

SECURITIES AND EXCHANGE BOARD OF INDIA, MUMBAI

ORDER

UNDER SECTION 11(1) AND SECTION 11(2)(h) OF THE SEBI ACT READ WITH REGULATION 11(5) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011.

IN THE MATTER OF PROPOSED ACQUISITION OF SHARES AND VOTING RIGHTS IN –

TARGET COMPANY	BATLIBOI LIMITED
ACQUIRER	BHOGILAL FAMILY TRUST

Background –

- SEBI received an application dated July 28, 2017 modified by letter dated August 09, 2017 (“**Application**”) from Bhogilal Family Trust (represented by its Trustee – Shri Nirmal Bhogilal) (“**Proposed Acquirer**”) seeking exemption from the applicability of Regulation 3(1) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (“**Takeover Regulations**”) in respect of the proposed acquisition of the shares and voting rights in Batliboi Limited (“**Target Company**”). The Registered Office of the Target Company is at Bharat House, 5th Floor, 104, Bombay Samachar Marg, Mumbai –400001. The shares of the Target Company are listed on BSE Limited (“**BSE**”).

2. In the aforementioned Application, it was *inter alia* stated that –

i. “The details of the current shareholding pattern of the Target Company as at 30th June, 2017, is as under:

Table A			
Sr. No.	Name	No. of shares	% Shareholding
A.	Promoter Group		
1.	Nirmal Bhogilal	1,42,29,713	49.55
2.	Bhogilal Family Trust	45,00,000	15.67
3.	<i>Sheela Nirmal Bhogilal</i>	8,41,022	2.93
4.	<i>Kabir Nirmal Bhogilal</i>	4,54,176	1.58
5.	<i>Maya Goyel</i>	18,296	0.06
6.	<i>Nirbhag Investment Private Limited</i>	6,18,200	2.15
7.	<i>Pramaya Shares & Securities Private Limited</i>	6,00,000	2.09
8.	<i>Bhagmal Investment Private Limited</i>	2,40,800	0.84
9.	<i>Dharini B Anand</i>	2,680	0.01
10.	<i>Chitra Ashok Kumar</i>	2,680	0.01
11.	<i>Farah Bhogilal</i>	2,000	0.01
12.	<i>Darshana Bhogilal</i>	1,000	0.00
		2,15,10,567	74.91
B.	<i>Public Shareholding</i>	22,05,316	25.09
C.	Total (A + B)	2,87,15,883	100.0000

ii. *Shri Nirmal Bhogilal, Chairman and Managing Director and also the Promoter of the Target Company, currently holds (1,42,29,713) equity shares [equivalent to (49.55%) of the total shareholding] of the Target Company in his individual capacity. Shri Nirmal Bhogilal is named as Promoter in the shareholding pattern filed by the Target Company in terms of the listing agreement for more than 3 years.*

iii. *The following family members, being immediate relatives of Shri Nirmal Bhogilal, are also named as part of the Promoter Group in the shareholding pattern filed by the Target Company in terms of the Listing Agreement for more than 3 years:*

- *Smt. Sheela Nirmal Bhogilal (wife of Shri Nirmal Bhogilal)*
- *Shri Kabir Nirmal Bhogilal (son of Shri Nirmal Bhogilal)*
- *Mrs. Maya Goyel (daughter of Shri Nirmal Bhogilal).*

- iv. The acquirer, has already acquired 45,00,000 equity shares (representing 15.6708 % of the total shareholding) of the Target Company from Shri Nirmal Bhogilal on 30th March 2017 after obtaining approval from SEBI vide Order dated 24th March 2017 and has been named as a part of the Promoter Group in the shareholding pattern filed by Target Company for the quarter ending March 2017. In pursuance of such acquisition, the acquirer currently holds 45,00,000 equity shares in the target company.

