN:U74999WB2017PLC222970)
2. Scrip Code Not applicable Name of Scrip - Not applicable
3. Share Holding Pattern Filed under : Reg. 31(1)(a)/Reg. 31(1)(b)/Reg. 31(1)(c)
 - a. If under 31 (1)(b) then indicate the report for 10/11/2017
 - b. If under 31(1)(c) then indicate date of allotment/extinguishment

4. **Declaration** : The Listed entity is required to submit the following declaration to the extent of submission of information:-

	Particulars	Yes*	No*
1	Whether the Listed Entity has issued any partly paid up shares?		No
2	Whether the Listed Entity has issued any Convertible Securities or Warrants?		No
3	Whether the Listed Entity has any shares against which depository receipts are issued?		No
4	Whether the Listed Entity has any shares in Locked-in?		No
5	Whether any shares held by promoters are pledge or otherwise encumbered?		No

* If the Listed Entity selects the option 'No' for the questions above, the column for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed Entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.

5. The tabular format for disclosure of holding of specified securities is as follows:-

For Somany Home Innovation Limited:

Uoer
Director

Table I - Summary Statement holding of specified securities as on 10/11/2017 (POST DEMERGER)*

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII)=(IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No of shares Underlying outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
								Class eg:x	Class eg:y	Total								
(A)	Promoter & Promoter group	9	35012819	0	0	35012819	48.4296	35012819	0	35012819	48.4296	0	48.4296	0	0.0000	0	0.0000	35012819
(B)	Public	27233	37283576	0	0	37283576	51.5704	37283576	0	37283576	51.5704	0	51.5704	0	0.0000	NA		36198562
(C)	Non Promoter - Non Public															NA		
(C1)	Shares underlying DRs						NA									NA		
(C2)	Shares held by Employee Trusts															NA		
	Total	27242	72296395	0	0	72296395	100.0000	72296395	0	72296395	100.0000	0	100.0000	0				71211381

**Please note that the above is an indicative post-scheme shareholding resulting on approval of composite scheme of Arrangement scheme from regulatory authorities including but not limited to Hon'ble NCLT, Kolkata bench, of Somany Home Innovation Limited, based on the shareholding of HSIL limited on 10/11/2017 (as submitted to the exchange along with application under regulation 37).

It is further highlighted that the actual shareholding of Somany Home Innovation Limited, on the scheme coming into effect, will be as per the shareholding of HSIL Limited as on the Record Date post afore explained approval of the composite scheme of arrangement."

For Somany Home Innovation Limited:

V. Ch
Director

SOMANY HOME INNOVATION LIMITED

Table II - Statement Showing shareholding pattern of the Promoter and Promoter Group as on 10/11/2017 (POST DEMERGER)*

Category & Name of the Shareholders (I)	PAN (II)	Nos of shareholders (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII)=(IV)+(V)+(VI)	Shareholding % as per SCRR, 1957) As a % of (A+B+C2) (VII)	Number of Voting Rights held in each class of securities (IX)			Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)	Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
								Class x	Class y	Total			No. (a)	As a % of total shares held (b)		No. (a)
(1) Indian Individuals/Hindu undivided Family																
(a) RAJENDRA KUMAR SOMANY	AIYPS6274J	1	3080000	0	0	3080000	7.9502	5747719	7.9502	0	0	0	0.0000	0	0.0000	5747719
SANDIP SOMANY	AIYPS6270N	1	2283563	0	0	2283563	4.2602	3080000	4.2602	0	0	0	0.0000	0	0.0000	3080000
SUMITA SOMANY	ALMPS0475L	1	161000	0	0	161000	0.2227	2283563	3.1586	0	0	0	0.0000	0	0.0000	2283563
DIVYA SOMANY	ALMPS4606B	1	146912	0	0	146912	0.2032	161000	0.2227	0	0	0	0.0000	0	0.0000	161000
SHASHVAT SOMANY	ENCP54665E	1	76244	0	0	76244	0.1055	146912	0.2032	0	0	0	0.0000	0	0.0000	146912
Central Government/State Government(s)																
(b) Financial Institutions/Banks																
(c) Any Other (specify)																
(d) Bodies Corporate																
PACO EXPORTS LIMITED	AABCP7783K	1	21280000	0	0	21280000	29.4344	29265100	40.4793	0	0	0	0.0000	0	0.0000	29265100
SOMA INVESTMENTS LTD	AAACS0348E	1	4235000	0	0	4235000	5.8578	21280000	29.4344	0	0	0	0.0000	0	0.0000	21280000
NEW DELHI INDUSTRIAL PROMOTORS AND INVESTORS LTD	AAACN0092L	1	3750000	0	0	3750000	5.1870	4235000	5.8578	0	0	0	0.0000	0	0.0000	3750000
MATTERHORN TRUST	AAETM9786B	1	100	0	0	100	0.0001	3750000	5.1870	0	0	0	0.0000	0	0.0000	100
Sub Total		9	35012819	0	0	35012819	48.4296	29265100	40.4793	0	0	0	0.0000	0	0.0000	29265100
(2) Foreign Individuals (Non-Resident Individuals/Foreign Individuals)																
(a) Government																
(b) Institutions																
(c) Foreign Portfolio Investor																
(d) Any Other (specify)																
Sub Total		0	0	0	0	0	0.0000	0	0.0000	0	0	0	0.0000	0	0.0000	0
Total Shareholding of Promoter and Promoter Group (A)=(1)+(A)(2)		9	35012819	0	0	35012819	48.4296	29265100	40.4793	0	0	0	0.0000	0	0.0000	29265100

*Please note that the above is an indicative post-scheme shareholding resulting on approval of composite scheme of Arrangement scheme from regulatory authorities including but not limited to Hon'ble NCLT, Kolkata bench, of Somany Home Innovation Limited, based on the shareholding of HSIL limited on 10/11/2017 (as submitted to the exchange along with application under regulation 37).

It is further highlighted that the actual shareholding of Somany Home Innovation Limited, on the scheme coming into effect, will be as per the shareholding of HSIL Limited as on the Record Date post afore explained approval of the composite scheme of arrangement.*

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Director

SOMANY HOME INNOVATION LIMITED														
Table III - Statement Showing shareholding pattern of the Public shareholder as on 10/11/2017 (POST DEMERGER)*														
Category & Name of the Shareholders (I)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII)=(IV)+(V)+(VI)	Shareholding % as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) As a % of A+B+C2	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)	
							No of Voting Rights	Class x	Class y		Total	No. (a)		As a % of total shares held (b)
(1) Institutions														
(a) Mutual Funds / UTI	30	18553320	0	0	18553320	25.6629	18553320	0	18553320	25.6629	0	0.0000	NA	18553320
RELIANCE CAPITAL TRUSTEE CO. LTD-A/C RELIANCE CAPITAL BUILDER FUND 2 SR B	4	6997103	0	0	6997103	9.6784	6997103	0	6997103	9.6784	0	0.0000	NA	6997103
HDFC TRUSTEE COMPANY LIMITED - HDFC PRUDENCE FUND	3	5140044	0	0	5140044	7.1097	5140044	0	5140044	7.1097	0	0.0000	NA	5140044
SUNDARAM MUTUAL FUND A/C SUNDARAM INFRASTRUCTURE ADVANTAGE FUND	18	4223140	0	0	4223140	5.8414	4223140	0	4223140	5.8414	0	0.0000	NA	4223140
UTI - CAPITAL PROTECTION ORIENTED SCHEME - SERIES V-II (135 DAYS)	3	1113033	0	0	1113033	1.5395	1113033	0	1113033	1.5395	0	0.0000	NA	1113033
BIRLA SUN LIFE TRUSTEE COMPANY PRIVATE LIMITED A/C BIRLA SUN LIFE MANUFACTURING	2	1080000	0	0	1080000	1.4939	1080000	0	1080000	1.4939	0	0.0000	NA	1080000
(b) Venture Capital Funds														
(c) Alternate Investment Funds	1	211291	0	0	211291	0.2923	211291	0	211291	0.2923	0	0.0000	NA	211291
(d) Foreign Venture Capital Investors														
(e) Foreign Portfolio Investors	65	4455420	0	0	4455420	6.1627	4455420	0	4455420	6.1627	0	0.0000	NA	4455420
RAMS EQUITIES PORTFOLIO FUND-INDIA EQUITIES PORTFOLIO FUND	1	944692	0	0	944692	1.3067	944692	0	944692	1.3067	0	0.0000	NA	944692
(f) Financial Institutions / Banks	11	245209	0	0	245209	0.3392	245209	0	245209	0.3392	0	0.0000	NA	229365
(g) Insurance Companies	1	500	0	0	500	0.0007	500	0	500	0.0007	0	0.0000	NA	0
(h) Provident Funds / Pension Funds														
(i) Any Other (specify)														
Sub Total	108	23465740	0	0	23465740	32.4577	23465740	0	23465740	32.4577	0	0.0000	NA	23449396
(2) Central Government / State Government(s) / President of India														
(3) Non-institutions														
(a) Individuals-														

For Somany Home Innovation Limited.

Varun

Director

SOMANY HOME INNOVATION LIMITED		Table III - Statement Showing shareholding pattern of the Public shareholder as on 10/11/2017 (POST DEMERGER)*													
Category & Name of the Shareholders (I)	PAN (II)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII)=(IV)+(V)+(VI)	Shareholding % as per SCRR, 1957) As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) As a % of A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)	Number of equity shares held in dematerialized form (XIV)
								Class x	Class y	Total		No. (a)	No. (b)		
i. Individual shareholders holding nominal share capital upto Rs.2 lakhs		25393	9549467	0	0	9549467	13.2088	9549467	0	9549467	13.2088	0	0.0000	NA	8497940
ii. Individual shareholders holding nominal share capital in excess of Rs.2 lakhs		6	851636	0	0	851636	1.1780	851636	0	851636	1.1780	0	0.0000	NA	851636
(b) NBFCs registered with RBI		5	181938	0	0	181938	0.2517	181938	0	181938	0.2517	0	0.0000	NA	181938
(c) Employee Trusts															
(d) Overseas Depositories (holding DRs) (balancing figure)															
(e) Any Other (specify)															
Bodies Corporate		395	1935401	0	0	1935401	2.6770	1935401	0	1935401	2.6770	0	0.0000	NA	1929217
FAERING CAPITAL INDIA EVOLVING FUND	AAATF3215E	1	750000	0	0	750000	1.0374	750000	0	750000	1.0374	0	0.0000	NA	750000
Clearing Member		176	80257	0	0	80257	0.1110	80257	0	80257	0.1110	0	0.0000	NA	80257
Non Resident Individual		1149	1219037	0	0	1219037	1.6862	1219037	0	1219037	1.6862	0	0.0000	NA	1208078
Trusts		1	100	0	0	100	0.0001	100	0	100	0.0001	0	0.0000	NA	100
Sub Total		27125	13817836	0	0	13817836	19.1128	13817836	0	13817836	19.1128	0	0.0000	NA	12749166
Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)		27233	37283576	0	0	37283576	51.5704	37283576	0	37283576	51.5704	0	0.0000	NA	36198562

**Please note that the above is an indicative post-scheme shareholding resulting on approval of composite scheme of Arrangement scheme from regulatory authorities including but not limited to Hon'ble NCLT, Kolkata bench, of Somany Home Innovation Limited, based on the shareholding of HSIL limited on 10/11/2017 (as submitted to the exchange along with application under regulation 37).

It is further highlighted that the actual shareholding of Somany Home Innovation Limited, on the scheme coming into effect, will be as per the shareholding of HSIL Limited as on the Record Date post afore explained approval of the composite scheme of arrangement.

For Somany Home Innovation Limited:

V. S. Srinivasan
Director

Table Iv - Statement Showing shareholding pattern of the Non Promoter - Non Public shareholder as on 10/11/2017 (POST DEMERGER)*

Category & Name of the Shareholders (I)	PAN (II)	No of shareholders (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII)=(IV) + (V)+(VI)	Shareholding % calculate d as per SCRR, 1957) As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			Total as a % of Total Voting rights (X)	No of shares Underlying outstanding convertible securities (including Warrants) (X)	Total Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) As a % of A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights						As a % of total shares held (a)	No. (Not applicable) (b)	As a % of total shares held (a)	No. (Not applicable) (b)	
								Class x	Class y	Total								
(1) Custodian / DR Holder																		
(2) Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)																		
Total Non Promoter - Non Public Shareholding (C)=(C)(1)+(C)(2)		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0
<p>***Please note that the above is an indicative post-scheme shareholding resulting on approval of composite scheme of Arrangement scheme from regulatory authorities including but not limited to Hon'ble NCLT, Kolkata bench, of Somany Home Innovation Limited, based on the shareholding of HSIL limited on 10/11/2017 (as submitted to the exchange along with application under regulation 37).</p> <p>It is further highlighted that the actual shareholding of Somany Home Innovation Limited, on the scheme coming into effect, will be as per the shareholding of HSIL Limited as on the Record Date post afore explained approval of the composite scheme of arrangement."</p>																		

For Somany Home Innovation Limited:

Usha
Director

Format of holding of specified securities

- 1 Name of Entity: BRILLOCA LIMITED (CIN:U74999WB2017PLC223307)
- 2 Scrip Code Not applicable Name of Scrip - Not applicable
- 3 Share Holding Pattern Filed under : Reg. 31(1)(a)/Reg. 31(1)(b)/Reg. 31(1)(c)
- a. If under 31 (1)(b) then indicate the report for 03/11/2017
- b. If under 31(1)(c) then indicate date of allotment/extinguishment

4 **Declaration** : The Listed entity is required to submit the following declaration to the extent of submission of information:-

	Particulars	Yes*	No*
1	Whether the Listed Entity has issued any partly paid up shares?		No
2	Whether the Listed Entity has issued any Convertible Securities or Warrants?		No
3	Whether the Listed Entity has any shares against which depository receipts are issued?		No
4	Whether the Listed Entity has any shares in Locked-in?		No
5	Whether any shares held by promoters are pledge or otherwise encumbered?		No

* If the Listed Entity selects the option 'No' for the questions above, the column for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed Entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.

5. The tabular format for disclosure of holding of specified securities is as follows:-


For BRILLOCA LIMITED

 Authorised Signatory/Director

Table I - Summary Statement holding of specified securities as on 03/11/2017 (PRE)

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV) + (V) + (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)		No of shares Underlying convertible securities (including Warrants) (X)	Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII) + (X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								Class eg x	No of Voting Rights			As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	No. (a)	
(A)	Promoter & Promoter group	7	500000	0	0	500000	100.0000	0	0	0	100.0000	0	0	0	0.0000	0
(B)	Public	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0	0	0.0000	0
(C)	Non Promoter - Non Public															
(C1)	Shares underlying DRs															
(C2)	Shares held by Employee Trusts															
	Total	7	500000	0	0	500000	100.0000	0	0	0	100.0000	0	0	0	0.0000	0

For BRILLOCA LIMITED

Veer

Authorised Signatory/Director

(1)	(2)	(3)	(4)	Number of Voting Rights held in each class of securities (IX)			No of shares outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) As a % of A+B+C2	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)	Number of equity shares held in dematerialized form (XIV)										
				No of Voting Rights	Class	x			Class	y			Total	No. (a)	As a % of total shares held (b)							
(1)	Category & Name of the Shareholders (I)	PAN (II)	Nos of shareholders (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII)=(IV)+(V)+(VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B-C2) (VIII)	Class	x	Class	y	Total	Total % of Total Voting rights	No of shares outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) As a % of A+B+C2	No. (a)	As a % of total shares held (b)	Number of equity shares held in dematerialized form (XIV)		
(a)	Individuals/Hindu undivided Family		6	6	0	0	0	6	0.0100	6	0	6	0	0.0100	0	0.0100	0	0.0000	0	0.0000	0	
	SANDIP SOMANY*	AIYP56270N	1	1	0	0	0	1	0.0000	1	0	1	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0	
	NIRANJAN KUMAR GOENKA*	ADPF39043F	1	1	0	0	0	1	0.0000	1	0	1	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0	
	G. L. SULTANIA*	AOTF58376L	1	1	0	0	0	1	0.0000	1	0	1	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0	
	AJAY KUMAR DOKANIA*	ADOF59939N	1	1	0	0	0	1	0.0000	1	0	1	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0	
	MANOJ KUMAR AGARWAL*	ACTFA6636K	1	1	0	0	0	1	0.0000	1	0	1	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0	
	RAVI KEDIA*	AILPK-8896B	1	1	0	0	0	1	0.0000	1	0	1	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0	
(b)	Central Government/State Government(s)																					
(c)	Financial Institutions/Banks																					
(d)	Any Other (specify)																					
	Bodies Corporate		1	499994	0	0	0	499994	99.9900	499994	0	499994	0	99.9900	0	99.9900	0	0.0000	0	0.0000	0	
	SOMANY HOME INNOVATION LIMITED		1	499994	0	0	0	499994	99.9900	499994	0	499994	0	99.9900	0	99.9900	0	0.0000	0	0.0000	0	
	Sub Total		7	500000	0	0	0	500000	100.0000	500000	0	500000	0	100.0000	0	100.0000	0	0.0000	0	0.0000	0	
(2)	Foreign Individuals (Non-Resident Individuals/Foreign Individuals)																					
(a)	Government																					
(b)	Institutions																					
(c)	Foreign Portfolio Investor																					
(d)	Any Other (specify)																					
(e)	Sub Total		0	0	0	0	0	0	0.0000	0	0	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0	
	Total Shareholding of Promoter and Promoter Group (A)=(A1)+(A)(2)		7	500000	0	0	0	500000	100.0000	500000	0	500000	0	100.0000	0	100.0000	0	0.0000	0	0.0000	0	
	* Nominee of Somany Home Innovation Limited																					

For BRILLOCA LIMITED

Vally

Authorised Signatory/Director

Category & Name of the Shareholders (I)	Nos. of shareholders (III)	PAN (II)	No. of fully paid up equity shares held (IV)	Partly paid up equity shares held (V)	Nos. of underlying Depository Receipts (VI)	Total nos. shares held (VII)=(IV)+(V)+(VI)	Shareholding % calculated as per SCRR 1957) As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (X)=(VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XI)		Number of shares pledged or otherwise encumbered (XIII)
								No of Voting Rights				As a % of total shares held (b)	As a % of total shares held (Not applicable) (a)	
								Class x	Class y	Total				
(1) Mutual Funds / UTI	0		0	0	0	0	0.0000	0	0	0	0.0000	NA	0	0
(b) Venture Capital Funds														
(c) Alternate Investment Funds	0		0	0	0	0	0.0000	0	0	0	0.0000	NA	0	0
(d) Foreign Venture Capital Investors														
(e) Foreign Portfolio Investors	0		0	0	0	0	0.0000	0	0	0	0.0000	NA	0	0
(f) Financial Institutions / Banks	0		0	0	0	0	0.0000	0	0	0	0.0000	NA	0	0
(g) Insurance Companies	0		0	0	0	0	0.0000	0	0	0	0.0000	NA	0	0
(h) Provident Funds / Pension Funds														
(i) Any Other (specify)														
(2) Sub Total Central Government / State Government(s) / President of India	0		0	0	0	0	0.0000	0	0	0	0.0000	NA	0	0
(3) Non-institutions														
(a) i. Individual shareholders holding nominal share capital upto Rs.2 lakhs	0		0	0	0	0	0.0000	0	0	0	0.0000	NA	0	0
ii. Individual shareholders holding nominal share capital in excess of Rs.2 lakhs	0		0	0	0	0	0.0000	0	0	0	0.0000	NA	0	0
(b) NBFCs registered with RBI	0		0	0	0	0	0.0000	0	0	0	0.0000	NA	0	0
(c) Employee Trusts														
(d) Overseas Depositories (holding DRs) (balancing figure)														
(e) Any Other (specify)														
Bodies Corporate	0		0	0	0	0	0.0000	0	0	0	0.0000	NA	0	0
Clearing Member	0		0	0	0	0	0.0000	0	0	0	0.0000	NA	0	0
Non Resident Individual	0		0	0	0	0	0.0000	0	0	0	0.0000	NA	0	0
Trusts	0		0	0	0	0	0.0000	0	0	0	0.0000	NA	0	0
Sub Total	0		0	0	0	0	0.0000	0	0	0	0.0000	NA	0	0
Total Public Shareholding (B)=(I)+(2)+(3)	0		0	0	0	0	0.0000	0	0	0	0.0000	NA	0	0

BRILLOCA LIMITED		Table iv - Statement Showing shareholding pattern of the Non Promoter - Non Public shareholder as on 03/11/2017 (PRE)														
Category & Name of the Shareholders (I)	PAN (II)	No of shareholders (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of underlying Depository Receipts (VI)	Total nos. shares held (VII)=(IV) + (V)+(VI)	Shareholding % calculated as per SCRR, 1957) As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			Total Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) As a % of A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights	Class x	Class y		Total	No. (a)	As a % of total shares held (b)	No. (a)	
(1) Custodian / DR Holder																
(2) Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)																
Total Non Promoter - Non Public Shareholding (C)=(1)+(2)		0	0	0	0	0	0.0000	0	0	0	0	0	0	0.0000	0	0.0000

For BRILLOCA LIMITED
Veer
 Authorised Signatory/Director

Format of holding of specified securities

1. Name of Entity: BRILLOCA LIMITED (CIN:U74999WB2017PLC223307)
2. Scrip Code Not applicable Name of Scrip - Not applicable
3. Share Holding Pattern Filed under : Reg. 31(1)(a)/Reg. 31(1)(b)/Reg. 31(1)(c)
 - a. If under 31 (1)(b) then indicate the report for 10/11/2017
 - b. If under 31(1)(c) then indicate date of allotment/extinguishment

4. **Declaration** : The Listed entity is required to submit the following declaration to the extent of submission of information:-

	Particulars	Yes*	No*
1	Whether the Listed Entity has issued any partly paid up shares?		No
2	Whether the Listed Entity has issued any Convertible Securities or Warrants?		No
3	Whether the Listed Entity has any shares against which depository receipts are issued?		No
4	Whether the Listed Entity has any shares in Locked-in?		No
5	Whether any shares held by promoters are pledge or otherwise encumbered?		No

* If the Listed Entity selects the option 'No' for the questions above, the column for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed Entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.