Proposed Transaction

- v. Pursuant to a private family arrangement to provide for family succession and welfare of the Transferor's family, it is proposed that the Acquirer would acquire 1,42,29,713 equity shares (representing 49.55% of total shareholding of the Target Company) in different tranches in the coming years by way of contribution (gift) through an off-market transaction.

Details of Acquirer

- vi. The Acquirer is a private irrevocable trust formed under the Indian Trusts Act, 1882, setup for the welfare of Shri Nirmal Bhogilal's family and to provide for family succession from one generation to another. Constituents of the Trust are as under:

Trust Constituents	Name	Particulars
Settlor	Mrs. Chitra Asbok Kumar	Part of Promoter Group of Target Company
Trustees	Shri Nirmal Bhogilal (Transferor)	Part of Promoter of Target Company for a period of more than 3 years
	Smt. Sheela Nirmal Bhogilal	Part of Promoter of Target Company for a period of more than 3 years
Beneficiaries	There are Corpus Beneficiaries and Income Beneficiaries. Details are as under:	
(A) Corpus Beneficiaries	(1) Kabir Family Trust (80%) Trustees of Kabir Family Trust- i. Shri Nirmal Bhogilal ii. Smt. Sheela Nirmal Bhogilal iii. Shri Kabir Nirmal Bhogilal Beneficiaries of Kabir Family Trust –	

	<p><i>i. Shri Kabir Nirmal Bhogilal (98%)</i> <i>ii. Ms. Kiara Kabir Bhogilal (1%)</i> <i>iii. Master Aaran Kabir Bhogilal (1%)</i></p> <p><i>(2) Maya Family Trust (20%)</i> <i>Trustees of Maya Family Trust-</i> <i>i. Shri Nirmal Bhogilal</i> <i>ii. Smt. Sheela Nirmal Bhogilal</i> <i>iii. Mrs. Maya Goyal</i></p> <p><i>Beneficiaries of Maya Family Trust –</i> <i>i. Mrs. Maya Goyal (99%)</i> <i>ii. Smt. Sheela Nirmal Bhogilal (1%)</i></p>	<p><i>i. Son of Shri Nirmal Bhogilal (part of Promoter Group)</i> <i>ii. Granddaughter of Shri Nirmal Bhogilal</i> <i>iii. Grandson of Shri Nirmal Bhogilal</i></p> <p><i>i. Daughter of Shri Nirmal Bhogilal (part of Promoter Group)</i> <i>ii. Wife of Shri Nirmal Bhogilal (part of Promoter Group)</i></p>
<i>(B) Income Beneficiaries</i>	<p><i>i. Smt. Sheela Nirmal Bhogilal (1/3rd)</i> <i>ii. Shri Kabir Nirmal Bhogilal (1/3rd)</i> <i>iii. Mrs. Maya Goyal (1/3rd)</i></p>	<p><i>i. Wife of Shri Nirmal Bhogilal (part of Promoter Group)</i> <i>ii. Son of Shri Nirmal Bhogilal (part of Promoter Group)</i> <i>iii. Daughter of Shri Nirmal Bhogilal (part of Promoter Group)</i></p>

- vii. As can be observed from above, all the Trustees of the Acquirer i.e. Shri Nirmal Bhogilal and Smt. Sheela Nirmal Bhogilal, are named as promoters in the shareholding pattern filed by the Target Company.*
- viii. All the Beneficiaries of the acquirer are immediate relatives of Shri Nirmal Bhogilal. Also, the Trust Deed provides that the Beneficiaries of the Acquirer shall always be immediate relatives of Shri Nirmal Bhogilal and no third party would become a beneficiary of the Acquirer.*
- ix. The pre-transfer and post-transfer shareholding of the Acquirer and Transferor and the shareholding pattern of the Promoter Group before and after the proposed acquisition by the Acquirer is summarized below-*

Table B					
	Name	Pre – Transfer		Post – Transfer	
		Shares	%	Shares	%
	Promoter Group				
1.	Nirmal Bhogilal	1,42,29,713	49.55		
2.	Bhogilal Family Trust	45,00,000	15.67	1,87,29,713	65.22
3.	<i>Sheela Nirmal Bhogilal</i>	8,41,022	2.93	8,41,022	2.93
4.	<i>Kabir Nirmal Bhogilal</i>	4,54,176	1.58	4,54,176	1.58
5.	<i>Maya Goyel</i>	18,296	0.06	18,296	0.06
6.	<i>Nirbhag Investment Private Limited</i>	6,18,200	2.15	6,18,200	2.15
7.	<i>Pramaya Shares & Securities Private Limited</i>	6,00,000	2.09	6,00,000	2.09
8.	<i>Bhagmal Investment Private Limited</i>	2,40,800	0.84	2,40,800	0.84
9.	<i>Dharini B Anand</i>	2,680	0.01	2,680	0.01
10.	<i>Chitra Ashok Kumar</i>	2,680	0.01	2,680	0.01
11.	<i>Farab Bhogilal</i>	2,000	0.01	2,000	0.01
12.	<i>Darshana Bhogilal</i>	1,000	0.00	1,000	0.00
A.	Total Promoter Group	2,15,10,567	74.91	2,15,10,567	74.91
B.	Public	22,05,316	25.0919	22,05,316	25.0919
C.	Total (A + B)	2,87,15,883	100.0000	2,87,15,883	100.0000

Acquirer inter alia submitted the following rationale for seeking exemption under Takeover Regulations:-

x. In pursuance of a private family arrangement to facilitate family succession and family welfare of Shri Nirmal Bhogilal's family, Bhogilal Family Trust has already acquired 45,00,000 equity shares (representing 15.6708% of the total shareholding of the Target Company) from Shri Nirmal Bhogilal on 30th March 2017 after obtaining approval from SEBI vide SEBI order dated 24th March 2017, granting an exemption from regulation 3 of the SEBI Takeover Regulations and complying with following conditions mentioned in the aforesaid SEBI Order by making the following amendments to the Trust Deeds.

1. Bhogilal Trusteeship private Limited has resigned as Trustee and the trust deeds have been amended by dropping the clause regarding appointment of corporate trustee.

2. *Following clauses have been added in the trust deeds of Bhogilal Family Trust, Kabir Family Trust, Maya Family Trust:*

- (a) Any change in the Trustees/ Beneficiaries resulting in any change in the ownership or control of shares or voting rights held by the Trust shall be disclosed to the concerned stock exchanges.*
- (b) The Provisions of SEBI Act and Regulations framed thereunder would apply on the basis that the ownership or control of shares or voting rights vests not only directly with the Trustees but also indirectly with the Beneficiaries.*
- (c) It is expressly clarified that the Bhogilal Family Trust Deed, Kabir Family Trust Deed and Maya Family Trust Deed or any Deeds of Amendment thereof shall not contain any limitation of liability of the Trustees/Beneficiaries in relation to the provisions of the SEBI Act and all regulations framed thereunder.*

xii. The Acquirer is a Promoter-managed private irrevocable trust whose beneficiaries are and always will be immediate Relatives of the Transferor. The equity shares being acquired by the Acquirer is by way of contribution (gift) wherein the Transferor is the Promoter of the Target Company. Consequently, there would be no effective change in the exercise of voting rights or change in control or management of the Target Company pursuant to the Proposed Acquisition of shares by Acquirer.

xiii. There will be no change in the overall shareholding pattern, control and management of the promoter/ promoter group of the Target Company, pre and post the Proposed Acquisition.

xiv. It is a non-commercial transaction which will not prejudice the interests of the public shareholders of the Target Company in any manner.