5. The tabular format for disclosure of holding of specified securities is as follows:-

For BRILLOCA LIMITED
Veer
 Authorised Signatory/Director

Table I - Summary Statement holding of specified securities as on 10/11/2017 (POST)

Category of shareholder (I)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII)=(IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			Shareholding as a % assuming full conversion of convertible securities (as a diluted share capital) (X)=(VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XI)		Number of shares pledged or otherwise encumbered (XII)		Number of equity shares held in dematerialized form (XIV)
							Class eq. x	Class eq. y	Total		As a % of total shares held (a)	As a % of total shares held (b)	No. (a)	No. (b)	
(A) Promoter & Promoter group	7	500000	0	0	500000	100.0000	0	0	0	100.0000	0	0	0	0.0000	0
(B) Public	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0	0	0.0000	0
(C) Non Promoter - Non Public															
(C1) Shares underlying DRs															
(C2) Shares held by Employee Trusts															
Total	7	500000	0	0	500000	100.0000	0	0	0	100.0000	0	0	0	0.0000	0

For BRILLOCA LIMITED

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Authorised Signatory/Director

Table II - Statement Showing shareholding pattern of the Promoter and Promoter Group as on 10/11/2017 (POST)

Category & Name of the Shareholders (I)	PAN (II)	Nos of sharehold ers (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos of shares underlying Depository Receipts (VI)	Total nos shares held (VII)=(IV)+(V)+(VI)	Sharehold ing % calculated as per SCRR, 1957) As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (X)		No of shares outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full conversion of convertible securities (as a % of diluted share capital) (XI)=(VII)+(X)	Number of Locked in shares (XII)	Number of shares pledged or otherwise encumbered (XIII)	Number of equity shares held in dematerialized form (XIV)
								Class x	Class y					
(1) Indian														
(a) Individuals/Hindu undivided Family														
SANDIP SOMANY*	AIPYS6270N	6	6	0	0	0	0.0100	6	0	0.0100	0	0	0	0
NIRANJAN KUMAR GOENKA*	ADPPG9043F	1	1	0	0	0	0.0000	1	0	0.0000	0	0	0	0
G. L. SULTANIA*	AOTPS8376L	1	1	0	0	0	0.0000	1	0	0.0000	0	0	0	0
AJAY KUMAR DOKANI*	ADOPD5939N	1	1	0	0	0	0.0000	1	0	0.0000	0	0	0	0
MANOJ KUMAR AGARWAL*	ACTPA6636K	1	1	0	0	0	0.0000	1	0	0.0000	0	0	0	0
RAVI KEDIA*	AILPK8866B	1	1	0	0	0	0.0000	1	0	0.0000	0	0	0	0
(b) Central Government/State Government(s)														
(c) Financial Institutions/Banks														
(d) Any Other (specify)														
Bodies Corporate		1	499994	0	0	499994	99.9900	499994	0	99.9900	0	0	0	0
SOMANY HOME INNOVATION LIMITED		1	499994	0	0	499994	99.9900	499994	0	99.9900	0	0	0	0
Sub Total		7	500000	0	0	500000	100.0000	500000	0	100.0000	0	0	0	0
(2) Foreign Individuals (Non-Resident Individuals/Foreign Individuals)														
(a) Government														
(b) Institutions														
(c) Foreign Portfolio Investor														
(d) Any Other (specify)														
Sub Total		0	0	0	0	0	0.0000	0	0	0.0000	0	0	0	0
Total Shareholding of Promoter and Promoter Group (A)=(A1)+(A)2		7	500000	0	0	500000	100.0000	500000	0	100.0000	0	0	0	0

* Nominee of Somany Home Innovation Limited

For BRILLOCA LIMITED

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Authorised Signatory/Director

Table III - Statement Showing shareholding pattern of the Public shareholder as on 10/11/2017 (POST)

	Category & Name of the Shareholders (I)	PAN (II)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	Partly paid up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII)=(IV)+(V)+(VI)	Shareholding % calculated as per SCRR, 1957) As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No of shares Underlying outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) As a % of A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
									No of Voting Rights		Total as a % of Total Voting rights			No. (a)	As a % of total shares held (b)	No. (Not applicable) (a)	As a % of total shares held (Not applicable) (b)		
									Class x	Class y									Total
(1)	Institutions																		
(a)	Mutual Funds / UTI		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	0	0
(b)	Venture Capital Funds																		
(c)	Alternate Investment Funds		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	0	0
(d)	Foreign Venture Capital Investors																		
(e)	Foreign Portfolio Investors		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	0	0
(f)	Financial Institutions / Banks		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	0	0
(g)	Insurance Companies		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	0	0
(h)	Provident Funds / Pension Funds																		
(i)	Any Other (specify)																		
	Sub Total Central Government / State Government(s) / President of India		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	0	0
(2)	Non-Institutions																		
(a)	Individuals-																		
	i. Individual shareholders holding nominal share capital upto Rs.2 lakhs		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	0	0
	ii. Individual shareholders holding nominal share capital in excess of Rs.2 lakhs		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	0	0
(b)	NBFCs registered with RBI		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	0	0
(c)	Employee Trusts																		
(d)	Overseas Depositories (holding DRs) (balancing figure)																		
(e)	Any Other (specify)																		
	Bodies Corporate		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	0	0
	Clearing Member		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	0	0
	Non Resident Individual		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	0	0
	Trusts		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	0	0
	Sub Total		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	0	0
	Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	0	0

For BRILLOCA LIMITED

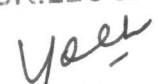

 Authorised Signatory/Direct

Table Iv - Statement Showing shareholding pattern of the Non Promoter - Non Public shareholder as on 10/11/2017 (POST)

	Category & Name of the Shareholders (I)	PAN (II)	No of shareholders (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII)=(IV) + (V)+(VI)	Shareholding % calculated as per SCRR, 1957) As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			Total as a % of Total Voting rights	No of shares Underlying outstanding convertible securities (including Warrants) (X)	Total Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) As a % of A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
									Class x	Class y	Total				No. (a)	As a % of total shares held (b)	No. (Not applicable) (a)	As a % of total shares held (Not applicable) (b)	
(1)	Custodian / DR Holder																		
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)																		
	Total Non Promoter - Non Public Shareholding (C)=(C)(1)+(C)(2)		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0

For BRILLOCA LIMITED


 Authorised Signatory/Director

**LODHA
& CO**

Chartered Accountants

12, Bhagat Singh Marg, New Delhi - 110 001, India
 Telephone : 91 11 23710176 / 23710177 / 23364671 / 2414
 Fax : 91 11 23345168 / 23314309
 E-mail : delhi@lodhaco.com

To,
 The Board of Directors,
 HSIL Limited
 2, Red Cross Place,
 Kolkata,
 West Bengal, 700001, India.

We, the statutory auditors of HSIL Limited, (hereinafter referred to as "the Company"), have examined the proposed accounting treatment specified in clause 10.1 of Part D of the 'Draft Scheme' of Composite Scheme of Arrangement amongst HSIL Limited ("the Demerged Company") and Somany Home Innovation Limited ("Resulting Company 1") and Brilloca Limited ("Resulting Company 2") and their respective Shareholders and Creditors in terms of the provisions of section 230 to 232 read with section 66 and other applicable provisions of the Companies Act, 2013 with reference to its compliance with the applicable Accounting standards notified under the Companies Act, 2013 and Other General Accepted Accounting Principles.

The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved. Our responsibility is to examine and report whether the Draft Scheme complies with the applicable Accounting Standards and Other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company. We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India.

Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the aforesaid scheme is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued thereunder and all the applicable Accounting Standards notified by the Central Government under the Companies Act, 2013. We further confirm that there is no accounting treatment in respect of any item in the financial statement which is prescribed by any regulator, which prevails over the accounting treatment prescribed under the aforesaid Accounting Standards.

This Certificate is issued at the request of the Company pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onward submission to the National Stock Exchange Of India Limited, BSE Limited, National Company Law Tribunal, Regional Director, Ministry Of Corporate Affairs (i.e. Registrar of Companies), or any other regulatory authorities in relation to this

For HSIL LIMITED


 Company Secretary

Kolkata Mumbai New Delhi Chennai Hyderabad Jaipur



Draft Scheme. This Certificate should not be used for any other purpose without our prior written consent.

This Certificate should be read together with the statement attached herewith (Annexure).

For LODHA & CO
Chartered Accountants
Firm Registration No.: 301051E



(Gaurav Lodha)
Partner
Membership Number: 507462



Place: New Delhi
Date: 30th November 2017

For HSIL LIMITED

Company Secretary

Annexure to Certificate on proposed accounting treatment of Composite Scheme of Arrangement

To,
The Board of Directors,
HSIL Limited
2, Red Cross Place,
Kolkata,
West Bengal 700 001, India.

1. This annexure is issued in accordance with the terms of our engagement dated 10th November, 2017 and is forming an integral part of the Auditors' Certificate dated 10th November, 2017.
2. The Draft Composite Scheme of Arrangement amongst HSIL Limited ("the Demerged Company") and Somany Home Innovation Limited. ("Resulting Company 1") and Brilloca Limited ("Resulting Company 2") and their respective Shareholders and Creditors ("the Draft Scheme") in terms of the provisions of section 230 to 232, read with section 66 and other applicable provisions of the Companies Act, 2013 with reference to its compliance with the applicable Indian Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015, and Companies (Indian Accounting Standards) Amendment Rules, 2016 (IND AS), and the Generally Accepted Accounting Principles in India .

Management's Responsibility

3. The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and regulations, including the applicable Indian Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015, and Companies (Indian Accounting Standards) Amendment Rules, 2016 (IND AS) and the Generally Accepted Accounting Principles in India , is that of the Board of Directors of the Companies involved.

Auditor's Responsibility

4. Pursuant to the requirements of provisions of section 230 of The Companies Act 2013, our responsibility is to express reasonable assurance to the reporting criteria:
 - a. whether the accounting treatment contained in the Draft Scheme complies with the applicable IND AS and the Generally Accepted Accounting Principles in India.
5. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical



For HSIL LIMITED


Company Secretary


requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. Our examination did not extend to any aspects of a legal or propriety nature covered in the Draft Scheme.
8. A reasonable assurance engagement includes performing procedures to obtain sufficient appropriate audit evidence on the reporting criteria. Accordingly, we have performed the following procedures in relation to the Certificate:
 - (i) Read the Draft Scheme and the proposed accounting treatment specified therein.
 - (ii) Noted that the accounting treatment contained in the aforesaid Draft Scheme is in compliance with all the applicable Indian Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 (IND AS).

Restriction on Use

The Certificate is addressed to and provided to the Board of Directors of the Company solely for the purpose to comply with requirement of Companies Act, 2013 for onward submission to the Stock Exchange National Company Law Tribunal, Regional Director, Ministry of Corporate Affairs (i.e. Registrar of Companies), or any other regulatory authorities in relation to this Draft Scheme. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For LODHA & CO,
Chartered Accountants
Firm Registration No.: 301051E


(Gaurav Lodha)

Partner

Membership Number: 507462

Place: New Delhi

Date: 30th November 2017



For HSIL LIMITED

Company Secretary

reduction under the provisions of Section 66 of the Companies Act, 2013 as well and no further compliances would be separately required.

- 9.3.3 Resulting Company 1 shall not be required to add the words "and reduced" as suffix to its name consequent upon the reduction of capital under Paragraph 9.3.2 above.
- 9.3.4 The reduction of capital of Resulting Company 1, as above, does not involve any diminution of liability in respect of any unpaid share capital or payment to any shareholder of any paid-up share capital or payment in any other form.
- 9.4 The Board of Directors of the Demerged Company shall be empowered to remove such difficulties as may arise in the course of implementation of the Scheme and registration of new shareholders in Resulting Company 1, on account of the difficulties, if any, in the transition period.
- 9.5 Further, approval of this Scheme by the shareholders of Resulting Company 1 shall also be deemed to be the approval by the shareholders for enabling investment by foreign institutional investors / registered foreign portfolio investors, under the Portfolio Investment Scheme up to 40% of the paid up share capital of Resulting Company 1. Resulting Company 1 shall, upon the coming into effect of the Scheme, intimate the RBI and comply with such other requirements as mandated by the extant foreign exchange regulations relating thereto.

9.6 Listing of New Equity Shares

- 9.6.1 Post effectiveness of this Scheme, the share capital of Resulting Company 1, including the New Equity Shares to be issued and allotted by Resulting Company 1 in terms of Paragraph 9.2 above shall be listed and shall be admitted for trading on the Stock Exchanges by virtue of this Scheme and in accordance with the provisions of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and SEBI Circular No. CFD/DIL3/CIR/2017/26 dated March 23, 2017. Resulting Company 1 shall make all requisite applications and shall otherwise comply with the provisions of the aforesaid circulars and Applicable Laws and take all steps to get its share capital including the New Equity Shares issued by it in pursuance to this Scheme listed on the Stock Exchanges.
- 9.6.2 The New Equity Shares issued and allotted pursuant to this Scheme shall remain frozen in the depositories system until listing and trading permission is granted by the relevant designated Stock Exchange for their listing and trading. Post the issuance of the New Equity Shares by Resulting Company 1 in terms of Paragraph 9.2 of this Scheme, there shall be no change in the share capital of Resulting Company 1, including the New Equity Shares, or 'Control' in Resulting Company 1 between Record Date and the date of listing of the equity shares of Resulting Company 1, which may affect the status of the approval granted by the Stock Exchanges, and any other governmental authority in this regard.

10. ACCOUNTING TREATMENT

10.1 Accounting treatment in the books of account of the Demerged Company

- 10.1.1 The Board of Directors of the Demerged Company shall give effect to the Scheme in the books of account of the Demerged Company, as they deem fit, in accordance with the applicable Indian Accounting Standards and Generally Acceptable Accounting Principles.



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For HSIL LIMITED
[Handwritten Signature]
Company Secretary

10.1.2 The Demerged Company shall, in its books of account, upon the Scheme becoming effective and with effect from the Appointed Date, account for the demerger of, (a) the CPDM Undertaking and the Retail Undertaking into Resulting Company 1, and (b) the BPDM Undertaking into Resulting Company 2, pursuant to this Scheme, as follows:

- (a) The respective carrying values, as on the Appointed Date, of the Assets and Liabilities of the CPDM Undertaking, Retail Undertaking and BPDM Undertaking, shall be reduced in the books of account of the Demerged Company.
- (b) Reserves of the CPDM Undertaking and Retail Undertaking, as determined by the Board of Directors of the Demerged Company to be transferred to Resulting Company 1, shall accordingly be reduced in the books of account of the Demerged Company.
- (c) Reserves of the BPDM Undertaking, as determined by the Board of Directors of the Demerged Company to be transferred to Resulting Company 2, shall accordingly be reduced in the books of account of the Demerged Company.
- (d) The investments held by the Demerged Company, in the equity share capital of Resulting Company 1, shall stand cancelled in accordance with Paragraph 9.3 of this Scheme.
- (e) The excess, if any, of Paragraphs 10.1.2(b) and 10.1.2(c) above, over Paragraphs 10.1.2(a) and 10.1.2(d) above, shall be recorded as a 'Reserve' and the aforesaid Reserve shall be considered as Net-worth, for regulatory purposes.
- (f) The excess, if any, of Paragraphs 10.1.2(a) and 10.1.2(d) above, over Paragraphs 10.1.2(b) and 10.1.2(c) above, shall be adjusted against the following reserves of the Demerged Company, in the order specified:
 - (i) Capital Reserve Account;
 - (ii) Securities Premium Account; and
 - (iii) General Reserve.

10.1.3 The reduction, if any under Paragraph 10.1.2(f) above, of the securities premium account, shall be in accordance with provisions of Section 66 of the Companies Act, 2013, and other applicable provisions of the Companies Act, 2013 and the order of the Hon'ble Tribunal sanctioning this Scheme shall be deemed to be also the order under the aforesaid applicable provisions of the Act for the purpose of confirming adjustment to the securities premium account, as may be applicable.

10.2 Accounting treatment in the books of Resulting Company 1

10.2.1 Upon the Scheme becoming effective and with effect from the Appointed Date, Resulting Company 1 shall account for the demerger of the CPDM Undertaking and Retail Undertaking pursuant to the Scheme, using the pooling of interest method in accordance with Appendix C 'Business Combinations of entities under common control' of Indian Accounting Standard (IND AS) 103 - 'Business Combinations'. On the Scheme becoming effective and with effect from the Appointed Date, in the books of Resulting Company 1:

- (a) The assets and liabilities of the CPDM Undertaking and Retail Undertaking shall be



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For HSIL LIMITED
[Handwritten Signature]
Company Secretary

ANNEXURE XII

Brief particulars of the Demerged and Resulting Companies

Particulars	Demerged Company	Resulting Company 1 (RC-1)	Resulting Company 2 (RC-2)
Name of the company	HSIL Limited	Somany Home Innovation Limited	Brilloca Limited
Date of Incorporation & details of name changes, if any	The Company was originally incorporated on the 8th February, 1960 under the name Hindusthan Twyford's Limited, subsequently the name was changed to Hindustan Sanitaryware & Industries Limited with effect from 3rd May, 1969. The name Hindustan Sanitaryware & Industries Limited was further changed to HSIL LIMITED on 24th March, 2009.	The Company was incorporated on 28 th September, 2017 as Public Limited.	The Company was incorporated on 2 nd November, 2017 as Public Limited.
Registered Office	2, Red Cross Place, Kolkata - 700001	2, Red Cross Place, Kolkata - 700001	2, Red Cross Place, Kolkata - 700001
Name of Exchanges where securities of the company are listed	BSE Limited and National Stock Exchange of India Limited	Unlisted	Unlisted
Nature of Business	Pre Demerger : (a) branding, marketing, sales, distribution, trading, service, etc. of various building products like sanitaryware, faucets, other lifestyle products, UPVC and CPVC pipes, fittings, tiles, etc., more	Pre Demerger: Since RC-1 has been incorporated recently, on 28 th September 2017, there is no business as of 10 th November 2017 Post Demerger: • Branding, marketing, sales, distribution,	Pre Demerger: Since RC-2 has been incorporated recently, on 2 nd November 2017, there is no business as of 10 th November 2017. Post Demerger: Branding, marketing,

For HSIL LIMITED

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Company Secretary

	<p>particularly defined hereinafter (hereinafter referred to as "Building Products Distribution and Marketing Undertaking" or "BPDM Undertaking");</p> <p>(b) branding, marketing, sales, distribution, trading, service, etc. of various consumer products like air purifiers, air coolers, kitchen appliances, water heaters, exhaust fans, water purifiers etc., more particularly defined hereinafter (hereinafter referred to as "Consumer Products Distribution and Marketing Undertaking" or "CPDM Undertaking");</p> <p>(c) retail business, consisting of branding, marketing, sales, distribution, trading, service, etc. of furniture, furnishings, home décor, etc., more particularly defined hereinafter (hereinafter referred to as "Retail Undertaking");</p> <p>(d) manufacturing of building products like</p>	<p>trading, service, etc. of various consumer products like air purifiers, air coolers, kitchen appliances, water heaters, exhaust fans, water purifiers etc., more particularly defined hereinafter (hereinafter referred to as "Consumer Products Distribution and Marketing Undertaking" or "CPDM Undertaking");</p> <ul style="list-style-type: none"> • Retail business, consisting of branding, marketing, sales, distribution, trading, service, etc. of furniture, furnishings, home décor, etc., more particularly defined hereinafter (hereinafter referred to as "Retail Undertaking"); 	<p>sales, distribution, trading, service, etc. of various building products like sanitaryware, faucets, other lifestyle products, UPVC and CPVC pipes, fittings, tiles, etc., more particularly defined hereinafter (hereinafter referred to as "Building Products Distribution and Marketing Undertaking" or "BPDM Undertaking")</p>
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HSIL LIMITED
 1/1/2024
 1/1/2024

For HSIL LIMITED


 Company Secretary

	<p>sanitaryware, faucets, UPVC and CPVC pipes, fittings, etc. (hereinafter referred to as "Building Products Manufacturing Undertaking" or "BPM Undertaking");</p> <p>(e) manufacturing of certain specified consumer products like water heaters (hereinafter referred to as "Consumer Products Manufacturing Undertaking" or "CPM Undertaking");</p> <p>(f) manufacturing and supply of packaging products like glass bottles, PET bottles, security caps and closures (hereinafter referred to as "Packaging Products Manufacturing Undertaking" or "PPM Undertaking"); and</p> <p>(g) wind power generation (hereinafter referred to as "Power Undertaking").</p>		
	<p>Post Demerger :</p> <p>(a) manufacturing of building products like sanitaryware, faucets, UPVC and CPVC pipes, fittings, etc.</p>		

For HSIL LIMITED


Company Secretary

	<p>(hereinafter referred to as "Building Products Manufacturing Undertaking" or "BPM Undertaking");</p> <p>(b) manufacturing of certain specified consumer products like water heaters (hereinafter referred to as "Consumer Products Manufacturing Undertaking" or "CPM Undertaking");</p> <p>(c) manufacturing and supply of packaging products like glass bottles, PET bottles, security caps and closures (hereinafter referred to as "Packaging Products Manufacturing Undertaking" or "PPM Undertaking"); and</p> <p>(d) wind power generation (hereinafter referred to as "Power Undertaking").</p>		
Brief particulars of the scheme	(i)	Demerger of the CPDM Undertaking (defined in the Scheme) and the Retail Undertaking (defined in the Scheme) from the Demerged Company and transfer and vesting of each of them, as a going concern, to Resulting Company 1; and	
	(ii)	Demerger of the BPDM Undertaking (defined in the Scheme) from the Demerged Company and transfer and vesting of the same, as a going concern, to Resulting Company 2.	