3. In this regard, it is also pertinent to note that the acquirer vide letter dated August 2, 2016, in connection with its earlier exemption dated January 28, 2016 (Revised Application dated July 22, 2016) had submitted the following clarification regarding 'Immediate Relatives':-

"In relation to the above, it is hereby clarified that the ultimate beneficiaries of the Bhogilal Family Trust are and will be within the following categories of persons within the family:

- Smt. Sheela Nirmal Bhogilal (wife of Shri Nirmal Bhogilal)*
- Lineal ascendants and descendants of Shri Nirmal Bhogilal*
- Spouses of the said Lineal ascendants and descendants."*

4. Thereafter, vide letter dated August 8, 2016, the Acquirer further submitted the following clarification in relation to the Revised Application dated July 22, 2016, –

1. *“The beneficiaries of Bhogilal Family Trust are Kabir Family Trust and Maya Family Trust, formed for the benefit of the respective families of son and daughter of Shri Nirmal Bhogilal (namely, Shri Kabir Nirmal Bhogilal and Mrs. Maya Goyel). The respective trusts of son and daughter’s families are nominated as beneficiaries of Bhogilal Family Trust in order to facilitate smooth succession within the families of son and daughter of the transferor and for safeguarding the interests of the family members. This can be demonstrated with the help of an example below:*

For instance, Kabir Family Trust is entitled to 80% share in the corpus of Bhogilal Family Trust and hence, Shri Kabir Nirmal Bhogilal would have the flexibility to nominate and distribute the said corpus within his family members (namely, his wife and children) in the manner desired by him. This would provide flexibility for smooth succession of the corpus amongst the lineal descendants of Shri Nirmal Bhogilal and their respective spouses.

Thus, as can be observed from above, Bhogilal Family Trust has 2 beneficiaries viz. the Kabir Family Trust and the Maya Family Trust, which are formed to bifurcate and clearly define the interests of the son (Shri Kabir Nirmal Bhogilal) and daughter (Mrs. Maya Goyel) of Shri Nirmal Bhogilal and also to provide them flexibility to nominate the beneficiaries for their respective share from within their respective families (spouse and lineal descendants).

The liabilities and obligations of the Transferor under the SEBI Act and the regulations framed thereunder will not change or get diluted due to the above transfers to the Trust. (Undertaking applicable only for Transferor).”

5. The application made by the Proposed Acquirer was submitted to the Takeover Panel for consideration. As recommended by the Takeover Panel, in its meeting held on September 14, 2017, SEBI examined the application on the basis of the policy with respect to layering of trust. The policy was later formalised by issue of a circular on December 22, 2017.

6. An opportunity of personal hearing was granted to the Proposed Acquirer on February 7, 2018. Mr. Ketan Dalal, Chartered Accountant, along with Mr. Nirmal Bhogilal, Promoter of the Company, (hereinafter referred as the “ARs”) appeared on behalf of the Proposed Acquirer and made the following submissions:-

A. ARs submitted that vide order dated March 24, 2017, SEBI had approved their earlier exemption application for transfer of 15.67% shares of Batliboi Limited from the promoter Nirmal Bhogilal

to Batliboi family Trust. After the said order, the promoter Nirmal Bhogilal transferred the said shares to the trust on March 30, 2017.

B. The present application is an extension of their earlier request in which they have requested for an exemption to transfer remaining 49.55 % from the promoter Nirmal Bhogilal to Bhogilal family Trust in a staggered manner, as and when Mr. Nirmal Bhogilal wishes. The ARs submitted that the trust is for the purpose of facilitating family succession and family welfare and they have made enough safeguards for not allowing any outsider (person not from the bloodline of Nirmal Bhogilal) to acquire control of the trust and the company directly / indirectly.

C. ARs also submitted that any change in the trustees /beneficiaries resulting in any change in the ownership or control of shares or voting rights held by the trust shall be disclosed to the concerned stock exchange. In reply to a query regarding the beneficiaries being a trust, the ARs submitted that the same is for the purpose of having control and flexibility of giving the benefits, in the hands of the promoter Nirmal Bhogilal and the trustees in the beneficiary trusts are also only the blood relatives of Nirmal Bhogilal including him. As requested, proposed acquirer was granted a week's time to file further reply.

7. Subsequently, vide letter dated February 14, 2018, the Proposed Acquirer submitted further reply which *inter alia* stated that :-

“The issue raised during the hearing as to why sub-trust structure. To answer that, such arrangement retains the control of the family assets [including shares of Batliboi Limited (Target Company)] with Shri Nirmal Bhogilal, and, at the same time, provides an appropriate succession mechanism so as to facilitate smooth transition of family assets to the next generation family members in future and avoid any disputes within the family at a later stage.”

8. ARs of the Proposed Acquirer were also requested to submit the copies of amended trust deed and the documents showing severance of the company names Bhogilal Trusteeship Pvt. Limited from Bhogilal Family Trust, as the same was not on record. Vide email dated April 18, 2018, ARs submitted copies of the resignation of the Bhogilal Trusteeship Pvt. Limited dated March 14, 2017 and amended trust deed of Bhogilal Family Trust dated March 23, 2017. Vide email dated June 15, 2018, attention of proposed

acquirer was drawn to clause 3.5 of the Kabir Family Trust and Maya Family Trust had the following clause:-

“ In case of death, permanent incapacity or resignation of Shri Nirmal Pratap Bhogilal, any of the following persons shall become the Main Trustee in the following order of preference:

Any person nominated by Shri Nirmal Pratap Bhogilal during his term in office shall become the trustee (If not already appointed as a Trustee before such event) as well as the main Trustee for the purposes of this settlement;”

This clause goes to indicate that the nominee of Shri Nirmal Pratap Bhogilal may be any person and not necessarily his “immediate relative” or “lineal descendant”, which is against the spirit of Takeover Regulations and the proposed acquirer was requested to suitably amend the two trust deeds. In response to the said suggestion, proposed acquirer vide email dated June 25, 2018 submitted scanned copy of the amendment to the aforesaid clause, *inter alia* declaring that –

“1.Clause No. 3.5 (a) be and is hereby deleted and is substituted by new clause 3.5 (a) to read as under:

3.5 (a) Any person nominated by Shri Nirmal Pratap Bhogilal during his term of office from amongst his immediate relatives shall become the Trustee (if not already appointed as a Trustee before such event) as well as the Main Trustee for the purposes of this settlement.

'Immediate relative' means any spouse of a person, and includes parent, brother, sister, or child of such person or of the spouse.”

Consideration of the Application and Findings –

9. I have considered the application along with further submissions/ clarifications submitted by the Proposed Acquirer; the recommendations of the Takeover Panel and other material available on record. The proposed acquisition in the Target Company would entitle the proposed Acquirer to exercise 49.55%% of the voting rights in the Target Company. Accordingly, the proposed Acquirer would trigger Regulation 3 of the Takeover Regulations. Therefore, proposed Acquirer has sought exemption from applicability of Regulation 3 of the Takeover Regulation for acquisition of 49.55% shares of Batliboi Limited, a listed company on BSE.

Regulation 3 of the Takeover Regulations states –

“Substantial acquisition of shares or voting rights. –

3. (1) No acquirer shall acquire shares or voting rights in a target company which taken together with shares or voting rights, if any, held by him and by persons acting in concert with him in such target company, entitle them to exercise twenty-five per cent or more of the voting rights in such target company unless the acquirer makes a public announcement of an open offer for acquiring shares of such target company in accordance with these regulations.

(2) No acquirer, who together with persons acting in concert with him, has acquired and holds in accordance with these regulations shares or voting rights in a target company entitling them to exercise twenty-five per cent or more of the voting rights in the target company but less than the maximum permissible non-public shareholding, shall acquire within any financial year additional shares or voting rights in such target company entitling them to exercise more than five per cent of the voting rights, unless the acquirer makes a public announcement of an open offer for acquiring shares of such target company in accordance with these regulations:

Provided that such acquirer shall not be entitled to acquire or enter into any agreement to acquire shares or voting rights exceeding such number of shares as would take the aggregate shareholding pursuant to the acquisition above the maximum permissible non-public shareholding.”