For HSIL LIMITED


Company Secretary

Rationale for the scheme	<ul style="list-style-type: none"> • The segregation of businesses as envisaged in the Scheme will enable sharper focus and better alignment of the businesses to its customers. It shall also enable the respective businesses to improve competitiveness, operational efficiencies and strengthen its position in the relevant marketplace. • The Scheme shall enable each of the respective Demerged Undertakings and the Remaining Undertaking (defined in the Scheme) to attract interest of such investors and strategic partners having the necessary ability, experience and interests and shall provide an opportunity to the investors to select investments which best suit their investment strategies and risk profiles. • The implementation of this Scheme will result in: <ul style="list-style-type: none"> (a) creation of separate and distinct entities housing the Demerged Undertakings and the Remaining Undertaking (defined hereinafter); (b) optimal monetisation and development of each of the respective businesses, including by attracting focussed investors and strategic partners having the necessary ability, experience and interests in the relevant sectors; (c) dedicated and specialised management focus on the specific needs of the respective businesses; and (d) benefit to all stakeholders, leading to growth and value creation in long run and maximising the value and return to the shareholders, unlocking intrinsic value of assets, achieving cost efficiencies and operational efficiencies. 		
Date of resolution passed by the Board of Director of the company approving the scheme	10 th November 2017	10 th November 2017	10 th November 2017
Relevant date for determining the price as per Para 8 of SEBI Circular dated	Not applicable	Not applicable	Not applicable

For HSIL LIMITED



Company Secretary

March 10, 2017, if applicable			
Date of meeting of the Audit Committee in which the draft scheme has been approved	10 th November 2017	Not Applicable	Not Applicable
Appointed Date	1 st April, 2018	1 st April, 2018	1 st April, 2018
Net Worth	(Rs. in crores) 1134.02 894.70 (As per certificate enclosed)	(Rs. in crores) 0.10 85.06 (As per certificate enclosed)	(Rs. in crores) 0.10 154.35 (As per certificate enclosed)
Valuation by independent Chartered Accountant - Name of the valuer/valuer firm and Regn no.	Not Applicable under SEBI Circular dated March 10, 2017 However, Company has obtained a valuation report from Santosh K Singh & Co., Firm's Registration No. 019877N, for internal, corporate governance purposes.	Not Applicable	Not Applicable
Fair value per share	Not Applicable	Not Applicable	Not Applicable
Exchange ratio	1 (one) equity share of face value Rs. 2/- (Rupees two only) of RC-1 to be issued to the shareholders of the Demerged Company, for every 1 (one) equity share of face value Rs. 2/- (Rupees two only) each held by them in the Demerged Company.		
Name of Merchant	Not Applicable (Fairness opinion from Finshore Management Services Limited obtained by the Demerged Company for internal corporate governance purposes.)		
Banker giving fairness opinion			
Capital before the scheme	Issued, subscribed and paid-up share capital as on Date of approval of the Board: Rs. 1445.97 Lacs	Issued, subscribed and paid-up share capital as on date of approval of the Board :	Issued, subscribed and paid-up share capital as on date of approval of the Board :
(No of equity	Rs. 1445.97 lakhs,	Rs. 10 lakhs, consisting of	Rs. 10 lakhs, consisting

For HSIL LIMITED

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Company Secretary

shares as well as capital in Rupees)	consisting of 7,22,96,395 Equity Shares of Rs. 2 each (including Forfeited Share Capital of Rs. 0.04 lakhs)	5,00,000 Equity Shares of Rs. 2 each	of 5,00,000 Equity Shares of Rs. 2 each
No. of shares to be issued	RC-1 will issue 722,96,395 equity shares of Rs. 2 each to the shareholders of HSIL Limited, as on the Record Date, in the ratio of 1:1 (i.e., 1 (one) equity share of face value Rs. 2/- (Rupees two only) of RC-1 to be issued for every 1 (one) equity share of face value Rs. 2/- (Rupees two only) of the Demerged Company.)		
Cancellation of shares on account of cross holding, if any	Not Applicable	As on 10 th November 2017, the Demerged Company holds 500,000 equity share of Rs. 2 each in the RC- 1. Subsequent to composite scheme of arrangement coming into effect, the entire shareholding of the Demerged Company (along with its nominees) in RC - 1 shall be cancelled.	Not Applicable
Capital after the scheme	Issued, subscribed and paid-up share capital on the Scheme becoming effective:	Issued, subscribed and paid-up share capital on the Scheme becoming effective:	Issued, subscribed and paid-up share capital on the Scheme becoming effective:
(No of equity shares as well as capital in Rupees)	Rs. 1445.97 lakhs, consisting of 7,22,96,395 Equity Shares of Rs. 2 each (including Forfeited Share Capital of Rs. 0.04 lakhs)	Rs. 1445.93 lakhs, consisting of 7,22,96,395 Equity Shares of Rs. 2 each	Rs. 10 lakhs, consisting of 5,00,000 Equity Shares of Rs. 2 each
Details of shareholding of unlisted companies involved			
RC-1	Pre		Post
	No. of Shares	% of holding	No. of Shares
			% of holding
Promoter	5,00,000	100%	3,50,12,819
Public (Excluding QIBs)	-	-	3,72,83,576
QIBs	-	-	-
Non-promoter	-	-	-

For HSIL LIMITED


Company Secretary

non-public				
Total	5,00,000	100	7,22,96,395	100
RC-2	Pre		Post	
	No. of Shares	% of holding	No. of Shares	% of holding
Promoter	5,00,000	100%	5,00,000	100%
Public (Excluding QIBs)	-	-	-	-
QIBs	-	-	-	-
Non-promoter non-public	-	-	-	-
Total	5,00,000	100	5,00,000	100
No. of shareholders	RC-1 – 7 shareholders (including 6 nominees of Demerged Company)		RC-2 – 7 shareholders (including 6 nominees of RC-1)	
Name & PAN no. of the Promoter and Promoter Group of unlisted companies			HSIL Limited PAN: AACH7584H	Somany Home Innovation Limited PAN: AAZCS2853D
Name of Board of Directors of unlisted companies			Mr. Sandip Somany Mr. G.L.Sultania Mr. N.K.Goenka	Mr. Sandip Somany Mr. G.L.Sultania Mr. N.K.Goenka
Please specify relation among the companies involved in the scheme, if any.	Parent holding company of RC-1 and indirect holding company of RC-2		Wholly owned subsidiary of Demerged Company	Wholly owned subsidiary of RC-1
Details regarding change in management control in listed or resulting company seeking listing, if any	Not Applicable		Not Applicable	RC-2 is not seeking listing.

For HSIL LIMITED

[Signature]

Company Secretary

1st December, 2017

To,
Manager - Listing Compliance
National Stock Exchange of India Limited
'Exchange Plaza'. C-1, Block G,
Bandra Kurla Complex, Bandra (E),
Mumbai - 400 051
Dear Sir,

Sub: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the proposed Composite Scheme of Arrangement, under Sections 230 to 232 of the Companies Act, 2013 read with Section 66 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, amongst HSIL Limited, Somany Home Innovation Limited, Brilloca Limited and their respective Shareholders and Creditors.

In connection with the above application, we hereby confirm that:

1. The proposed scheme of amalgamation/ arrangement/merger/reconstruction/ reduction of capital etc. to be presented to any Court or Tribunal does not in any way violate or override or circumscribe the provisions of the SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, the Companies Act, 1956 / Companies Act, 2013, the rules, regulations and guidelines made under these Acts, the provisions as explained in Regulation 11 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 and the requirements of SEBI circulars and Stock Exchanges.

2. The draft scheme of amalgamation/ arrangement together with all documents mentioned in SEBI circular has been disseminated on company's website as per the link given hereunder: www.hindwarehomes.com

3. The company shall disclose the observation letter of the stock exchange on its website within 24 hours of receiving the same.

4. The Company shall obtain the approval of the requisite majority of the shareholders of the Company, as required under the Companies Act, 2013, at the NCLT convened shareholders' meeting for approving the Scheme, for which meeting e-voting facilities will also be provided. Please also note that Para 1(A)(9)(a) of Annexure-I of SEBI Circular no. CFD/DIL3/CIR/2017/21, dated March 10, 2017, is not applicable to the Scheme and the Company has, in this regard, separately filed an undertaking certified by the auditors, clearly stating the reasons for non-applicability of Para 9(a) and a certified copy of the resolution of the Board of Directors of the Company approving the aforesaid auditor certificate.

For HSIL LIMITED
fayaz
Company Secretary

HSIL Limited

(An ISO 9001 14001 OHSAS 18001 Certified Company)

Corporate Office: 301-302, IIIrd Floor Park Centra, Sector-30, NH-8, Gurgaon, Haryana - 122 001. T +91-124-4779200, F +91-124-4292898/99

Registered Office: 2, Red Cross Place, Kolkata, West Bengal - 700 001. T +91-33-22487406/07, F +91-33-22487045

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India's most awarded & certified bathroom products company

5. In case of Unlisted company/ies being involved in the Scheme of Arrangement:

- a. The Company shall include the applicable information pertaining to the unlisted entity/ies involved in the scheme in the format specified for abridged prospectus, certified by a SEBI Registered Merchant Banker, as provided in Part D of Schedule VIII of the ICDR Regulations, in the explanatory statement or notice or proposal accompanying resolution to be passed sent to the shareholders while seeking approval of the scheme and the same shall be submitted to Stock Exchanges.
- b. The percentage of shareholding of pre-scheme public shareholders of the listed entity and the Qualified Institutional Buyers (QIBs) of the unlisted entity, in the post scheme shareholding pattern of the “merged” company shall not be less than 25%.

6. The documents filed by the Company with the Exchange are same/ similar/ identical in all respect, which have been filled by the Company with Registrar of Companies/SEBI/Reserve Bank of India, wherever applicable.

7. There will be no alteration in the Share Capital of the unlisted transferor company from the one given in the draft scheme of amalgamation/ arrangement.



Payal M Puri
(Company Secretary)

HSIL Limited

(An ISO 9001 14001 OHSAS 18001 Certified Company)

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Demerged Company	HSIL LTD.		
	PAN of the Promoter and Promoter Group and it's Companies		
	Sl. No.	Name of the Promoter	PAN
	1	RAJENDRA KUMAR SOMANY	AIYPS6274J
	2	SANDIP SOMANY	AIYPS6270N
	3	SUMITA SOMANY	ALMPS0475L
	4	DIVYA SOMANY	ALMPS4606B
	5	SHASHVAT SOMANY	ENCPS4665E
	6	PACO EXPORTS LIMITED	AABCP7783K
	7	SOMA INVESTMENTS LTD	AAACS0348E
	8	NEW DELHI INDUSTRIAL PROMOTORS AND INVESTORS LTD	AAACN0092L
	9	MATTERHORN TRUST	AAETM9786B
	PAN of the Directors and KMP		
	Sl. No.	Name of the Directors	PAN
	1	Dr. Rajendra Kumar Somany(Director and KMP)	AIYPS6274J
	2	Mr. Sandip Somany(Director and KMP)	AIYPS6270N
	3	Ms. Sumita Somany	ALMPS0475L
	4	Mr. Girdhari Lal Sultania	AOTPS8376L
	5	Mr. Ashok Jaipuria	AAAPJ4737B
	6	Mr. Vijay Kumar Bhandari	AAPPB5117J
	7	Mr. Nand Gopal Khaitan	AFLPK3827K
	8	Mr. Salil Bhandari	AAAPB5902A
	9	Dr. Rainer Siegfried Simon	N.A.
	Sl. No.	Name of KMP	PAN
	1	Ms. Payal M. Puri	AIBPM5745K
	2	Mr. Sandeep Sikka	AATPS3365D
Resulting Company 1	SOMANY HOME INNOVATION LIMITED(100% SUBSIDIARY OF HSIL Limited)		
	PAN of the Promoter		
	Sl. No.	Name of the Promoter	PAN
	1.	HSIL Limited	AAACH7564H
	Sl. No.	Name of the Directors	PAN
	1	Mr. Sandip Somany	AIYPS6270N
	2	Mr. Niranjan Kumar Goenka	ADPPG9043F
	3	Mr. Girdhari Lal Sultania	AOTPS8376L
	There are no KMPs in Somany Home Innovation Limited		
Resulting Company 2	BRILLOCA LIMITED(100% SUBSIDIARY OF Somany Home Innovation Limited)		
	PAN of the Promoter		
	Sl. No.	Name of the Promoter	PAN
	1.	Somany Home Innovation Limited	AAZCS2853D
	Sl. No.	Name of the Directors	PAN
	1	Mr. Sandip Somany	AIYPS6270N
	2	Mr. Niranjan Kumar Goenka	ADPPG9043F
	3	Mr. Girdhari Lal Sultania	AOTPS8376L
	There are no KMPs in Brilloca Limited		

For HSIL LIMITED
Payal
 Company Secretary

Date: 8th December, 2017

To:
Vishnu Vyas
Asst. Manager,
The National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East)
Mumbai 400 051

Sub: Application under Regulation 37 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the purpose of obtaining 'no-objection letter' for, the Composite Scheme of Arrangement, under Sections 230 to 232 of the Companies Act, 2013 read with Section 66 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, amongst HSIL Limited, Somany Home Innovation Limited, Brilloca Limited and their respective Shareholders and Creditors. Hereinafter refer to as the Scheme.

Dear Sir:

This is in reference to your letter dated 7th December, 2017 (Ref: NSE/LIST/14158), whereby you have sought certain clarifications and further information / documents to process our application for seeking "no-objection" to the Composite Scheme of Arrangement.

In this regard, please note the following:

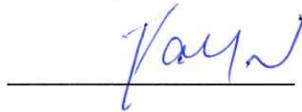
1. **Valuation Report as per SEBI Circular CIR/CFD/CMD/16/2015 dated November 30, 2015 (Kindly provide valuation as per format as well specified on NSE Website. Since Market Price Method is done by the valuer. Kindly provide as per format on NSE website for valuation.**

Company Response: As requested, please find attached the Valuation Report as per format on NSE website for valuation, labeled as **Annexure II**.

2. **Provide PAN Details of Promoters and KMP of companies involved in the Scheme in one Excel Form.**

Company Response: Please find attached as **Annexure C**. We have already emailed the relevant Excel file.

Thank you,
For HSIL Limited,



Name: Payal M Puri
Designation: Company Secretary

HSIL Limited

(An ISO 9001 14001 OHSAS 18001 Certified Company)

Corporate Office: 301-302, IIIrd Floor Park Centra, Sector-30, NH-8, Gurgaon, Haryana - 122 001. T+91-124-4779200, F +91-124-4292898/99

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Santosh K Singh & Co, Chartered Accountants

November 08, 2017

To,
The Board of Directors
HSIL Limited
2, Red Cross Place,
Kolkata- 700001, West Bengal

Dear Sir (s),

Re: Recommendation of Share Entitlement Ratio for the purpose of proposed demerger of the Consumer Products Distribution and Marketing Undertaking (hereinafter referred to as "CPDM Undertaking") and the Retail Undertaking of HSIL Limited to Somany Home Innovation Limited, and Demerger of Building Products Distribution and Marketing Undertaking (hereinafter referred to as "BPDM Undertaking") of HSIL Limited to Brilloca Limited.

We refer to our Engagement Letter dated September 8, 2017 confirming our appointment to provide our recommendation on the Share Entitlement Ratio for the proposed demerger of

- CPDM Undertaking and Retail Undertaking (as more particularly defined in the Draft Composite Scheme of Arrangement and hereinafter referred to as "Demerged Undertaking 1") from HSIL Limited (hereinafter referred to as "HSIL" or the "Company" or "Demerged Company") to Somany Home Innovation Limited (hereinafter referred to as "Somany Home" or "Resulting Company 1"), a wholly owned subsidiary of HSIL; and
- BPDM Undertaking (as more particularly defined in the Draft Composite Scheme of Arrangement and hereinafter referred to as "Demerged Undertaking 2") from HSIL Limited to Brilloca Limited (hereinafter referred to as "Resulting Company 2"), a wholly owned subsidiary of Resulting Company 1,

pursuant to the Draft Composite Scheme of Arrangement under the provisions of Sections 230 – 232 of the Companies Act 2013 (hereinafter referred to as "Act") read with Section 66 of the Act and other applicable provisions of the Act, as may be applicable (hereinafter referred to as "Proposed Scheme"), with effect from the Appointed Date, i.e., 1st April 2018 or such other date as may be fixed or approved by the National Company Law Tribunal (hereinafter referred to as "NCLT"). As per the terms of our engagement, we are enclosing our valuation report which is prepared in accordance with and to comply with the provisions of SEBI circular CFD/DIL3/CIR/2017/21 dated March 10, 2017 and other applicable SEBI regulations and provisions thereof as under.

(Demerged Company, Resulting Company 1 and Resulting Company 2 being hereinafter individually referred to as Company and collectively referred to as the Companies; and Demerged Undertaking 1, Demerged Undertaking 2 and Remaining Undertaking (as defined in the Proposed Scheme) being hereinafter individually referred to as Undertaking and collectively referred to as the Undertakings)

Corp office: G-9, H-3, Vardhman Plaza Tower, Netaji Subhash Place, Pitampura, New Delhi 110034. Phone no: 011-47243749

CERTIFIED TRUE COPY

For HSIL LIMITED

[Signature]
Company Secretary



Santosh K Singh & Co, Chartered Accountants

I. SCOPE AND PURPOSE OF THE REPORT

We understand that as a part of a business restructuring exercise, the Management of HSIL (hereinafter referred to as "Management") is considering

- demerger of CPDM Undertaking and Retail Undertaking of HSIL into its wholly owned subsidiary, Resulting Company 1, on a going concern basis through the Proposed Scheme;
- demerger of BPDM Undertaking of HSIL into Resulting Company 2 (a wholly owned subsidiary of Resulting Company 1), on a going concern basis through a Proposed Scheme;
- on the Proposed Scheme becoming effective, cancellation of the existing equity share capital of Resulting Company 1 which is held by HSIL; and
- on the Proposed Scheme becoming effective issuance of equity shares of Resulting Company 1 to the equity shareholders of HSIL, as consideration for the demerger of Demerged Undertaking 1 and Demerged Undertaking 2 into Resulting Company 1 and Resulting Company 2.

Therefore, the Management has requested Santosh K Singh & Co, Chartered Accountants ("SKS") to provide recommendation on the Share Entitlement Ratio for the proposed demerger of Demerged Undertaking 1 into Resulting Company 1 and Demerged Undertaking 2 into Resulting Company 2, on the coming into effect of the Proposed Scheme, with effect from the Appointed Date. In this connection, SKS has been requested by HSIL to submit a report recommending a Fair Share Entitlement Ratio in the connection with the Proposed Scheme, for the consideration of the Board of Directors of HSIL. This report will be placed before the Audit Committee of HSIL and the Board of Directors of HSIL. Further, it will be subsequently used for onward submission with the stock exchanges, regulatory authorities and NCLT, for the purpose of the Proposed Scheme.