10. From the preceding paragraphs, I have noted that –

- A.** The proposed acquisition transaction is pursuant to a private family arrangement intended for family succession and welfare of Shri Nirmal Bhogilal’s family and the proposed acquisition will not affect the interest of the public shareholders.
- B.** There will be no change in control of the Target Company pursuant to the proposed acquisition.
- C.** There is no new acquisition of shares by the Promoters Group and the pre-acquisition and post-acquisition shareholding of the Promoter Group in the Target Company will remain the same at 74.9081%.
- D.** There will also be no change in the public shareholding of the Target Company.

E. The Target Company is in compliance with the minimum public shareholding requirements under the Securities Contracts Regulation Rules, 1957 (“**SCRR**”) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

11. On a perusal of the application for exemption and the trust deeds, the following aspects are noted –

(i) As per the latest amendment to the trust deeds of Kabir Family Trust and Maya Family Trust submitted by proposed acquirer, the trustees of these trusts are all members of Nirmal Bhogilal’s family (immediate relative) and lineal descendants;

(ii) As far as the beneficiaries of Bhogilal Family Trust are concerned, the income and corpus beneficiaries are Smt. Sheela Nirmal Bhogilal (wife of Shri Nirmal Bhogilal), and the lineal descendants of Shri Nirmal Bhogilal and there is no uncertainty or ambiguity about the beneficiaries. Presently, the common trustees of the two beneficiary trusts namely, the Kabir Family Trust and the Maya Family Trust are Shri Nirmal Bhogilal and Smt. Sheela N. Bhogilal. Along with the aforesaid common trustees, Shri Kabir N. Bhogilal is a trustee of the Kabir Family Trust and Smt. Maya Goyal is a trustee of the Maya Family Trust. All the four trustees namely, Shri Nirmal Bhogilal, Smt. Sheela N. Bhogilal, Shri Kabir N. Bhogilal and Smt. Maya Goyal are promoters for more than three years.

(iii) I have also considered the aspect of layering in the Main trust (i.e. the Bhogilal Family Trust/BFT). As a main Trust, BFT has further formed a layer of two sub-trusts, namely Kabir Family Trust and Maya Family Trust, - one, branching out in favour of his son Kabir and his two minor children as beneficiaries and the second, in favour of his daughter Maya along with his wife. I note that the sub-trusts will get the corpus of the Main Trust (i.e the shares of the Target company) only upon the delineation or dissolution on the Distribution Date. By creation of the sub-trusts along with the Main Trust, Shri Nirmal Bhogilal has ensured that his two grandchildren would get at least 1 % of interest over the trust property. He has further expressed his intention that the sub-trust should hold the shares for the benefit of “children who may hereafter be born to and/ or be adopted by Kabir” before the Distribution Date. Likewise, in the case of his daughter, Shri Nirmal Bhogilal has formed the Maya Trust, to hold the shares for the benefit of his daughter Maya which may include at a later stage, “children who may hereafter be born to and/ or be adopted by Maya” as the beneficiaries to the sub-trust. I am thus convinced

that, in a layered structure, as set up in the applicant's case, the trustees and the beneficiaries are from the 'immediate relatives' of Shri Nirmal Bhogilal or his lineal descendants, to whom if the subject shares were to devolve on succession, the same would be exempt under the Takeover Code.