The scope of our services is to conduct relative valuation for recommending a Fair Share Entitlement Ratio for the Proposed Scheme in accordance with generally accepted professional standards.

We have considered projected financial statements and other information relating to the Companies upto March 31, 2018 (hereinafter referred to as "Valuation Date") in our analysis and adjustments for facts made known (past or future) to us till the date of our report. The Management has informed us that they do not expect any events or changes in the business and the financial position of the Companies upto the Appointed Date of the Proposed Demerger, other than the events specifically mentioned in this report, which would have an impact on our recommendation set out in this report.

We have relied on the above while arriving at the Fair Share Entitlement Ratio for the Proposed Scheme.

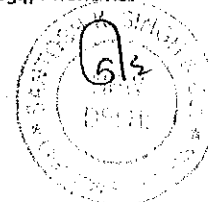
In the following paragraphs, we have summarized our recommendation on the Share Entitlement Ratio together with the limitations on our scope of work. This report is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter. As such, the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

II. SOURCES OF INFORMATION

In connection with this exercise, we have received the following information from the Management:

- Corporate presentation of HSIL related to various businesses carried on by HSIL;

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- Draft of the Proposed Scheme;
- Annual Report of HSIL for the year ended March 31, 2016 and March 31, 2017;
- Unaudited carved out financials of the Demerged Undertaking 1, Demerged Undertaking 2 and Remaining Undertaking for the year ended March 31, 2017;
- Projected financials of the Demerged Undertaking 1, Demerged Undertaking 2 and Remaining Undertaking of HSIL for the year ending March 31, 2018 to March 31, 2025;
- Discussions with the Management in connection with and information relating to the operations of the respective Companies and their business segments, past and present activities, future plans and prospects, tax positions, contingent liabilities, share capital and shareholding pattern, etc.; and
- Other relevant information and documents for the purpose of this engagement.

We have also obtained explanations and information considered reasonably necessary for our exercise, from the Management. The Management has been provided with the opportunity to review the draft report (excluding the recommended share entitlement ratio) for this engagement to make sure that factual inaccuracies are avoided in our final report.

III. BACKGROUND INFORMATION

- A. HSIL Limited, the Demerged Company, is a public limited company incorporated under the Companies Act, 1956, in the State of West Bengal. The registered office of HSIL is situated at 2, Red Cross Place, Kolkata, West Bengal - 700 001, India. HSIL was incorporated on February 8, 1960, under the name 'Hindustan Twyford's Limited'. Subsequently, the name of HSIL was changed to 'Hindustan Sanitaryware & Industries Limited' with effect from May 3, 1969, and HSIL obtained a fresh certificate of incorporation from the Registrar of Companies, Kolkata, to the said effect. The name Hindustan Sanitaryware & Industries Limited was further changed to the present name HSIL Limited and a fresh certificate of incorporation was issued by the Registrar of Companies, Kolkata on March 24, 2009 in favour of HSIL. The Corporate Identity Number of HSIL is L51433WB1960PLC024539. The equity shares of HSIL are listed on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). HSIL is engaged in the business of manufacturing, selling and trading of building products, glass products, consumer products, plastic products and retail business. This *inter alia* includes, manufacturing, preparing, importing, exporting, buying, selling and otherwise dealing in all kinds of sanitaryware, faucets, other lifestyle products, consumer products, glass and plastic packaging material, plastic plumbing pipes and fittings and security caps and closures. HSIL also provides home interior solutions through its large retail store chain across India, under the brand name 'Evok'.
- B. Somany Home Innovation Limited, Resulting Company 1, was incorporated on September 28, 2017 under the Companies Act, 2013, in the State of West Bengal. The Corporate Identity Number of Resulting Company 1 is U74999WB2017PLC222970. The registered office of Resulting Company 1 is situated at 2, Red cross Place, Kolkata, West Bengal-700 001. Resulting Company 1 is a wholly owned subsidiary of HSIL. Resulting Company 1 is authorised by its memorandum of association to *inter alia* carry on the business of importing, exporting, buying, selling, processing, manufacturing and dealing in all kinds of kitchen

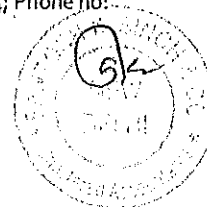


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products like kitchen-sinks, chimneys, hobs, kitchen appliances and faucets, including chromium-plated fittings, bath tubs & whirlpools, shower enclosures, home appliances, furniture of all kinds, electrical products like air purifier, water purifier, air cooler, water heater lamps etc., decorative materials and building chemicals and also products like fire bricks, fire clay, fire cement, tiles, sewers, pipes, drain pipes, stone pipes, hume pipes, concrete pipes and pipes of all kinds, pottery tiles, lime, cement, china and terracotta, ceramic wares, cement (ordinary white coloured portland alumina blast furnace, silica, etc.) and cement products of any description (pipes, poles, asbestos sheets, blocks tiles, garden wares, etc.).

- C. Brilloca Limited, Resulting Company 2, was incorporated on November 2, 2017 under the Companies Act, 2013, in the State of West Bengal. The Corporate Identity Number of Resulting Company 2 is U74999WB2017PLC223307. The registered office of Resulting Company 2 is situated at 2, Red cross Place, Kolkata, West Bengal-700 001. Resulting Company 2 is a wholly owned subsidiary of Resulting Company 1. Resulting Company 2 is authorised, by its memorandum of association, to *inter alia* carry on the business of importing, exporting, producing, refining, buying, selling, processing, manufacturing and dealing in all kinds of building material products like sanitary ware (including sanitary ware made of plastic, fiber glass or any other synthetic product), earthenware, stoneware, glass, china, terracotta, porcelain products, bricks, tiles, pottery, pipes, insulators refractories of all description and or by-products, thereof and faucets including chromium-plated fittings, bath tubs and whirlpools, shower enclosures, home appliances, electrical products, decorative materials and building chemicals and also products like fire bricks, fire clay, fire cement, tiles, sewers, pipes, drain pipes, stone pipes, hume pipes, concrete pipes and pipes of all kinds, pottery tiles, lime, cement, china and terracotta, ceramic wares, cement (ordinary white coloured Portland alumina blast furnace, silica, etc.), cement products of any description (pipes, poles, asbestos sheets, blocks tiles, garden wares, etc.).

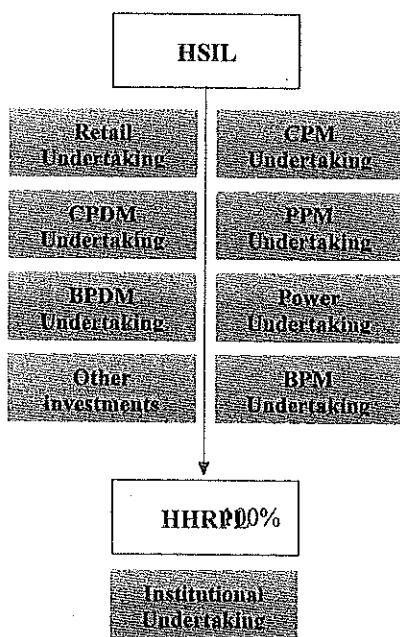
- D. The salient features of the scheme are as follows:
- a. The CPDM Undertaking and Retail Undertaking will be demerged into Resulting Company 1;
 - b. The BPDM Undertaking will be demerged into Resulting Company 2;
 - c. On the Proposed Scheme becoming effective, cancellation of the existing share capital Resulting Company 1, being held by the Demerged Company, as an integral part of Proposed Scheme in accordance with provisions of Section 66 of the Companies Act, 2013, and any other applicable provisions of the Act and the order of NCLT sanctioning the Scheme shall be deemed to be also the order under the aforesaid applicable provisions of the Act for the purpose of confirming the reduction. The reduction would not involve either a diminution of liability in respect of unpaid share capital or payment of paid-up share capital, and the provisions of Section 66 of the Companies Act, 2013 will not be applicable. This would enable all shareholders of HSIL in holding equity shares in Resulting Company 1 in the same ratio as that of HSIL.



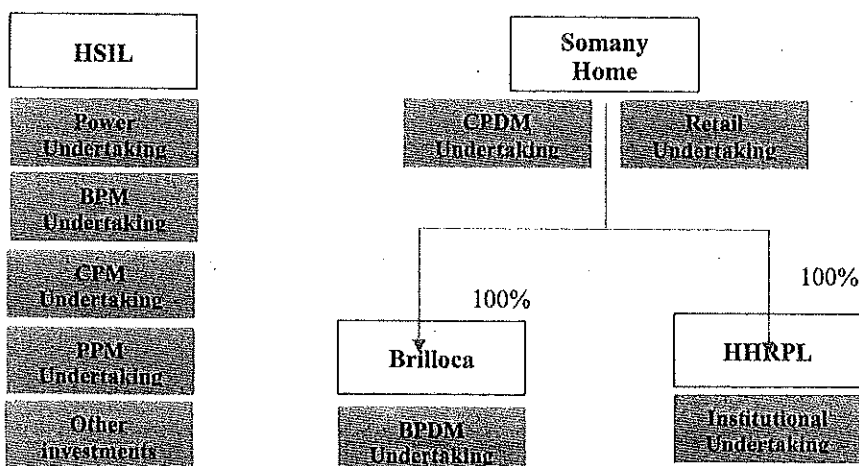
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- d. On the Proposed Scheme becoming effective, the equity shareholders of HSIL will be issued equity shares of Resulting Company 1, consequent to the demerger of Demerged Undertaking 1 into Resulting Company 1 and Demerged Undertaking 2 into Resulting Company 2.
- e. The demerger as aforesaid will be carried as per the provisions of Section 2(19AA) of the Income Tax Act which provides that all liabilities and assets relating to Demerged Undertakings as above will be transferred to the Resulting Company 1 and Resulting Company 2, respectively.

(i) Existing Structure, as provided by the Management



(ii) Indicative Resultant Structure, as provided by the Management



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IV. RATIONALE FOR PROPOSED SCHEME

HSIL currently has business interests in diverse businesses such as:

- (a) branding, marketing, sales, distribution, trading, service, etc. of various building products like sanitaryware, faucets, other lifestyle products, UPVC and CPVC pipes, fittings, tiles, etc., more particularly defined in the Proposed Scheme ("**BPDM Undertaking**");
- (b) branding, marketing, sales, distribution, trading, service, etc. of various consumer products like air purifiers, air coolers, kitchen appliances, water heaters, exhaust fans, water purifiers etc., more particularly defined in the Proposed Scheme ("**CPDM Undertaking**");
- (c) retail business, consisting of branding, marketing, sales, distribution, trading, service, etc. of furniture, furnishings, home décor, etc., more particularly defined in the Proposed Scheme ("**Retail Undertaking**");
- (d) manufacturing of building products like sanitaryware, faucets, UPVC and CPVC pipes, fittings, etc. ("**Building Products Manufacturing Undertaking**" or "**BPM Undertaking**");
- (e) manufacturing of certain specified consumer products like water heaters (hereinafter referred to as "**Consumer Products Manufacturing Undertaking**" or "**CPM Undertaking**");
- (f) manufacturing and supply of packaging products like glass bottles, PET bottles, security caps and closures ("**Packaging Products Manufacturing Undertaking**" or "**PPM Undertaking**"); and
- (g) wind power generation ("**Power Undertaking**").

The aforesaid businesses have been nurtured over a period of time and are currently at different stages of growth. The Demerged Undertaking 1, Demerged Undertaking 2 and the Remaining Undertaking have distinct capital requirements, nature of risk, competition, human skill-set requirements, etc. The segregation of businesses as envisaged in the Proposed Scheme will enable sharper focus and better alignment of the businesses to its customers. It shall also enable the respective businesses to improve competitiveness, operational efficiencies and strengthen its position in the relevant marketplace.



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The Proposed Scheme shall enable the Demerged Undertaking 1, Demerged Undertaking 2 and the Remaining Undertaking to attract interest of such investors and strategic partners having the necessary ability, experience and interests and shall provide an opportunity to the investors to select investments which best suit their investment strategies and risk profiles.

The implementation of this Proposed Scheme will result in:

- creation of separate and distinct entities housing the Demerged Undertaking 1, Demerged Undertaking 2 and the Remaining Undertaking;
- optimal monetisation and development of each of the respective businesses, including by attracting focused investors and strategic partners having the necessary ability, experience and interests in the relevant sectors;
- dedicated and specialised management focus on the specific needs of the respective businesses; and
- benefit to all stakeholders, leading to growth and value creation in long run and maximising the value and return to the shareholders, unlocking intrinsic value of HSIL's assets, achieving cost efficiencies and operational efficiencies.

V. CAPITAL STRUCTURE OF DEMERGED COMPANY, RESULTING COMPANY 1 AND RESULTING COMPANY 2

A. As on October 31, 2017, the capital structure of HSIL is as under:

A. Authorised Share Capital	Amount (in Rs.)
11,12,50,000 Equity Shares of Rs. 2 each	22,25,00,000
Total	22,25,00,000
B. Issued, Subscribed and Paid-up Share Capital	Amount (in Rs.)
7,22,96,395 Equity Shares of Rs. 2 each	14,45,93,000
Add: Forfeited Share Capital	4000
Total	14,45,97,000

The Management has represented that there are no outstanding instruments convertible into equity shares issued by HSIL as of the date of issue of this report, which would impact the number of equity shares of HSIL.

B. As on October 31, 2017, the capital structure of Resulting Company 1 is as under:

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Authorised Share Capital	Amount (in Rs.)
50,00,000 Equity Shares of Rs. 2 each	1,00,00,000
Total	1,00,00,000
Issued, Subscribed and Paid-up Share Capital	Amount (in Rs.)
5,00,000 Equity Shares of Rs. 2 each	10,00,000
Total	10,00,000

We have been informed that Resulting Company 1 would increase its authorised share capital, to the extent required under the Proposed Scheme, to accommodate the fresh issuance of its equity shares to HSIL upon approval of demerger of Demerged Undertaking 1.

C. As on November 8, 2017, the capital structure of Resulting Company 2 is as under:

Authorised Share Capital	Amount (in Rs.)
5,00,000 Equity Shares of Rs. 2 each	10,00,000
Total	10,00,000
Issued, Subscribed and Paid-up Share Capital	Amount (in Rs.)
5,00,000 Equity Shares of Rs. 2 each	10,00,000
Total	10,00,000

VI. APPROACH - BASIS FOR PROPOSED DEMERGER

The Proposed Scheme contemplates the proposed demerger of the Undertakings pursuant to the Composite Scheme of Arrangement under the relevant provisions of the Act. Arriving at the Fair Share Entitlement Ratio for the Proposed Demerger would require determining the relative values of the concerned businesses and shares of the companies. These values are to be determined independently but on a relative basis, and without considering the effect of the Proposed Demerger.

The Proposed Demerger envisages the demerger of the Demerged Undertaking 1 into Resulting Company 1 and Demerged Undertaking 2 into Resulting Company 2 respectively, with equity shares of Resulting Company 1, being issued to the shareholders of HSIL for transfer of the Demerged Undertakings. This requires the relative valuation of the relevant Businesses of Demerged Undertaking



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1, Demerged Undertaking 2 and Remaining Undertaking of HSIL for determination of a Fair Share Entitlement Ratio for the Proposed Demerger.

There are several commonly used and accepted methods for determining the Fair Share Entitlement Ratio for the Proposed Demerger, which have been considered in the present case, to the extent relevant and applicable, including:

1. Net Asset Value method
2. Comparable Companies' Multiples method / Earnings Capitalisation Value method
3. Market Price method
4. Discounted Cash Flows method

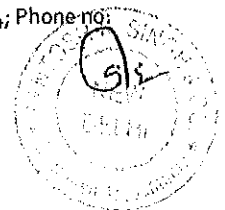
It should be understood that the valuation of any company or its assets is inherently subjective and is subject to certain uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we made assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of the companies. In addition, this valuation will fluctuate with changes in prevailing market conditions, the conditions and prospects, financial and otherwise, of the companies, and other factors which generally influence the valuation of companies and their assets.

The application of any particular method of valuation depends on the purpose for which the valuation is done. Although different values may exist for different purposes, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose. Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for transactions of a similar nature and our reasonable judgment, in an independent and bona fide manner based on our previous experience of assignments of a similar nature.

Net Asset Value (NAV) Method

The asset based valuation technique is based on the value of the underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis. The Net Asset Value ignores the future return the assets can produce and is calculated using historical accounting data that does not reflect how much the business is worth to someone who may buy or invest in the business as a going concern. This valuation approach is therefore mainly used in case where the firm is to be liquidated or in case where the asset base dominates earnings capability. A scheme of demerger would normally be proceeded with, on the assumption that the companies / businesses demerge as going concerns and an actual realization of the operating assets is not contemplated. The operating assets are therefore considered at their book values. In such a going concern scenario, the relative earning power is of importance to the basis of demerger, with the values arrived at on the net asset basis being of limited relevance.

We have been provided with projected balance sheets of the Demerged Undertaking 1, Demerged Undertaking 2 and Remaining Undertaking of HSIL as at March 31 2018. We have computed the Net



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Asset Value of these businesses accordingly and for the reasons mentioned above, we have considered it appropriate only to keep the values under this method in the background for our analysis.

Comparable Companies' Multiple (CCM) / Earnings Capitalisation Value Method (ECV)

Under the CCM / ECV method, value of the equity shares of a company is arrived at by using multiples / capitalization rates derived from valuations of comparable companies, as manifest through stock market valuations of listed companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples / capitalization rates need to be chosen carefully and adjusted for differences between the circumstances.

We have performed a search for suitable comparable companies for the Undertakings to derive an appropriate capitalization rate / multiple. In case of Demerged Undertaking 1 and Demerged Undertaking 2, there are no listed closely comparable companies which are primarily engaged in the similar businesses though there are listed comparable which have divisions engaged in the similar businesses and their combined earning multiple cannot be applied to the business earning of Demerged Undertaking 1 and Demerged Undertaking 2. In the circumstances, we have considered it appropriate not to apply this method in the present exercise.

Market Price Method

The market price of an equity share as quoted on a stock exchange is normally considered as the value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares. But there could be situations where the value of the share as quoted on the stock market would not be regarded as a proper index of the fair value of the share especially where the market values are fluctuating in a volatile capital market. Further, in the case of a merger, where there is a question of evaluating the shares of one company against those of another, the volume of transactions and the number of shares available for trading on the stock exchange over a reasonable period would have to be of a comparable standard. This method would also cover any other transactions in the shares of the company including primary / preferential issues / open offer in the shares of the company as envisaged in the overall scheme of arrangement and reported to the stock exchanges / available in the public domain.

In the present case, the shares of HSIL are listed on NSE and BSE and well traded on these stock exchanges, however, the valuation of the Demerged undertaking 1, Demerged Undertaking 2 and Remaining Undertaking cannot be calculated using the same market price and doing the split of the same on certain parameters as the different business segments have their different risk and rewards. We have computed the market value of HSIL and for the reasons mentioned above, we have considered it appropriate only to keep the value under this method in the background for our analysis.

Discounted Cash Flows (DCF) Method

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The DCF method uses the future free cash flows of the firm discounted by the cost of capital to arrive at the present value. In general, the DCF method is a strong and widely accepted valuation tool, as it concentrates on cash generation potential of a business. Considering that this method is based on future potential and is widely accepted, we have used this approach in the valuation in the present exercise.

Using the DCF analysis involves determining the following: Estimating future free cash flows:

- Free cash flows are the cash flows expected to be generated by the company that are available to all providers of the company's capital — both debt and equity.
- Appropriate discount rate to be applied to cash flows i.e. the cost of capital:

This discount rate, which is applied to the free cash flows, should reflect the opportunity cost to all the capital providers (namely shareholders and creditors), weighted by their relative contribution to the total capital of the company. The opportunity cost to the capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk.

To arrive at the total value available to the equity shareholders of HSIL, the values arrived above under DCF method are adjusted for, inter-alia, the value of loans, cash, surplus / non-operating assets/liabilities(if any) as deemed appropriate for the purpose of our valuation analysis.

VII. BASIS OF PROPOSED SHARE ENTITLEMENT RATIO

The fair basis for the Proposed Demerger would have to be determined after taking into consideration all the factors and methodologies mentioned hereinabove. Though different values have been arrived at under each of the above methodologies, for the purposes of recommending a Share Entitlement Ratio, it is necessary to arrive at a single value for the shares of the concerned undertakings. It is however important to note that in doing so, we are not attempting to arrive at the absolute equity values of the shares of the Undertakings but at their relative values to facilitate the determination of the share entitlement ratio. For this purpose, it is necessary to give appropriate weights to the values arrived at under each methodology.

We have carried out a relative valuation of the equity values of the Undertakings and have given weights to the values arrived at under different methodologies, based on their evaluation and judgement of the businesses of the Undertakings, in order to arrive at the relative values of the Undertakings in order to arrive at the Fair Share Entitlement Ratio for the Proposed Demerger.

In the ultimate analysis, valuation will have to be arrived at by the exercise of judicious discretion by the valuers and judgments taking into account all the relevant factors. There will always be several factors, e.g. quality of the management, present and prospective competition, yield on comparable securities and market sentiment, etc. which are not evident from the face of the balance sheets but which will strongly influence the worth of a business. This concept is also recognised in judicial decisions.

The Fair Share Entitlement Ratio has been arrived at on the basis of a relative valuation of Undertakings based on the various methodologies explained herein earlier and various qualitative factors relevant to each Undertaking and the business dynamics and growth potentials of the



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businesses of the Undertakings, having regard to information base, key underlying assumptions and limitations.

We have considered the following additional factors while arriving at the Share Entitlement Ratio for the proposed demerger of CPDM Undertaking & Retail Undertaking and BPDM Undertaking of HSIL into Resulting Company 1 and Resulting Company 2 respectively:

- A. Capital employed in the business;
- B. Equity servicing capacity, and
- C. Shareholders' profile and other relevant factors.

We are given to understand by the Management that the demerger of Demerged Undertaking 1 and Demerged Undertaking 2 will be as per requirement of the Section 2(19AA) of the Income tax Act, 1961. Accordingly, HSIL will transfer the assets and liabilities of Demerged undertaking 1 and Demerged Undertaking 2 to Resulting Company 1 and Resulting Company 2, respectively, at Book Value (as defined in the Proposed Scheme). Further, we understand that the shareholders of HSIL would be entitled to shares of Resulting Company 1 in the same proportion which they currently own shares directly in HSIL.

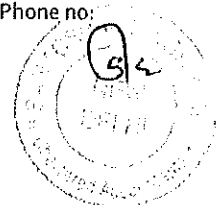
VIII. RECOMMENDED RATIO

It may be noted that any proposed share entitlement ratio for the Demerger can be considered as fair and reasonable, only if the proposed share entitlement ratio to be adopted does not result in any adverse consequence to the shareholders of HSIL.

Considering that ultimate shareholding of Demerged Undertaking 1 and Demerged Undertaking 2 would not change on account of the Proposed Scheme, the proposed Demerger of Demerged Undertaking 1 into Resulting Company 1 and demerger of Demerged Undertaking 2 into Resulting Company 2 would be value-neutral to ultimate shareholders of HSIL. Once the Scheme is implemented, all the equity shareholders of HSIL would be allotted equity shares of Resulting Company 1 besides their existing equity holding in HSIL. No shareholder is, under the Proposed Scheme, required to dispose-off any part of its shareholding either to any of the other shareholders or in the market or otherwise. The proposed demerger does not envisage the dilution of the effective holding of any one or more shareholders as a result of the operation of the Proposed Scheme.

In the light of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, in our opinion, the Fair Share Entitlement Ratio for the Proposed Scheme is as follows:

"Fair Share Entitlement Ratio for the Proposed Demerger – 1 (one) Equity Share of Rs. 2 each of Resulting Company 1 to be issued against 1 (one) Equity Share of face value of Rs. 2 each of HSIL"



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IX. SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATION, EXCLUSION AND DISCLAIMERS

Valuation analysis and result are specific to the purpose of valuation as agreed per terms of our engagement. It may not be valid for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity. The valuation analysis and result are substantively based only on information contained in this report and are governed by concept of materiality.

The opinion(s) rendered in this report only represent the opinion(s) of SKS based upon information furnished by the Management and other sources and the said opinion(s) shall be considered advisory in nature. Our opinion will however not be for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors.

In the course of the valuation, SKS was provided with both written and verbal information, including market, technical, financial and operating data. We have however, evaluated the information provided to us by the Management through broad inquiry (but have not carried out a due diligence or audit of the Companies/Undertakings) for the purpose of this engagement, nor have we independently investigated or otherwise verified the data provided). Through the above evaluation, nothing has come to our attention to indicate that the information provided was materially mis-stated/incorrect or would not afford reasonable grounds upon which to base the report. We do not imply and it should not be construed that we have verified any of the information provided to us, or that our inquiries could have verified any matter, which a more extensive examination might disclose. We were entitled to rely upon the information provided by the Management without detailed inquiry. Also, we have been given to understand by the Management that it has made sure that no relevant and material factors have been omitted or concealed or given inaccurately by people assigned to provide information and clarifications to us for this exercise and that it has checked out relevance or materiality of any specific information to the present exercise with us in case of any doubt. Accordingly, we do not express any opinion or offer any form of assurance regarding its accuracy and completeness. Our conclusions are based on these assumptions and other information given by/on behalf of the Management. The Management has indicated to us that it has understood that any omissions, inaccuracies or misstatements may materially affect our fairness opinion analysis/results. Accordingly, we assume no responsibility for any errors in the above information furnished by the Management and their impact on the present exercise. Also, we assume no responsibility for technical information furnished and believed to be reliable.

No enquiry into Companies'/Undertaking's claim to title of assets or property has been made for the purpose of this fairness opinion. With regard to Companies'/'Undertaking's claim to title of assets or property, we have relied solely on representations, whether verbal or otherwise, made by the Management to us for the purpose of this report. We have not verified such representations against any title documents or any agreements evidencing right or interest in or over such assets or property, and have assumed Companies'/Undertaking's claim to such rights, title or interest as valid for the purpose of this report. No information has been given to us about liens or encumbrances against the assets, if any, beyond the loans disclosed in the accounts. Accordingly, no due diligence into any right, title or interest in property or assets was undertaken and no responsibility is assumed in this respect or in relation to legal validity of any such claims.

Our report is neither recommending nor should it be construed as our recommending the proposed demerger or opining or certifying the compliance of the proposed demerger with the provisions of any

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law including companies, taxation and capital market related laws or as regards any legal implications or issues arising from such proposed demerger.

The fee for the report is not contingent upon the results reported.

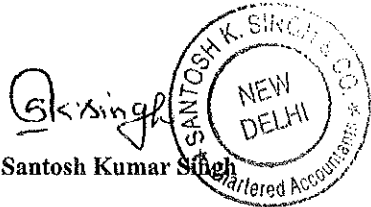
We owe responsibility to only the directors of the Company that has retained us and nobody else. We do not accept any liability to any third party in relation to the issue of this report, and our report is conditional upon an express indemnity from the Company in our favor holding us harmless from and against any cost, damage, expense and other consequence in connection with the provision of this report. This report is subject to the laws of India. Our liability would be limited to the fee received by us from the present exercise.

Neither the report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, other than for submission to NCLT, BSE Limited, National Stock Exchange Limited, other regulatory authorities and inspection by shareholders in connection with the proposed demerger, without our prior written consent. In addition, we express no opinion or recommendation as to how the shareholders of Companies should vote at any shareholders' meeting(s) to be held in connection with the proposed demerger.

Yours faithfully,

Santosh K Singh & Co., Chartered Accountants

FRN 019877N



CA. Santosh Kumar Singh

Partner

M. No. 502320

Place: New Delhi

Date: Nov 8, 2017

Place: New Delhi

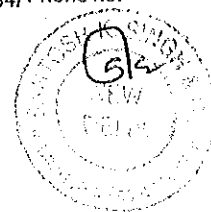
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Annexure 1 Definition of Demerged Undertaking 1 and Demerged Undertaking 2, basis the Extract of the Proposed Scheme

- (a) "CPDM Undertaking" means and includes all the activities, business, operations and undertakings of, and relating to, the distribution and marketing activities of the consumer products division of the Demerged Company, including storing, transporting, selling, distributing and trading in various consumer products like kitchen appliances, cooktops, chimneys, vents, hobs, water heaters, water purifiers, air coolers, air purifiers and water purifiers, through its chain of distributors, dealers, sub-dealers, display centers, modern trade channels, e-commerce etc., relating to the sale of such products of the consumer products division. Without prejudice and limitation to the generality of the above, the CPDM Undertaking means and includes, without limitation, the following:
- (i) all Assets pertaining to or relatable to the CPDM Undertaking, wherever situated, including but not limited to all trademarks, trademark applications, trade names, and other Intellectual Property Rights that are determined by the Board of Directors of the Demerged Company as relating to the CPDM Undertaking (including, but not limited to, the registered trademarks identified in Schedule II of the Proposed Scheme),
 - (ii) all permits, licenses, permissions, approvals, consents, municipal permissions, benefits, registrations, rights, entitlements, certificates, clearances, authorities, allotments, quotas, no-objection certificates and exemptions pertaining to the CPDM Undertaking, including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereof, including applications made in relation thereto,
 - (iii) all contracts, tenancies, agreements, memoranda of understanding, leases, leave and licenses, bids, tenders, expressions of interest, letters of intent, commitments (including to clients and other third parties), hire purchase arrangements, purchase orders, invoices, assignments, grants, engagements, powers of attorney, other arrangements, undertakings, deeds, bonds, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise, in connection with, or relatable to, the CPDM Undertaking,
 - (iv) taxes, share of advance tax, tax deducted at source and minimum alternate tax credits (including but not limited to credits in respect of any indirect taxes, including goods and services tax (GST)), deferred tax benefits and other benefits in respect of the CPDM Undertaking, cash balances, bank accounts and bank balances, in connection with or relating to the CPDM Undertaking,
 - (v) all books, records, files, papers, governance templates and process information, records of standard operating procedures, computer programmes along with their licenses, manuals and back up copies, advertising materials, and other data and records whether in physical or electronic form, directly or indirectly in connection with or relating to the CPDM Undertaking,



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- (vi) employees of the Demerged Company that are determined by the Board of Directors of the Demerged Company, to be substantially engaged in or in relation to the CPDM Undertaking, on the date immediately preceding the Effective Date and contributions, if any, made towards any insurance, provident fund, employees state insurance, gratuity fund, labour welfare fund, staff welfare scheme or any other special schemes, funds or benefits, existing for the benefit of such employees, together with such of the investments made by these Funds, which are relatable to such Transferred Employees,
- (vii) all Liabilities, present, future and the contingent, pertaining to or relatable to the CPDM Undertaking,
- (viii) all legal, tax, regulatory, quasi-judicial, administrative or other proceedings (including arbitrations and show cause notices) of whatsoever nature, by or against the Demerged Company, pending as on the Appointed Date and relating to the CPDM Undertaking, and
- (ix) any other Asset or Liability specifically allocated by the Board of Directors of the Demerged Company as relating to or belonging to the CPDM Undertaking,

The Board of Directors of the Demerged Company shall have the absolute right to include or exclude any product or service from the definition of "CPDM Undertaking" and the determination of the Assets or Liabilities pertaining to or relatable to the CPDM Undertaking, as of the Appointed Date, shall be made in accordance with such determination of the Board of Directors of the Demerged Company. Any issue as to whether any Asset or Liability pertains to or is relatable to the CPDM Undertaking or not shall be solely decided by the Board of Directors of the Demerged Company, on the basis of evidence that they may deem relevant for the purpose (including the books or records of the Demerged Company);

- (b) "Retail Undertaking" means and includes all the activities, business, operations and undertakings of and relating to retail business undertaking of the Demerged Company, including storing, transporting, selling, distributing and trading in furniture and home décor and other products, *inter alia*, under the 'EVOK' trademark, through its chain of retail outlets and also includes the franchise business of the Demerged Company. Without prejudice and limitation to the generality of the above, the Retail Undertaking means and includes, without limitation, the following:
 - (i) all Assets pertaining to or relatable to the Retail Undertaking, wherever situated, including but not limited to all trademarks, trademark applications, trade names, and other Intellectual Property Rights that are determined by the Board of Directors of the Demerged Company as relating to the Retail Undertaking (including, but not limited to, the registered trademarks and copyrights identified in Schedule III of the Proposed Scheme),



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- (ii) all permits, licenses, permissions, approvals, consents, municipal permissions, benefits, registrations, rights, entitlements, certificates, clearances, authorities, allotments, quotas, no-objection certificates and exemptions pertaining to the Retail Undertaking, including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereof, including applications made in relation thereto,
- (iii) all contracts, tenancies, agreements, memoranda of understanding, leases, leave and licenses, bids, tenders, expressions of interest, letters of intent, commitments (including to clients and other third parties), hire purchase arrangements, purchase orders, invoices, assignments, grants, engagements, powers of attorney, other arrangements, undertakings, deeds, bonds, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise, in connection with, or relatable to, the Retail Undertaking,
- (iv) taxes, share of advance tax, tax deducted at source and minimum alternate tax credits (including but not limited to credits in respect of any indirect taxes, including goods and services tax (GST)), deferred tax benefits and other benefits in respect of the Retail Undertaking, cash balances, bank accounts and bank balances, in connection with or relating to the Retail Undertaking,
- (v) all books, records, files, papers, governance templates and process information, records of standard operating procedures, computer programmes along with their licenses, manuals and back up copies, advertising materials, and other data and records whether in physical or electronic form, directly or indirectly in connection with or relating to the Retail Undertaking,
- (vi) employees of the Demerged Company that are determined by the Board of Directors of the Demerged Company, to be substantially engaged in or in relation to the Retail Undertaking, on the date immediately preceding the Effective Date and contributions, if any, made towards any insurance, provident fund, employees state insurance, gratuity fund, labour welfare fund, staff welfare scheme or any other special schemes, funds or benefits, existing for the benefit of such employees, together with such of the investments made by these Funds, which are relatable to such Transferred Employees,
- (vii) all Liabilities, present, future and the contingent, pertaining to or relatable to the Retail Undertaking,
- (viii) all legal, tax, regulatory, quasi-judicial, administrative or other proceedings (including arbitrations and show cause notices) of whatsoever nature, by or against the Demerged Company, pending as on the Appointed Date and relating to the Retail Undertaking, and
- (ix) any other Asset or Liability specifically allocated by the Board of Directors of the Demerged Company as relating to or belonging to the Retail Undertaking,

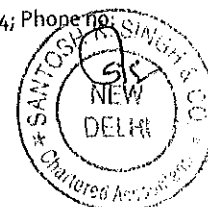
Corp office: G-9, H-3, Vardhman Plaza Tower, Netaji Subhash Place, Pitampura, New Delhi 110034; Phone no: 011-47243749



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The Board of Directors of the Demerged Company shall have the absolute right to include or exclude any product or service from the definition of "Retail Undertaking" and the determination of the Assets or Liabilities pertaining to or relating to the Retail Undertaking, as of the Appointed Date, shall be made in accordance with such determination of the Board of Directors of the Demerged Company. Any issue as to whether any Asset or Liability pertains to or is relating to the Retail Undertaking or not shall be solely decided by the Board of Directors of the Demerged Company, on the basis of evidence that they may deem relevant for the purpose (including the books or records of the Demerged Company);

- (c) "BPDM Undertaking" means and includes all the activities, business, operations and undertakings of, and relating to, the distribution and marketing activities of the building products division of the Demerged Company, including storing, transporting, selling, distributing and trading in various building products like, sanitaryware, faucets, UPVC and CPVC pipes, tiles, fittings and other wellness and allied products, including water closets, wash basins, pedestals, squatting pans, urinals, cisterns, bidets, showers, bathroom faucets, kitchen faucets, bath tubs, shower panels, shower enclosures, whirlpools, steam generators, concealed cisterns, seat covers and PVC cisterns etc., through its chain of distributors, dealers, sub-dealers, display centers, modern trade channels, e-commerce, etc., relating to the sale of such products of the building products division. Without prejudice and limitation to the generality of the above, the BPDM Undertaking means and includes, without limitation, the following:
- (i) all Assets pertaining to or relating to the BPDM Undertaking, wherever situated, including but not limited to all trademarks, trademark applications, trade names, and other Intellectual Property Rights that are determined by the Board of Directors of the Demerged Company as relating to the BPDM Undertaking (including, but not limited to, the registered trademarks identified in Schedule I of the Proposed Scheme),
- (ii) all permits, licenses, permissions, approvals, consents, municipal permissions, benefits, registrations, rights, entitlements, certificates, clearances, authorities, allotments, quotas, no-objection certificates and exemptions pertaining to the BPDM Undertaking, including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereof, including applications made in relation thereto,
- (iii) all contracts, tenancies, agreements, memoranda of understanding, leases, leave and licenses, bids, tenders, expressions of interest, letters of intent, commitments (including to clients and other third parties), hire purchase arrangements, purchase orders, invoices, assignments, grants, engagements, powers of attorney, other arrangements, undertakings, deeds, bonds, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise, in connection with, or relating to, the BPDM Undertaking,



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- (iv) taxes, share of advance tax, tax deducted at source and minimum alternate tax credits (including but not limited to credits in respect of any indirect taxes, including goods and services tax (GST)), deferred tax benefits and other benefits in respect of the BPDM Undertaking, cash balances, bank accounts and bank balances, in connection with or relating to the BPDM Undertaking,
- (v) all books, records, files, papers, governance templates and process information, records of standard operating procedures, computer programmes along with their licenses, manuals and back up copies, advertising materials, and other data and records whether in physical or electronic form, directly or indirectly in connection with or relating to the BPDM Undertaking,
- (vi) employees of the Demerged Company that are determined by the Board of Directors of the Demerged Company, to be substantially engaged in or in relation to the BPDM Undertaking, on the date immediately preceding the Effective Date and contributions, if any, made towards any insurance, provident fund, employees state insurance, gratuity fund, labour welfare fund, staff welfare scheme or any other special schemes, funds or benefits, existing for the benefit of such employees, together with such of the investments made by these Funds, which are relatable to such Transferred Employees,
- (vii) all Liabilities, present, future and the contingent, pertaining to or relatable to the BPDM Undertaking,
- (viii) all legal, tax, regulatory, quasi-judicial, administrative or other proceedings (including arbitrations and show cause notices) of whatsoever nature, by or against the Demerged Company, pending as on the Appointed Date and relating to the BPDM Undertaking, and
- (ix) any other Asset or Liability specifically allocated by the Board of Directors of the Demerged Company as relating to or belonging to the BPDM Undertaking,

The Board of Directors of the Demerged Company shall have the absolute right to include or exclude any product or service from the definition of "BPDM Undertaking" and the determination of the Assets or Liabilities pertaining to or relatable to the BPDM Undertaking, as of the Appointed Date, shall be made in accordance with such determination of the Board of Directors of the Demerged Company. Any issue as to whether any Asset or Liability pertains to or is relatable to the BPDM Undertaking or not shall be solely decided by the Board of Directors of the Demerged Company, on the basis of evidence that they may deem relevant for the purpose (including the books or records of the Demerged Company;

Santosh K. Singh & Co.

CA Santosh Partner
M.N. 502320
FRN 019877A

Corp office: G-9, H-3, Vardhman Plaza Tower, Netaji Subhash Place, Pitampura, New Delhi 110034; Phone no: 011-47243749



5th January, 2018

To,

Vishnu Vyas
Asst. Manager,
The National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East)
Mumbai 400 051

Sub: Complaints Report as per Annexure-III of SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017.

Dear Sir/ Madam,

We refer to our letter dated November 23, 2017, regarding submission of application under Regulation 37 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 for the Composite Scheme of Arrangement under Sections 230 to 232 of the Companies Act, 2013 read with Section 66 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, amongst HSIL Limited, Somany Home Innovation Limited, Brilloca Limited and their respective Shareholders and Creditors.

In continuation of the aforesaid, we are now submitting Complaint Report for the period from November 23, 2017 to January 04, 2018 as per Annexure-III of SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017.

We will be pleased to provide any clarification as you may require in this regard. We request you to kindly acknowledge the same.

Thanking you,

For HSIL Limited



Payal M Puri
(Company Secretary)

Encl: As Above

HSIL Limited

(An ISO 9001 14001 OHSAS 18001 Certified Company)

Corporate Office: 301-302, IIIrd Floor Park Centra, Sector-30, NH-8, Gurgaon, Haryana - 122 001. T +91-124-4779200, F +91-124-4292898/99

Registered Office: 2, Red Cross Place, Kolkata, West Bengal - 700 001. T +91-33-22487406/07, F +91-33-22487045

marketing@hindware.co.in | www.hindwarehomes.com | CIN No. - L51433WB1960PLC024539



Complaints Report
(For the period form 23rd November, 2017 to 4th January, 2018)

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	4
2.	Number of complaints forwarded by Stock Exchange	NIL
3.	Total Number of complaints/comments received (1+2)	4
4.	Number of complaints resolved	4
5.	Number of complaints pending	NIL

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	Ms. Neeta Dipak Panchal	11.12.2017	Resolved
2.	Ms. Rajni Gujral	11.12.2017	Resolved
3.	Mr. Arvind Y. Gawde	12.12.2017	Resolved
4.	Ms. Sandhya Gandhi	23.12.2017	Resolved

For HSIL Limited



Payal M. Puri
(Company Secretary)

Name: Payal M. Puri
Address: 301-302, 3rd Floor, Park Centra, Sector 30, NH-8, Gurugram -122001
Membership No. 16068

HSIL Limited

(An ISO 9001 14001 OHSAS 18001 Certified Company)

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Date: 18th January, 2018

To:

Vishnu Vyas
Asst. Manager,
The National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East)
Mumbai 400 051

Sub: Application under Regulation 37 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the purpose of obtaining ‘no-objection letter’ for, the Composite Scheme of Arrangement, under Sections 230 to 232 of the Companies Act, 2013 read with Section 66 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, amongst HSIL Limited, Somany Home Innovation Limited, Brilloca Limited and their respective Shareholders and Creditors. (Hereinafter refer to as the Scheme)

Dear Sir,

This is in reference to your letter dated January 16, 2018 (Ref: NSE/LIST/14158), whereby you have sought certain clarifications and further information / documents to process our application for seeking “no-objection” to the Composite Scheme of Arrangement.