- (iv) In the case of death of any of the trustees or upon delineation of rights of the beneficiaries, the condition in the trust deed that only the aforesaid individual promoters or their 'immediate relatives' can become the trustees of the beneficiary trust would ensure, from the Takeover perspective that the control of the target company does not pass on to a third person(s). This ensures that no outsider or a stranger to the Bhogilal family can be appointed as a trustee or a beneficiary;
- (v) Further, Proposed Acquirer has given an undertaking to the effect that (i) any change in the trustees and any change in the ownership or control of shares or voting rights held by the trust will be disclosed to the concerned stock exchanges and (ii) the provision of the SEBI Act and the Regulations framed thereunder shall apply on the basis that the ownership or control of shares or voting rights vests not only directly with the trustees but also indirectly with the beneficiaries.

12. Considering the above factors, I am inclined to accept the request for exemption filed by the Proposed Acquirer vide application dated July 28,2017, subject to certain conditions stipulated herein below.

Order –

13. I, in exercise of the powers conferred upon me under Section 19 of the Securities and Exchange Board of India Act, 1992 (“**SEBI Act**”) read with Regulation 11(5) of the Takeover Regulations, hereby grant exemption to the Proposed Acquirer, viz. **Bhogilal Family Trust (represented by its Trustee – Shri Nirmal Bhogilal)**, from complying with the requirements of Regulations 3 of the Takeover Regulations with respect to its proposed acquisition/exercise of voting rights in respect of the Target Company, viz. **Batliboi Limited**, by way of proposed transactions as mentioned in the Application.

14. The exemption so granted is subject to the following conditions:

- i. That for the two beneficiary trusts i.e. Kabir family trust and Maya family trust, only individual promoters of the target company or their 'immediate relative' in terms of Takeover Regulations or lineal descendants shall be appointed as the trustees and beneficiaries.
- ii. The proposed acquisition shall be in accordance with the relevant provisions of the Companies Act, 2013 and other applicable laws.
- iii. On completion of the proposed acquisition, the Acquirer shall file a report with SEBI within a period of 21 days from the date of such acquisition, as provided in the Takeover Regulations.
- iv. The statements/ averments made or facts and figures mentioned in the Application and in the subsequent correspondences/submissions/clarifications by the Proposed Acquirer are true and correct.
- v. The provisions of the SEBI Act and the Regulations framed thereunder will apply on the basis that the ownership or control of shares or voting rights vests not only directly with the Trustees but also indirectly with the beneficiaries of the Proposed Acquirer.
- vi. There shall be no limitation of liability of the Trustees/beneficiaries in relation to the provisions of the SEBI Act and all Regulations framed thereunder.
- vii. The Proposed Acquirer shall honour their undertakings and shall also ensure compliance with the statements, disclosures and undertakings made in the Application and in their subsequent correspondences.
- viii. The Proposed Acquirer shall confirm, on an annual basis, that it is in compliance with the Exemption Order/s passed by SEBI with a reference to the said Order/s. The Proposed Acquirer shall also disclose the name(s) of its Trustee(s). The said confirmation/disclosure shall be furnished to the Target Company, which in turn shall disclose the same prominently as a note to the shareholding pattern filed for the quarter ending March 31 each year, under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- ix. The Proposed Acquirer shall get the compliance status certified from an Independent Auditor annually and furnish the same to the stock exchanges with a copy endorsed to SEBI for its records.
 - x. The Proposed Acquirer shall also ensure that the covenants in the Trust Deed(s) are not contrary to the above conditions and undertakings provided by itself, Kabir Family Trust and Maya Family Trust, etc. In such case, the Trust Deed(s) shall be suitably modified and expeditiously reported to SEBI.
15. The exemption granted above is limited to the requirements of making open offer under the Takeover Regulations and shall not be construed as exemption from the disclosure requirements under Chapter V of the Takeover Regulations; compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015; Listing Agreement/SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or any other applicable Acts, Rules and Regulations.
16. The Application dated July 28, 2017 filed by Bhogilal Family Trust, is accordingly disposed of.

Date: July 5, 2018

Place: Mumbai

G. MAHALINGAM
WHOLE TIME MEMBER
SECURITIES AND EXCHANGE BOARD OF INDIA