In this regard, please note the following:

That no disciplinary action has been taken against any of the Companies mentioned below by Stock Exchanges or any other regulatory authority.

Resulting Company 1

a.	Company	Somany Home Innovation Limited
b.	Companies under same management	HSIL Limited (Holding Company) Brilloca Limited (Wholly Owned Subsidiary of Somany Home Innovation Limited), Hindware Home Retail Private Limited, Luxxis Heating Solutions Private Limited (incorporated on 26 th December, 2017)
c.	Promoters and promoting companies	HSIL Limited
d.	Directors of the Company	Mr. Sandip Somany, Mr. G.L.Sultani and Mr. N.K.Goenka
e.	Companies promoted by the promoters of the company	Hindware Home Retail Private Limited Luxxis Heating Solutions Private Limited (incorporated on 26 th December, 2017)
f.	Subsidiaries and Associate companies	Brilloca Limited (Wholly Owned Subsidiary of Somany Home Innovation Limited)

HSIL Limited

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India's most awarded & certified bathroom products company

Resulting Company 2

a.	Company	Brilloca Limited
b.	Companies under same management	HSIL Limited (Holding Company) Somany Home Innovation Limited((Wholly Owned Subsidiary of HSIL Limited), Hindware Home Retail Private Limited, Luxxis Heating Solutions Private Limited (incorporated on 26 th December, 2017)
c.	Promoters and promoting companies	Somany Home Innovation Limited
d.	Directors of the Company	Mr. Sandip Somany, Mr. G.L.Sultani and Mr. N.K.Goenka
e.	Companies promoted by the promoters of the company	Not Applicable
f.	Subsidiaries and Associate companies	Not Applicable

Kindly provide clarification with respect to Ashok Jaipuria whether he is disqualified from Directorship as per watchout investor records.

This seems to be a case of similar name, in the watchout investor list. The name mentioned in the said list is Mr. Akash Ashok Jaipuria, having a different DIN No. Accordingly, Mr. Ashok Jaipuria, Director of the Company is not disqualified from Directorship.

Please take the above information non record.

Thank you,

For **HSIL Limited**,



Name: Payal M Puri
Designation: Company Secretary



SANTOSH K SINGH & CO.

Chartered Accountants

Off. Add. : G-9, H-3, Vardhman Plaza Tower, Netaji Subhash Place,
Pitampura, New Delhi-110034

Phone : +91-011-47243749 (M) : 9212074473, 9810265710

E-mail : admin@santoshksingh.com

URL : www.santoshksingh.com

December 11, 2017

To,

The Board of Directors

HSIL Limited

2, Red Cross Place,

Kolkata- 700001, West Bengal

Dear Sir (s),

Re: Recommendation of Share Entitlement Ratio for the purpose of demerger of the Consumer Products Distribution and Marketing Undertaking (hereinafter referred to as "CPDM Undertaking") and the Retail Undertaking of HSIL Limited to Somany Home Innovation Limited, and Demerger of Building Products Distribution and Marketing Undertaking (hereinafter referred to as "BPDM Undertaking") of HSIL Limited to Brilloca Limited.

We refer to our Engagement Letter dated September 8, 2017 confirming our appointment to provide our recommendation on the Share Entitlement Ratio for the proposed demerger of

- CPDM Undertaking and Retail Undertaking (as more particularly defined in the Composite Scheme of Arrangement and hereinafter referred to as "**Demerged Undertaking 1**") from HSIL Limited (hereinafter referred to as "**HSIL**" or the "**Company**" or "**Demerged Company**") to Somany Home Innovation Limited (hereinafter referred to as "**Somany Home**" or "**Resulting Company 1**"), a wholly owned subsidiary of HSIL; and
- BPDM Undertaking (as more particularly defined in the Composite Scheme of Arrangement and hereinafter referred to as "**Demerged Undertaking 2**") from HSIL Limited to Brilloca Limited (hereinafter referred to as "**Resulting Company 2**"), a wholly owned subsidiary of Resulting Company 1,

pursuant to the Composite Scheme of Arrangement under the provisions of Sections 230 – 232 of the Companies Act 2013 (hereinafter referred to as "**Act**") read with Section 66 of the Act and other applicable provisions of the Act, as may be applicable (hereinafter referred to as "**Scheme**"), with effect from the Appointed Date, i.e., 1st April 2018 or such other date as may be fixed or approved by the National Company Law Tribunal (hereinafter referred to as "**NCLT**"). As per the terms of our engagement, we are enclosing our valuation report as under.



*(Demerged Company, Resulting Company 1 and Resulting Company 2 being hereinafter individually referred to as **Company** and collectively referred to as the **Companies**; and Demerged Undertaking 1, Demerged Undertaking 2 and Remaining Undertaking (as defined in the Scheme) being hereinafter individually referred to as **Undertaking** and collectively referred to as the **Undertakings**)*

It is further submitted that Paragraph 4(a) of Part I of Annexure I of SEBI Circular no. CFD/DIL3/CIR/2017/21, dated March 10, 2017 ("SEBI Circular") requires all listed companies to submit a valuation report from an independent chartered accountant. However, as per Paragraph 4(b) of Part I of Annexure I of the SEBI Circular, valuation report is not required to be submitted in cases where there is no change in the shareholding pattern of the listed entity or resultant companies.

The SEBI Circular further clarifies that a 'change in the shareholding pattern' shall mean:

- (i) change in the proportion of shareholding of any of the existing shareholders of the listed entity in the resultant company; or
- (ii) new shareholder being allotted equity shares of the resultant company; or
- (iii) existing shareholder exiting the company pursuant to the Scheme of Arrangement.

Further, the SEBI Circular contains the following example, illustrating 'no change in shareholding pattern':

In case a listed entity (say, "entity A") demerges a unit and makes it a separate company (say, "entity B"):

- (a) if the shareholding of entity B is comprised only of the shareholders of entity A; and
- (b) if the shareholding pattern of entity B is the same as in entity A; and
- (c) every shareholder in entity B holds equity shares in the same proportion as held in entity A before the demerger.

I. SCOPE AND PURPOSE OF THE REPORT

We understand that as a part of a business restructuring exercise, the Management of HSIL (hereinafter referred to as "**Management**") is considering

- demerger of CPDM Undertaking and Retail Undertaking of HSIL into its wholly owned subsidiary, Resulting Company 1, on a going concern basis through the Scheme;
- demerger of BPDM Undertaking of HSIL into Resulting Company 2 (a wholly owned subsidiary of Resulting Company 1), on a going concern basis through a Scheme;
- on the Scheme becoming effective, cancellation of the existing equity share capital of Resulting Company 1 which is held by HSIL; and



- on the Scheme becoming effective issuance of equity shares of Resulting Company 1 to the equity shareholders of HSIL, as consideration for the demerger of Demerged Undertaking 1 and Demerged Undertaking 2 into Resulting Company 1 and Resulting Company 2.

Therefore, the Management has requested Santosh K Singh & Co, Chartered Accountants ("SKS") to provide recommendation on the Share Entitlement Ratio for the proposed demerger of Demerged Undertaking 1 into Resulting Company 1 and Demerged Undertaking 2 into Resulting Company 2, on the coming into effect of the Scheme, with effect from the Appointed Date. In this connection, SKS has been requested by HSIL to submit a report recommending a Fair Share Entitlement Ratio in the connection with the Scheme, for the consideration of the Board of Directors of HSIL. This report will be placed before the Audit Committee of HSIL and the Board of Directors of HSIL. Further, it will be subsequently used for onward submission with the stock exchanges, regulatory authorities and NCLT, for the purpose of the Scheme.

The scope of our services is to conduct relative valuation for recommending a Fair Share Entitlement Ratio for the Scheme in accordance with generally accepted professional standards.

We have considered projected financial statements and other information relating to the Companies upto March 31, 2018 (hereinafter referred to as "Valuation Date") in our analysis and adjustments for facts made known (past or future) to us till the date of our report. The Management has informed us that they do not expect any events or changes in the business and the financial position of the Companies upto the Appointed Date of the Proposed Demerger, other than the events specifically mentioned in this report, which would have an impact on our recommendation set out in this report.

We have relied on the above while arriving at the Fair Share Entitlement Ratio for the Scheme.

In the following paragraphs, we have summarized our recommendation on the Share Entitlement Ratio together with the limitations on our scope of work. This report is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter. As such, the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

II. SOURCES OF INFORMATION

In connection with this exercise, we have received the following information from the Management:

- Corporate presentation of HSIL related to various businesses carried on by HSIL;
- the Scheme;
- Annual Report of HSIL for the year ended March 31, 2016 and March 31, 2017;
- Unaudited carved out financials of the Demerged Undertaking 1, Demerged Undertaking 2 and Remaining Undertaking for the year ended March 31, 2017;
- Projected financials of the Demerged Undertaking 1, Demerged Undertaking 2 and Remaining Undertaking of HSIL for the year ending March 31, 2018 to March 31, 2025;
- Discussions with the Management in connection with and information relating to the operations of the respective Companies and their business segments, past and present activities, future plans and prospects, tax positions, contingent liabilities, share capital and shareholding pattern, etc.; and
- Other relevant information and documents for the purpose of this engagement.



We have also obtained explanations and information considered reasonably necessary for our exercise, from the Management. The Management has been provided with the opportunity to review the draft report (excluding the recommended share entitlement ratio) for this engagement to make sure that factual inaccuracies are avoided in our final report.

III. BACKGROUND INFORMATION

- A. HSIL Limited, the Demerged Company, is a public limited company incorporated under the Companies Act, 1956, in the State of West Bengal. The registered office of HSIL is situated at 2, Red Cross Place, Kolkata, West Bengal - 700 001, India. HSIL was incorporated on February 8, 1960, under the name 'Hindusthan Twyford's Limited'. Subsequently, the name of HSIL was changed to 'Hindustan Sanitaryware & Industries Limited' with effect from May 3, 1969, and HSIL obtained a fresh certificate of incorporation from the Registrar of Companies, Kolkata, to the said effect. The name Hindustan Sanitaryware & Industries Limited was further changed to the present name HSIL Limited and a fresh certificate of incorporation was issued by the Registrar of Companies, Kolkata on March 24, 2009 in favour of HSIL. The Corporate Identity Number of HSIL is L51433WB1960PLC024539. The equity shares of HSIL are listed on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). HSIL is engaged in the business of manufacturing, selling and trading of building products, glass products, consumer products, plastic products and retail business. This *inter alia* includes, manufacturing, preparing, importing, exporting, buying, selling and otherwise dealing in all kinds of sanitaryware, faucets, other lifestyle products, consumer products, glass and plastic packaging material, plastic plumbing pipes and fittings and security caps and closures. HSIL also provides home interior solutions through its large retail store chain across India, under the brand name 'Evok'.
- B. Somany Home Innovation Limited, Resulting Company 1, was incorporated on September 28, 2017 under the Companies Act, 2013, in the State of West Bengal. The Corporate Identity Number of Resulting Company 1 is U74999WB2017PLC222970. The registered office of Resulting Company 1 is situated at 2, Red cross Place, Kolkata, West Bengal-700 001. Resulting Company 1 is a wholly owned subsidiary of HSIL. Resulting Company 1 is authorised by its memorandum of association to *inter alia* carry on the business of importing, exporting, buying, selling, processing, manufacturing and dealing in all kinds of kitchen products like kitchen-sinks, chimneys, hobs, kitchen appliances and faucets, including chromium-plated fittings, bath tubs & whirlpools, shower enclosures, home appliances, furniture of all kinds, electrical products like air purifier, water purifier, air cooler, water heater lamps etc., decorative materials and building chemicals and also products like fire bricks, fire clay, fire cement, tiles, sewers, pipes, drain pipes, stone pipes, hume pipes, concrete pipes and pipes of all kinds, pottery tiles, lime, cement, china and terracotta, ceramic wares, cement (ordinary white coloured portland alumina blast furnace, silica, etc.) and cement products of any description (pipes, poles, asbestos sheets, blocks tiles, garden wares, etc.).
- C. Brilloca Limited, Resulting Company 2, was incorporated on November 2, 2017 under the Companies Act, 2013, in the State of West Bengal. The Corporate Identity Number of Resulting Company 2 is U74999WB2017PLC223307. The registered office of Resulting Company 2 is situated at 2, Red cross Place, Kolkata, West Bengal-700 001. Resulting



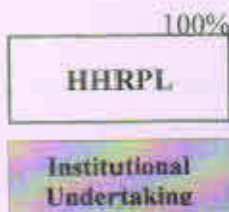
Company 2 is a wholly owned subsidiary of Resulting Company 1. Resulting Company 2 is authorised, by its memorandum of association, to *inter alia* carry on the business of importing, exporting, producing, refining, buying, selling, processing, manufacturing and dealing in all kinds of building material products like sanitary ware (including sanitary ware made of plastic, fiber glass or any other synthetic product), earthenware, stoneware, glass, china, terracotta, porcelain products, bricks, tiles, pottery, pipes, insulators refractories of all description and or by-products, thereof and faucets including chromium-plated fittings, bath tubs and whirlpools, shower enclosures, home appliances, electrical products, decorative materials and building chemicals and also products like fire bricks, fire clay, fire cement, tiles, sewers, pipes, drain pipes, stone pipes, hume pipes, concrete pipes and pipes of all kinds, pottery tiles, lime, cement, china and terracotta, ceramic wares, cement (ordinary white coloured Portland alumina blast furnace, silica, etc.), cement products of any description (pipes, poles, asbestos sheets, blocks tiles, garden wares, etc.).

D. The salient features of the scheme are as follows:

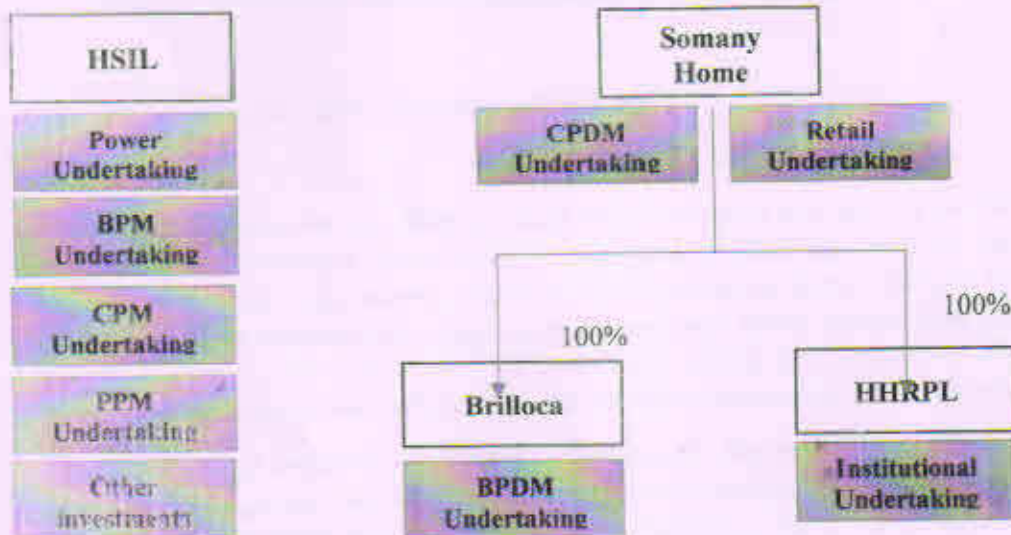
- a. The CPDM Undertaking and Retail Undertaking will be demerged into Resulting Company 1;
- b. The BPDM Undertaking will be demerged into Resulting Company 2;
- c. On the Scheme becoming effective, cancellation of the existing share capital Resulting Company 1, being held by the Demerged Company, as an integral part of Scheme in accordance with provisions of Section 66 of the Companies Act, 2013, and any other applicable provisions of the Act and the order of NCLT sanctioning the Scheme shall be deemed to be also the order under the aforesaid applicable provisions of the Act for the purpose of confirming the reduction. The reduction would not involve either a diminution of liability in respect of unpaid share capital or payment of paid-up share capital, and the provisions of Section 66 of the Companies Act, 2013 will not be applicable. This would enable all shareholders of HSIL in holding equity shares in Resulting Company 1 in the same ratio as that of HSIL.
- d. On the Scheme becoming effective, the equity shareholders of HSIL will be issued equity shares of Resulting Company 1, consequent to the demerger of Demerged Undertaking 1 into Resulting Company 1 and Demerged Undertaking 2 into Resulting Company 2.
- e. The demerger as aforesaid will be carried as per the provisions of Section 2(19AA) of the Income Tax Act which provides that all liabilities and assets relating to Demerged Undertakings as above will be transferred to the Resulting Company 1 and Resulting Company 2, respectively.

(i) Existing Structure, as provided by the Management





(ii) Indicative Resultant Structure, as provided by the Management



IV. RATIONALE FOR SCHEME

HSIL currently has business interests in diverse businesses such as:

- branding, marketing, sales, distribution, trading, service, etc. of various building products like sanitaryware, faucets, other lifestyle products, UPVC and CPVC pipes, fittings, tiles, etc., more particularly defined in the Scheme ("BPDM Undertaking");
- branding, marketing, sales, distribution, trading, service, etc. of various consumer products like air purifiers, air coolers, kitchen appliances, water heaters, exhaust fans, water purifiers etc., more particularly defined in the Scheme ("CPDM Undertaking");



- (c) retail business, consisting of branding, marketing, sales, distribution, trading, service, etc. of furniture, furnishings, home décor, etc., more particularly defined in the Scheme ("**Retail Undertaking**");
- (d) manufacturing of building products like sanitaryware, faucets, UPVC and CPVC pipes, fittings, etc. ("**Building Products Manufacturing Undertaking**" or "**BPM Undertaking**");
- (e) manufacturing of certain specified consumer products like water heaters (hereinafter referred to as "**Consumer Products Manufacturing Undertaking**" or "**CPM Undertaking**");
- (f) manufacturing and supply of packaging products like glass bottles, PET bottles, security caps and closures ("**Packaging Products Manufacturing Undertaking**" or "**PPM Undertaking**"); and
- (g) wind power generation ("**Power Undertaking**").

The aforesaid businesses have been nurtured over a period of time and are currently at different stages of growth. The Demerged Undertaking 1, Demerged Undertaking 2 and the Remaining Undertaking have distinct capital requirements, nature of risk, competition, human skill-set requirements, etc. The segregation of businesses as envisaged in the Scheme will enable sharper focus and better alignment of the businesses to its customers. It shall also enable the respective businesses to improve competitiveness, operational efficiencies and strengthen its position in the relevant marketplace.

The Scheme shall enable the Demerged Undertaking 1, Demerged Undertaking 2 and the Remaining Undertaking to attract interest of such investors and strategic partners having the necessary ability, experience and interests and shall provide an opportunity to the investors to select investments which best suit their investment strategies and risk profiles.

The implementation of this Scheme will result in:

- creation of separate and distinct entities housing the Demerged Undertaking 1, Demerged Undertaking 2 and the Remaining Undertaking;
- optimal monetisation and development of each of the respective businesses, including by attracting focused investors and strategic partners having the necessary ability, experience and interests in the relevant sectors;
- dedicated and specialised management focus on the specific needs of the respective businesses; and
- benefit to all stakeholders, leading to growth and value creation in long run and maximising the value and return to the shareholders, unlocking intrinsic value of HSIL's assets, achieving cost efficiencies and operational efficiencies.



V. CAPITAL STRUCTURE OF DEMERGED COMPANY, RESULTING COMPANY 1 AND RESULTING COMPANY 2

A. As on October 31, 2017, the capital structure of HSIL is as under:

A. Authorised Share Capital		Amount (in Rs.)
11,12,50,000 Equity Shares of Rs. 2 each		22,25,00,000
Total		22,25,00,000
B. Issued, Subscribed and Paid-up Share Capital		Amount (in Rs.)
7,22,96,395 Equity Shares of Rs. 2 each		14,45,93,000
Add: Forfeited Share Capital		4000
Total		14,45,97,000

The Management has represented that there are no outstanding instruments convertible into equity shares issued by HSIL as of the date of issue of this report, which would impact the number of equity shares of HSIL.

B. As on October 31, 2017, the capital structure of Resulting Company 1 is as under:

Authorised Share Capital		Amount (in Rs.)
50,00,000 Equity Shares of Rs. 2 each		1,00,00,000
Total		1,00,00,000
Issued, Subscribed and Paid-up Share Capital		Amount (in Rs.)
5,00,000 Equity Shares of Rs. 2 each		10,00,000
Total		10,00,000

We have been informed that Resulting Company 1 would increase its authorised share capital, to the extent required under the Scheme, to accommodate the fresh issuance of its equity shares to HSIL upon approval of demerger of Demerged Undertaking 1.



C. As on November 8, 2017, the capital structure of Resulting Company 2 is as under:

Authorised Share Capital	Amount (in Rs.)
5,00,000 Equity Shares of Rs. 2 each	10,00,000
Total	10,00,000
Issued, Subscribed and Paid-up Share Capital	Amount (in Rs.)
5,00,000 Equity Shares of Rs. 2 each	10,00,000
Total	10,00,000

VI. APPROACH - BASIS FOR PROPOSED DEMERGER

The Scheme contemplates the proposed demerger of the Undertakings pursuant to the Composite Scheme of Arrangement under the relevant provisions of the Act. Arriving at the Fair Share Entitlement Ratio for the Proposed Demerger would require determining the relative values of the concerned businesses and shares of the companies. These values are to be determined independently but on a relative basis, and without considering the effect of the Proposed Demerger.

The Proposed Demerger envisages the demerger of the Demerged Undertaking 1 into Resulting Company 1 and Demerged Undertaking 2 into Resulting Company 2 respectively, with equity shares of Resulting Company 1, being issued to the shareholders of HSIL for transfer of the Demerged Undertakings. This requires the relative valuation of the relevant Businesses of Demerged Undertaking 1, Demerged Undertaking 2 and Remaining Undertaking of HSIL for determination of a Fair Share Entitlement Ratio for the Proposed Demerger.

There are several commonly used and accepted methods for determining the Fair Share Entitlement Ratio for the Proposed Demerger, which have been considered in the present case, to the extent relevant and applicable, including:

1. Net Asset Value method
2. Comparable Companies' Multiples method / Earnings Capitalisation Value method
3. Market Price method
4. Discounted Cash Flows method

It should be understood that the valuation of any company or its assets is inherently subjective and is subject to certain uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we made assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of the companies. In addition, this valuation will fluctuate with changes in prevailing market conditions, the conditions and prospects, financial and otherwise, of the companies, and other factors which generally influence the valuation of companies and their assets.



The application of any particular method of valuation depends on the purpose for which the valuation is done. Although different values may exist for different purposes, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose. Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for transactions of a similar nature and our reasonable judgment, in an independent and bona fide manner based on our previous experience of assignments of a similar nature.

Net Asset Value (NAV) Method

The asset based valuation technique is based on the value of the underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis. The Net Asset Value ignores the future return the assets can produce and is calculated using historical accounting data that does not reflect how much the business is worth to someone who may buy or invest in the business as a going concern. This valuation approach is therefore mainly used in case where the firm is to be liquidated or in case where the asset base dominates earnings capability. A scheme of demerger would normally be proceeded with, on the assumption that the companies / businesses demerge as going concerns and an actual realization of the operating assets is not contemplated. The operating assets are therefore considered at their book values. In such a going concern scenario, the relative earning power is of importance to the basis of demerger, with the values arrived at on the net asset basis being of limited relevance.

We have been provided with projected balance sheets of the Demerged Undertaking 1, Demerged Undertaking 2 and Remaining Undertaking of HSIL as at March 31 2018. We have computed the Net Asset Value of these businesses accordingly and for the reasons mentioned above, we have considered it appropriate only to keep the values under this method in the background for our analysis.

Comparable Companies' Multiple (CCM) / Earnings Capitalisation Value Method (ECV)

Under the CCM / ECV method, value of the equity shares of a company is arrived at by using multiples / capitalization rates derived from valuations of comparable companies, as manifest through stock market valuations of listed companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples / capitalization rates need to be chosen carefully and adjusted for differences between the circumstances.

We have performed a search for suitable comparable companies for the Undertakings to derive an appropriate capitalization rate / multiple. In case of Demerged Undertaking 1 and Demerged Undertaking 2, there are no listed closely comparable companies which are primarily engaged in the similar businesses though there are listed comparable which have divisions engaged in the similar businesses and their combined earning multiple cannot be applied to the business earning of Demerged Undertaking 1 and Demerged Undertaking 2. In the circumstances, we have considered it appropriate not to apply this method in the present exercise.

Market Price Method



The market price of an equity share as quoted on a stock exchange is normally considered as the value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares. But there could be situations where the value of the share as quoted on the stock market would not be regarded as a proper index of the fair value of the share especially where the market values are fluctuating in a volatile capital market. Further, in the case of a merger, where there is a question of evaluating the shares of one company against those of another, the volume of transactions and the number of shares available for trading on the stock exchange over a reasonable period would have to be of a comparable standard. This method would also cover any other transactions in the shares of the company including primary / preferential issues / open offer in the shares of the company as envisaged in the overall scheme of arrangement and reported to the stock exchanges / available in the public domain.

In the present case, the shares of HSIL are listed on NSE and BSE and well traded on these stock exchanges, however, the valuation of the Demerged undertaking 1, Demerged Undertaking 2 and Remaining Undertaking cannot be calculated using the same market price and doing the split of the same on certain parameters as the different business segments have their different risk and rewards. We have computed the market value of HSIL and for the reasons mentioned above, we have considered it appropriate only to keep the value under this method in the background for our analysis.

Discounted Cash Flows (DCF) Method

The DCF method uses the future free cash flows of the firm discounted by the cost of capital to arrive at the present value. In general, the DCF method is a strong and widely accepted valuation tool, as it concentrates on cash generation potential of a business. Considering that this method is based on future potential and is widely accepted, we have used this approach in the valuation in the present exercise.

Using the DCF analysis involves determining the following: Estimating future free cash flows:

- Free cash flows are the cash flows expected to be generated by the company that are available to all providers of the company's capital — both debt and equity.
- Appropriate discount rate to be applied to cash flows i.e. the cost of capital:

This discount rate, which is applied to the free cash flows, should reflect the opportunity cost to all the capital providers (namely shareholders and creditors), weighted by their relative contribution to the total capital of the company. The opportunity cost to the capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk.

To arrive at the total value available to the equity shareholders of HSIL, the values arrived above under DCF method are adjusted for, inter-alia, the value of loans, cash, surplus / non-operating assets/liabilities(if any) as deemed appropriate for the purpose of our valuation analysis.

VII. BASIS OF PROPOSED SHARE ENTITLEMENT RATIO

The fair basis for the Proposed Demerger would have to be determined after taking into consideration all the factors and methodologies mentioned hereinabove. Though different values have been arrived at



under each of the above methodologies, for the purposes of recommending a Share Entitlement Ratio, it is necessary to arrive at a single value for the shares of the concerned undertakings. It is however important to note that in doing so, we are not attempting to arrive at the absolute equity values of the shares of the Undertakings but at their relative values to facilitate the determination of the share entitlement ratio. For this purpose, it is necessary to give appropriate weights to the values arrived at under each methodology.

We have carried out a relative valuation of the equity values of the Undertakings and have given weights to the values arrived at under different methodologies, based on their evaluation and judgement of the businesses of the Undertakings, in order to arrive at the relative values of the Undertakings in order to arrive at the Fair Share Entitlement Ratio for the Proposed Demerger.

In the ultimate analysis, valuation will have to be arrived at by the exercise of judicious discretion by the valuers and judgments taking into account all the relevant factors. There will always be several factors, e.g. quality of the management, present and prospective competition, yield on comparable securities and market sentiment, etc. which are not evident from the face of the balance sheets but which will strongly influence the worth of a business. This concept is also recognised in judicial decisions.

The Fair Share Entitlement Ratio has been arrived at on the basis of a relative valuation of Undertakings based on the various methodologies explained herein earlier and various qualitative factors relevant to each Undertaking and the business dynamics and growth potentials of the businesses of the Undertakings, having regard to information base, key underlying assumptions and limitations.

We have considered the following additional factors while arriving at the Share Entitlement Ratio for the proposed demerger of CPDM Undertaking & Retail Undertaking and BPDM Undertaking of HSIL into Resulting Company 1 and Resulting Company 2 respectively:

- A. Capital employed in the business;
- B. Equity servicing capacity, and
- C. Shareholders' profile and other relevant factors.

We are given to understand by the Management that the demerger of Demerged Undertaking 1 and Demerged Undertaking 2 will be as per requirement of the Section 2(19AA) of the Income tax Act, 1961. Accordingly, HSIL will transfer the assets and liabilities of Demerged undertaking 1 and Demerged Undertaking 2 to Resulting Company 1 and Resulting Company 2, respectively, at Book Value (as defined in the Scheme). Further, we understand that the shareholders of HSIL would be entitled to shares of Resulting Company 1 in the same proportion which they currently own shares directly in HSIL.

VIII. RECOMMENDED RATIO

It may be noted that any proposed share entitlement ratio for the Demerger can be considered as fair and reasonable, only if the proposed share entitlement ratio to be adopted does not result in any adverse consequence to the shareholders of HSIL.



Considering that ultimate shareholding of Demerged Undertaking 1 and Demerged Undertaking 2 would not change on account of the Scheme, the proposed Demerger of Demerged Undertaking 1 into Resulting Company 1 and demerger of Demerged Undertaking 2 into Resulting Company 2 would be value-neutral to ultimate shareholders of HSIL. Once the Scheme is implemented, all the equity shareholders of HSIL would be allotted equity shares of Resulting Company 1 besides their existing equity holding in HSIL. No shareholder is, under the Scheme, required to dispose-off any part of its shareholding either to any of the other shareholders or in the market or otherwise. The proposed demerger does not envisage the dilution of the effective holding of any one or more shareholders as a result of the operation of the Scheme.

The Computation of Share Entitlement ratio has been given as under:

	HSIL Remaining Undertaking (A)		Demerged Undertaking 1 (B)		Demerged Undertaking 2 (C)	
	Weight	Value (Rs. Lacs)	Weight	Value (Rs. Lacs)	Weight	Value (Rs. Lacs)
Equity Values						
Discounted Cash Flow Method	100%	1,76,258	100%	54,182	100%	1,73,857
Net Assets Value Method	0%	1,23,671	0%	8,998	0%	20,809
Weighted average Equity Value		1,76,258		54,182		1,73,857
Less holding company discount					30%	52,157
Comparative Value (A Vs B+C)		1,76,258		54,182		1,21,700
Comparative Ratio		1,76,258		1,75,882		
Share Entitlement ratio		1.002		1		
Share Entitlement ratio (Rounded off)		1.0		1		

In the light of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, in our opinion, the Fair Share Entitlement Ratio for the Scheme is as follows:

"Fair Share Entitlement Ratio for the Proposed Demerger – 1 (one) Equity Share of Rs. 2 each of Resulting Company 1 to be issued against 1 (one) Equity Share of face value of Rs. 2 each of HSIL"

On the coming into effect of the scheme,

(a) the shareholding of Somany Home Innovation Limited will be a mirror image of the shareholding of HSIL Limited, as on the record date. In the instant case, the shareholding of the shareholders of the parent listed company (being HSIL Limited) shall not be affected and additionally, same number of equity shares shall be allotted to them in Somany Home Innovation Limited. So there will be no change in the shareholding pattern; and

(b) there will be no change in the shareholding of Brilloca Limited, which will continue to remain a wholly owned subsidiary of Somany Home Innovation Limited.

Accordingly, considering that the ultimate shareholding of the shareholders in HSIL shall be replicated in the Somany Home Innovation Limited, the Scheme would be value neutral to the ultimate shareholders of HSIL Limited.



IX. SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATION, EXCLUSION AND DISCLAIMERS

Valuation analysis and result are specific to the purpose of valuation as agreed per terms of our engagement. It may not be valid for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity. The valuation analysis and result are substantively based only on information contained in this report and are governed by concept of materiality.

The opinion(s) rendered in this report only represent the opinion(s) of SKS based upon information furnished by the Management and other sources and the said opinion(s) shall be considered advisory in nature. Our opinion will however not be for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors.

In the course of the valuation, SKS was provided with both written and verbal information, including market, technical, financial and operating data. We have however, evaluated the information provided to us by the Management through broad inquiry (but have not carried out a due diligence or audit of the Companies/Undertakings) for the purpose of this engagement, nor have we independently investigated or otherwise verified the data provided). Through the above evaluation, nothing has come to our attention to indicate that the information provided was materially mis-stated/incorrect or would not afford reasonable grounds upon which to base the report. We do not imply and it should not be construed that we have verified any of the information provided to us, or that our inquiries could have verified any matter, which a more extensive examination might disclose. We were entitled to rely upon the information provided by the Management without detailed inquiry. Also, we have been given to understand by the Management that it has made sure that no relevant and material factors have been omitted or concealed or given inaccurately by people assigned to provide information and clarifications to us for this exercise and that it has checked out relevance or materiality of any specific information to the present exercise with us in case of any doubt. Accordingly, we do not express any opinion or offer any form of assurance regarding its accuracy and completeness. Our conclusions are based on these assumptions and other information given by/on behalf of the Management. The Management has indicated to us that it has understood that any omissions, inaccuracies or misstatements may materially affect our fairness opinion analysis/results. Accordingly, we assume no responsibility for any errors in the above information furnished by the Management and their impact on the present exercise. Also, we assume no responsibility for technical information furnished and believed to be reliable.

No enquiry into Companies'/Undertaking's claim to title of assets or property has been made for the purpose of this fairness opinion. With regard to Companies'/'Undertaking's claim to title of assets or property, we have relied solely on representations, whether verbal or otherwise, made by the Management to us for the purpose of this report. We have not verified such representations against any title documents or any agreements evidencing right or interest in or over such assets or property, and have assumed Companies'/'Undertaking's claim to such rights, title or interest as valid for the purpose of this report. No information has been given to us about liens or encumbrances against the assets, if any, beyond the loans disclosed in the accounts. Accordingly, no due diligence into any right, title or interest in property or assets was undertaken and no responsibility is assumed in this respect or in relation to legal validity of any such claims.

Our report is neither recommending nor should it be construed as our recommending the proposed demerger or opining or certifying the compliance of the proposed demerger with the provisions of any



law including companies, taxation and capital market related laws or as regards any legal implications or issues arising from such proposed demerger.

The fee for the report is not contingent upon the results reported.

We owe responsibility to only the directors of the Company that has retained us and nobody else. We do not accept any liability to any third party in relation to the issue of this report, and our report is conditional upon an express indemnity from the Company in our favor holding us harmless from and against any cost, damage, expense and other consequence in connection with the provision of this report. This report is subject to the laws of India. Our liability would be limited to the fee received by us from the present exercise.

Neither the report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, other than for submission to NCLT, BSE Limited, National Stock Exchange Limited, other regulatory authorities and inspection by shareholders in connection with the proposed demerger, without our prior written consent. In addition, we express no opinion or recommendation as to how the shareholders of Companies should vote at any shareholders' meeting(s) to be held in connection with the proposed demerger.

Yours faithfully,

Santosh K Singh & Co., Chartered Accountants

FRN 019877N




CA. Santosh Kumar Singh

Partner

M. No. 502320

Place: New Delhi

Date: Dec 11, 2017

Annexure 1 Definition of Demerged Undertaking 1 and Demerged Undertaking 2, basis the Extract of the Scheme

- (a) **“CPDM Undertaking”** means and includes all the activities, business, operations and undertakings of, and relating to, the distribution and marketing activities of the consumer products division of the Demerged Company, including storing, transporting, selling, distributing and trading in various consumer products like kitchen appliances, cooktops, chimneys, vents, hobs, water heaters, water purifiers, air coolers, air purifiers and water purifiers, through its chain of distributors, dealers, sub-dealers, display centers, modern trade channels, e-commerce etc., relating to the sale of such products of the consumer products division. Without prejudice and limitation to the generality of the above, the CPDM Undertaking means and includes, without limitation, the following:
- (i) all Assets pertaining to or relatable to the CPDM Undertaking, wherever situated, including but not limited to all trademarks, trademark applications, trade names, and other Intellectual Property Rights that are determined by the Board of Directors of the Demerged Company as relating to the CPDM Undertaking (including, but not limited to, the registered trademarks identified in **Schedule II** of the Scheme),
 - (ii) all permits, licenses, permissions, approvals, consents, municipal permissions, benefits, registrations, rights, entitlements, certificates, clearances, authorities, allotments, quotas, no-objection certificates and exemptions pertaining to the CPDM Undertaking, including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereof, including applications made in relation thereto,
 - (iii) all contracts, tenancies, agreements, memoranda of understanding, leases, leave and licenses, bids, tenders, expressions of interest, letters of intent, commitments (including to clients and other third parties), hire purchase arrangements, purchase orders, invoices, assignments, grants, engagements, powers of attorney, other arrangements, undertakings, deeds, bonds, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise, in connection with, or relatable to, the CPDM Undertaking,
 - (iv) taxes, share of advance tax, tax deducted at source and minimum alternate tax credits (including but not limited to credits in respect of any indirect taxes, including goods and services tax (GST)), deferred tax benefits and other benefits in respect of the CPDM Undertaking, cash balances, bank accounts and bank balances, in connection with or relating to the CPDM Undertaking,
 - (v) all books, records, files, papers, governance templates and process information, records of standard operating procedures, computer programmes along with their licenses, manuals and back up copies, advertising materials, and other data and records whether in physical or electronic form, directly or indirectly in connection with or relating to the CPDM Undertaking,
 - (vi) employees of the Demerged Company that are determined by the Board of



Directors of the Demerged Company, to be substantially engaged in or in relation to the CPDM Undertaking, on the date immediately preceding the Effective Date and contributions, if any, made towards any insurance, provident fund, employees state insurance, gratuity fund, labour welfare fund, staff welfare scheme or any other special schemes, funds or benefits, existing for the benefit of such employees, together with such of the investments made by these Funds, which are relatable to such Transferred Employees,

- (vii) all Liabilities, present, future and the contingent, pertaining to or relatable to the CPDM Undertaking,
- (viii) all legal, tax, regulatory, quasi-judicial, administrative or other proceedings (including arbitrations and show cause notices) of whatsoever nature, by or against the Demerged Company, pending as on the Appointed Date and relating to the CPDM Undertaking, and
- (ix) any other Asset or Liability specifically allocated by the Board of Directors of the Demerged Company as relating to or belonging to the CPDM Undertaking,

The Board of Directors of the Demerged Company shall have the absolute right to include or exclude any product or service from the definition of "CPDM Undertaking" and the determination of the Assets or Liabilities pertaining to or relatable to the CPDM Undertaking, as of the Appointed Date, shall be made in accordance with such determination of the Board of Directors of the Demerged Company. Any issue as to whether any Asset or Liability pertains to or is relatable to the CPDM Undertaking or not shall be solely decided by the Board of Directors of the Demerged Company, on the basis of evidence that they may deem relevant for the purpose (including the books or records of the Demerged Company);

- (b) "**Retail Undertaking**" means and includes all the activities, business, operations and undertakings of and relating to retail business undertaking of the Demerged Company, including storing, transporting, selling, distributing and trading in furniture and home décor and other products, *inter alia*, under the 'EVOK' trademark, through its chain of retail outlets and also includes the franchise business of the Demerged Company. Without prejudice and limitation to the generality of the above, the Retail Undertaking means and includes, without limitation, the following:
 - (i) all Assets pertaining to or relatable to the Retail Undertaking wherever situated, including but not limited to all trademarks, trademark applications, trade names, and other Intellectual Property Rights that are determined by the Board of Directors of the Demerged Company as relating to the Retail Undertaking (including, but not limited to, the registered trademarks and copyrights identified in Schedule III of the Scheme),
 - (ii) all permits, licenses, permissions, approvals, consents, municipal permissions, benefits, registrations, rights, entitlements, certificates, clearances, authorities,



allotments, quotas, no-objection certificates and exemptions pertaining to the Retail Undertaking, including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereof, including applications made in relation thereto,

- (iii) all contracts, tenancies, agreements, memoranda of understanding, leases, leave and licenses, bids, tenders, expressions of interest, letters of intent, commitments (including to clients and other third parties), hire purchase arrangements, purchase orders, invoices, assignments, grants, engagements, powers of attorney, other arrangements, undertakings, deeds, bonds, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise, in connection with, or relating to, the Retail Undertaking,
- (iv) taxes, share of advance tax, tax deducted at source and minimum alternate tax credits (including but not limited to credits in respect of any indirect taxes, including goods and services tax (GST)), deferred tax benefits and other benefits in respect of the Retail Undertaking, cash balances, bank accounts and bank balances, in connection with or relating to the Retail Undertaking,
- (v) all books, records, files, papers, governance templates and process information, records of standard operating procedures, computer programmes along with their licenses, manuals and back up copies, advertising materials, and other data and records whether in physical or electronic form, directly or indirectly in connection with or relating to the Retail Undertaking,
- (vi) employees of the Demerged Company that are determined by the Board of Directors of the Demerged Company, to be substantially engaged in or in relation to the Retail Undertaking, on the date immediately preceding the Effective Date and contributions, if any, made towards any insurance, provident fund, employees state insurance, gratuity fund, labour welfare fund, staff welfare scheme or any other special schemes, funds or benefits, existing for the benefit of such employees, together with such of the investments made by these Funds, which are relating to such Transferred Employees,
- (vii) all Liabilities, present, future and the contingent, pertaining to or relating to the Retail Undertaking,
- (viii) all legal, tax, regulatory, quasi-judicial, administrative or other proceedings (including arbitrations and show cause notices) of whatsoever nature, by or against the Demerged Company, pending as on the Appointed Date and relating to the Retail Undertaking, and
- (ix) any other Asset or Liability specifically allocated by the Board of Directors of the Demerged Company as relating to or belonging to the Retail Undertaking,

The Board of Directors of the Demerged Company shall have the absolute right to include or exclude any product or service from the definition of "Retail Undertaking" and



the determination of the Assets or Liabilities pertaining to or relating to the Retail Undertaking, as of the Appointed Date, shall be made in accordance with such determination of the Board of Directors of the Demerged Company. Any issue as to whether any Asset or Liability pertains to or is relating to the Retail Undertaking or not shall be solely decided by the Board of Directors of the Demerged Company, on the basis of evidence that they may deem relevant for the purpose (including the books or records of the Demerged Company);

- (c) **“BPDM Undertaking”** means and includes all the activities, business, operations and undertakings of, and relating to, the distribution and marketing activities of the building products division of the Demerged Company, including storing, transporting, selling, distributing and trading in various building products like, sanitaryware, faucets, UPVC and CPVC pipes, tiles, fittings and other wellness and allied products, including water closets, wash basins, pedestals, squatting pans, urinals, cisterns, bidets, showers, bathroom faucets, kitchen faucets, bath tubs, shower panels, shower enclosures, whirlpools, steam generators, concealed cisterns, seat covers and PVC cisterns etc., through its chain of distributors, dealers, sub-dealers, display centers, modern trade channels, e-commerce, etc., relating to the sale of such products of the building products division. Without prejudice and limitation to the generality of the above, the BPDM Undertaking means and includes, without limitation, the following:
- (i) all Assets pertaining to or relating to the BPDM Undertaking, wherever situated, including but not limited to all trademarks, trademark applications, trade names, and other Intellectual Property Rights that are determined by the Board of Directors of the Demerged Company as relating to the BPDM Undertaking (including, but not limited to, the registered trademarks identified in **Schedule I** of the Scheme),
 - (ii) all permits, licenses, permissions, approvals, consents, municipal permissions, benefits, registrations, rights, entitlements, certificates, clearances, authorities, allotments, quotas, no-objection certificates and exemptions pertaining to the BPDM Undertaking, including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereof, including applications made in relation thereto,
 - (iii) all contracts, tenancies, agreements, memoranda of understanding, leases, leave and licenses, bids, tenders, expressions of interest, letters of intent, commitments (including to clients and other third parties), hire purchase arrangements, purchase orders, invoices, assignments, grants, engagements, powers of attorney, other arrangements, undertakings, deeds, bonds, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise, in connection with, or relating to, the BPDM Undertaking,
 - (iv) taxes, share of advance tax, tax deducted at source and minimum alternate tax credits (including but not limited to credits in respect of any indirect taxes, including goods and services tax (GST)), deferred tax benefits and other benefits in respect of the BPDM Undertaking, cash balances, bank accounts and bank



balances, in connection with or relating to the BPDM Undertaking,

- (v) all books, records, files, papers, governance templates and process information, records of standard operating procedures, computer programmes along with their licenses, manuals and back up copies, advertising materials, and other data and records whether in physical or electronic form, directly or indirectly in connection with or relating to the BPDM Undertaking,
- (vi) employees of the Demerged Company that are determined by the Board of Directors of the Demerged Company, to be substantially engaged in or in relation to the BPDM Undertaking, on the date immediately preceding the Effective Date and contributions, if any, made towards any insurance, provident fund, employees state insurance, gratuity fund, labour welfare fund, staff welfare scheme or any other special schemes, funds or benefits, existing for the benefit of such employees, together with such of the investments made by these Funds, which are relatable to such Transferred Employees,
- (vii) all Liabilities, present, future and the contingent, pertaining to or relatable to the BPDM Undertaking,
- (viii) all legal, tax, regulatory, quasi-judicial, administrative or other proceedings (including arbitrations and show cause notices) of whatsoever nature, by or against the Demerged Company, pending as on the Appointed Date and relating to the BPDM Undertaking, and
- (ix) any other Asset or Liability specifically allocated by the Board of Directors of the Demerged Company as relating to or belonging to the BPDM Undertaking,

The Board of Directors of the Demerged Company shall have the absolute right to include or exclude any product or service from the definition of "BPDM Undertaking" and the determination of the Assets or Liabilities pertaining to or relatable to the BPDM Undertaking, as of the Appointed Date, shall be made in accordance with such determination of the Board of Directors of the Demerged Company. Any issue as to whether any Asset or Liability pertains to or is relatable to the BPDM Undertaking or not shall be solely decided by the Board of Directors of the Demerged Company, on the basis of evidence that they may deem relevant for the purpose (including the books or records of the Demerged Company;





To,

Date- November 9, 2017

The Board of Directors,

HSIL Limited

2, Red Cross Place, Kolkata,

West Bengal - 700 001, India

Sub: Opinion on the share entitlement ratio on the proposed composite scheme of arrangement for demerger of Consumer Products Distribution & Marketing Undertaking and the Retail Undertaking from HSIL Limited to Somany Home Innovation Limited, and demerger of Building Products Distribution & Marketing Undertaking from HSIL Limited to Brilloca Limited.

Dear Members of the Board:

We understand that Board of Directors of HSIL Limited (here in after referred as "**Demerged Company**" or "**HSIL**") is considering a composite scheme of arrangement for demerger of Consumer Products Distribution and Marketing Undertaking (hereinafter referred as "**CPDM Undertaking**") and the Retail Undertaking from the Demerged Company to Somany Home Innovation Limited, a wholly owned subsidiary of the Demerged Company, and demerger of Building Products Distribution and Marketing Undertaking (hereinafter referred as "**BPDM Undertaking**") from the Demerged Company to Brilloca Limited, a wholly owned subsidiary of Somany Home Innovation Limited, with effect from the Appointed Date, i.e., 1st April 2018 or such other date as may be fixed or approved by the National Company Law Tribunal (hereinafter referred to as "**NCLT**"), through a composite scheme of arrangement under sections 230 – 232 of the Companies Act, 2013 (hereinafter referred to as "**Act**"), read with section 66 of the Act and other applicable provisions of the Act (hereinafter referred to as "**Proposed Scheme**").

The Proposed Scheme provides for -

- Demerger of CPDM Undertaking and Retail Undertaking (as more particularly defined in the Proposed Scheme and hereinafter referred as '**Demerged Undertaking 1**') of the Demerged Company into its wholly owned subsidiary, Somany Home Innovation Limited ("**Resulting Company 1**"), on a going concern basis;
- Demerger of BPDM Undertaking (as more particularly defined in the Proposed Scheme and hereinafter referred as '**Demerged Undertaking 2**') of the Demerged Company into Brilloca Limited ("**Resulting Company 2**"), a wholly owned subsidiary of the Resulting Company 1, on a going concern basis;
- On the coming into effect of the Proposed Scheme, cancellation of the existing share capital of Resulting Company 1, which is held by the Demerged Company;
- On the coming into effect of the Proposed Scheme, simultaneous with the cancellation of the share capital of Resulting Company 1 held by the Demerged Company, issuance of equity shares by the Resulting Company 1 to the shareholders of the Demerged Company, as per the terms and conditions more fully set forth in the Proposed Scheme, which shall be listed at BSE Limited and National Stock Exchange of India Limited (NSE) (the "**Stock Exchanges**"), where the shares of the Demerged Company are presently listed. Accordingly, post the

FINSHORE MANAGEMENT SERVICES LIMITED

(CIN : U74900WB2011PLC169377)

Registered Office: "Anandlok"

2nd Floor, Block-A, Room No. 207

227, A. J. C. Bose Road, Kolkata-700 020 West Bengal, Ind.

Ph: 033 2289 5101

Website : www.finshoregroup.com

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coming into effect of the Proposed Scheme, there would be mirror-image, proportionate shareholding of Demerged Company and Resulting Company 1, i.e., economic interest of each of the shareholders of the Demerged Company shall remain intact and in the same ratio; and

- e. Post the coming into effect of the Proposed Scheme, Resulting Company 2 will continue to remain wholly owned subsidiary of Resulting Company 1.

The share entitlement ratio for the Proposed Scheme has been determined by M/s Santosh K Singh & Co., Chartered Accountants, *vide* their valuation report dated [November 08, 2017].

In terms of Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (“**LODR Regulations**”) read with SEBI Circular No. CFD/ DIL3/CIR/ 2017/21 dated March 10, 2017, the listed companies undertaking a scheme of arrangement are required to submit to the stock exchanges, copy of fairness opinion obtained from the Merchant Banker on the valuation of shares / assets of the companies done by the independent valuer.

With reference to above, we, Finshore Management Services Limited, a SEBI Registered (Cat-I) Merchant Banker have been appointed by the Demerged Company to provide our fairness opinion on the same.

Brief background of the Companies involved in the Proposed Scheme, our opinion and basis for forming an opinion and caveats are as hereunder -

1. Background of companies:

1.1. **HSIL Limited**

HSIL Limited, the Demerged Company, is a public limited company incorporated under the Companies Act, 1956, in the State of West Bengal. The registered office of HSIL is situated at 2, Red Cross Place, Kolkata, West Bengal 700 001, India. HSIL was incorporated on February 8, 1960, under the name ‘Hindusthan Twyford’s Limited’. Subsequently, the name of HSIL was changed to ‘Hindustan Sanitaryware & Industries Limited’ with effect from May 3, 1969, and HSIL obtained a fresh certificate of incorporation from the Registrar of Companies, Kolkata, to the said effect. The name Hindustan Sanitaryware & Industries Limited was further changed to the present name HSIL Limited and a fresh certificate of incorporation was issued by the Registrar of Companies, Kolkata on March 24, 2009 in favour of HSIL. The Corporate Identity Number of HSIL is L51433WB1960PLC024539. The equity shares of HSIL are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

HSIL is a multi-business corporate, which is primarily engaged in the following business activities:

- (a) branding, marketing, sales, distribution, trading, service, etc. of various building products like sanitaryware, faucets, other lifestyle products, UPVC and CPVC pipes, fittings, tiles, etc., more particularly defined in the Proposed Scheme (hereinafter referred to as “**Building Products Distribution and Marketing Undertaking**” or “**BPDM Undertaking**”);

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- (b) branding, marketing, sales, distribution, trading, service, etc. of various consumer products like air purifiers, air coolers, kitchen appliances, water heaters, exhaust fans, water purifiers etc., more particularly defined in the Proposed Scheme (hereinafter referred to as “**Consumer Products Distribution and Marketing Undertaking**” or “**CPDM Undertaking**”);
- (c) retail business, consisting of branding, marketing, sales, distribution, trading, service, etc. of furniture, furnishings, home décor, etc., more particularly defined in the Proposed Scheme (hereinafter referred to as “**Retail Undertaking**”);

(The BPDM Undertaking, CPDM Undertaking and Retail Undertaking shall hereinafter be collectively referred to as the “**Demerged Undertakings**”.)

- (d) manufacturing of building products like sanitaryware, faucets, UPVC and CPVC pipes, fittings, etc. (hereinafter referred to as “**Building Products Manufacturing Undertaking**” or “**BPM Undertaking**”);
- (e) manufacturing of certain specified consumer products like water heaters (hereinafter referred to as “**Consumer Products Manufacturing Undertaking**” or “**CPM Undertaking**”);
- (f) manufacturing and supply of packaging products like glass bottles, PET bottles, security caps and closures (hereinafter referred to as “**Packaging Products Manufacturing Undertaking**” or “**PPM Undertaking**”); and
- (g) wind power generation (hereinafter referred to as “**Power Undertaking**”).

The BPM Undertaking, CPM Undertaking, PPM Undertaking and Power Undertaking shall collectively be referred to as the “**Remaining Undertaking**”.

1.2. Somany Home Innovation Limited

Somany Home Innovation Limited, Resulting Company 1, was incorporated on September 28, 2017 under the Companies Act, 2013, in the State of West Bengal. The Corporate Identity Number of Resulting Company 1 is U74999WB2017PLC222970. The registered office of Resulting Company 1 is situated at 2, Red cross Place, Kolkata, West Bengal-700 001. Resulting Company 1 is a wholly owned subsidiary of HSIL.

Resulting Company 1 is authorised, by its memorandum of association, to *inter alia* carry on the business of importing, exporting, buying, selling, processing, manufacturing and dealing in all kinds of kitchen products like kitchen-sinks, chimneys, hobs, kitchen appliances and faucets, including chromium-plated fittings, bath tubs & whirlpools, shower enclosures, home appliances, furniture of all kinds, electrical products like air purifier, water purifier, air cooler, water heater lamps etc., decorative materials and building chemicals and also products like fire bricks, fire clay, fire cement, tiles, sewers, pipes, drain pipes, stone pipes, hume pipes, concrete pipes and pipes of all kinds, pottery tiles, lime, cement, china and terracotta, ceramic wares, cement (ordinary white coloured portland alumina blast furnace, silica, etc.)

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and cement products of any description (pipes, poles, asbestos sheets, blocks tiles, garden wares, etc.).

1.3. Brilloca Limited

Brilloca Limited, Resulting Company 2, was incorporated on November 2, 2017 under the Companies Act, 2013, in the State of West Bengal. The Corporate Identity Number of Resulting Company 2 is U74999WB2017PLC223307. The registered office of Resulting Company 2 is situated at 2, Red cross Place, Kolkata, West Bengal-700 001. Resulting Company 2 is wholly owned subsidiary of Resulting Company 1.

Resulting Company 2 is authorised, by its memorandum of association, to *inter alia* carry on the business of importing, exporting, producing, refining, buying, selling, processing, manufacturing and dealing in all kinds of building material products like sanitary ware (including sanitary ware made of plastic, fiber glass or any other synthetic product), earthenware, stoneware, glass, china, terracotta, porcelain products, bricks, tiles, pottery, pipes, insulators refractories of all description and or by-products, thereof and faucets including chromium-plated fittings, bath tubs and whirlpools, shower enclosures, home appliances, electrical products, decorative materials and building chemicals and also products like fire bricks, fire clay, fire cement, tiles, sewers, pipes, drain pipes, stone pipes, hume pipes, concrete pipes and pipes of all kinds, pottery tiles, lime, cement, china and terracotta, ceramic wares, cement (ordinary white coloured Portland alumina blast furnace, silica, etc.), cement products of any description (pipes, poles, asbestos sheets, blocks tiles, garden wares, etc.).

2. Basis of our opinion

2.1. Rationale of the Proposed Scheme (as per extract of draft Proposed Scheme of arrangement)

2.1.1. The aforesaid businesses (as mentioned in clause 1.1 above) have been nurtured over a period of time and are currently at different stages of growth. The Demerged Undertakings (as more fully set forth in the Proposed Scheme) and the Remaining Undertaking (as more fully set forth in the Proposed Scheme) have distinct capital requirements, nature of risk, competition, human skill-set requirements, etc. The segregation of businesses as envisaged in the Proposed Scheme will enable sharper focus and better alignment of the businesses to its customers. It shall also enable the respective businesses to improve competitiveness, operational efficiencies and strengthen its position in the relevant marketplace.

2.1.2. The Proposed Scheme shall enable each of the respective Demerged Undertakings and the Remaining Undertaking to attract interest of such investors and strategic partners having the necessary ability, experience and interests and shall provide an opportunity to the investors to select investments which best suit their investment strategies and risk profiles.

2.1.3. The implementation of this Proposed Scheme will result in:

- a. creation of separate and distinct entities housing the Demerged Undertakings and the Remaining Undertaking;
- b. optimal monetisation and development of each of the respective businesses, including by attracting focussed investors and strategic partners having the necessary ability, experience and interests in the relevant sectors;

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- c. dedicated and specialised management focus on the specific needs of the respective businesses; and
- d. benefit to all stakeholders, leading to growth and value creation in long run and maximising the value and return to the shareholders, unlocking intrinsic value of the assets, achieving cost efficiencies and operational efficiencies.

2.1.4. The Scheme is in the interest of all the Companies involved in the Proposed Scheme, including their respective stakeholders and creditors.

2.2. Sources of Information

- i) Draft Proposed Scheme.
- ii) Valuation report dated November 8, 2017, issued by Santosh K Singh & Co., Chartered Accountants.
- iii) Audited Balance Sheet and Statement of Profit & Loss along with the relevant notes of Demerged Company for the financial year ended March 31, 2017.

2.3. Valuer's Analysis

The Clause VIII of Share entitlement ratio report provides the ratio for the allotment of shares by resulting Company 1, for the demerger of, (a) Demerged Undertaking 1 into Resulting Company 1, and (b) Demerged Undertaking 1 into Resulting Company 2, which is as follows -

"for every 1 (one) equity share of face value of INR 2/- (Rupees two only) each held in HSIL Limited as on the Appointed Date, the equity shareholders of HSIL Limited shall be issued 1 (one) equity share of face value Rs. 2/- (Rupees two only) each in Resulting Company 1, credited as fully paid-up."

3. Conclusion and Our Opinion

- 3.1. With reference to above and based on information provided by Management and after discussions with the Valuers, we understand that the Proposed Scheme has been structured to enable Demerged Undertakings to capitalize on growth opportunities and unlock the potential value of businesses of distinct nature of the Demerged Company. Pursuant to the Proposed Scheme, the shareholders of HSIL shall be issued shares by the Resulting Company 1, which shall also be listed on the same Stock Exchanges on which the shares of the Demerged Company are listed.
- 3.2. We further understand that the shares issued by the Resulting Company 1 shall be for demerger of Demerged Undertaking 1 and Demerged Undertaking 2. Considering that the Resulting Company 2, a company carrying on the business of BPDM Undertaking, continues as a wholly owned company of Resulting Company 1, it shall be held indirectly by the shareholders of HSIL Limited.
- 3.3. We also understand that, the proposed cancellation and reduction of share capital of the Resulting Company 1, to the extent held by the Demerged Company, will result in creation of mirror image proportionate shareholding of the Resulting Company 1, as that of the Demerged Company (i.e. economic interest of both companies shall remain intact in the hands of the shareholders of the

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Demerged Company and in the same ratio). Thus, the interest of shareholders remains unaffected post the coming into effect of the Proposed Scheme.

"Considering above and subject to our caveats as provided in Annexure 1, we as a Merchant Banker hereby certify that we have reviewed the share entitlement ratio report for the Proposed Scheme of arrangement for demerger of CPDM Undertaking and Retail Undertaking of HSIL Limited to Resulting Company 1 and demerger of BPDM Undertaking of HSIL Limited to Resulting Company 2 and are of the opinion that share entitlement ratio of

- a. *1 (one) equity shares of face value INR 2 (Rupees Two) each at par in Resulting Company 1 for every 1 (one) equity shares of face value of INR 2 (Rupees Two) held in the Demerged Company,*
- b. *in consideration of transfer and vesting of CPDM and Retail Undertaking in Resulting Company 1 and BPDM undertaking in Resulting Company 2,*

as fair and reasonable to the equity shareholders of HSIL Limited."

Thanking You,

For Finshore Management Services Limited

Director



SEBI Registered Category I Merchant Banker
SEBI Registration No.: INM 000012185

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Caveats

1. Our opinion and analysis is limited to the extent of review of documents as provided to us by the Management of HSIL Limited, including the share entitlement ratio report prepared by Santosh K Singh & Co., Chartered Accountants and draft Proposed Scheme. We have relied on accuracy and completeness of all the information and explanations provided by the Management. We have not carried out any due diligence or independent verification or validation to establish its accuracy or sufficiency. We have not conducted any independent valuation or appraisal of any of the assets or liabilities of demerged company/ resulting companies or their subsidiaries, if any.
2. We have no present or planned future interest in HSIL Limited / Somany Home Innovation Limited / Brilloca Limited and the fee payable for this opinion is not contingent upon the opinion reported herein. HSIL Limited has been provided with an opportunity to review the draft opinion as a part of our standard practice to make sure that factual accuracy / omissions are avoided in our final opinion.
3. Our fairness opinion is not intended to and does not constitute a recommendation to any shareholders as to how such holder should vote or act in connection with the Proposed Scheme or any matter related thereto.
4. The Opinion contained herein is not intended to represent, at any time other than the date that is specifically stated, in this Report. We have no responsibility to update this report for events and circumstances occurring after the date of this Report.
5. Our report should not be construed as an opinion or certificate certifying the compliance of the Proposed Scheme with the provisions of any law, including companies, taxation and capital markets related laws or as regards any legal implication or issues arising from the proposed demerger.

