

RAJDHANI INVESTMENTS & AGENCIES PRIVATE LIMITED

CIN: U65993DL1972PTC232374

E-mail: corpdbb@yahoo.com

November 29, 2016

The Chief General Manager,
Corporation Finance Department,
Division of Corporate Restructuring,
Securities and Exchange Board of India,
SEBI Bhavan, Plot No-C4-A,
"G" Block, Bandra Kurla Complex,
Bandra (East), Mumbai-400051

Subject: Request for informal guidance by way of "no action letter" under the SEBI (Informal) Guidance Scheme, 2003, in relation to the proposed merger of promoter / promoter group companies of DLF Limited

Dear Sir,

We submit the following facts for informal guidance by way of issue of "no action letter" under the SEBI (Informal) Guidance Scheme 2003, with respect to the provisions of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("**SAST Regulations**").

1. FACTS & BACKGROUND

The facts and circumstances leading to the present application are as follows:

- 1.1. DLF Limited is engaged in the business of development and sale of residential properties and the development and leasing of commercial and retail properties. The equity shares of DLF Limited are listed on BSE Limited and National Stock Exchange.
- 1.2. Certain promoter/promoter group companies of DLF Limited which are cumulatively holding 54.08% stake therein are proposing to merge into one of the promoter/promoter group company of DLF Limited. Pictorial representation of the structure pre and post-merger is annexed at Annexure-1 and Annexure-2 respectively.
- 1.3. The current shareholding pattern of DLF Limited as on 30th September, 2016 is as follows:

Shareholders	Number of equity shares	% shareholding
Promoters & promoter group	1,33,71,03,120	74.95%
Public	446,844,726	25.05%
Total	1,783,947,846	100.00%



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- 1.4. The list of individuals / entities constituting the promoters/ promoter group of DLF Limited is annexed as **Annexure-3** (as per the listing agreement filings made by DLF Limited as on 30th September, 2016 with stock exchanges).
- 1.5. It may be noted that out of total 26 (twenty six) persons/entities of the promoters/ promoters group of DLF Limited, there are 11 (eleven) companies (mentioned below), which cumulatively hold 96,46,80,080 shares (54.08%) of DLF Limited and 10 (ten) of these companies are proposed to be merged with one promoter/promoter group company (Rajdhani).

S. No.	Name of the Company	% Stake held in DLF
	Transferee Company	
1	Rajdhani Investments & Agencies Private Limited (Rajdhani)	0.01%
	Transferor Companies	
2	Panchsheel Investment Company ("Panchsheel")	17.50%
3	Haryana Electrical Udyog Private Limited ("Haryana")	0.79%
4	Buland Consultants & Investments Private Limited ("Buland")	0.14%
5	Sidhant Housing and Development Company ("Sidhant")	13.30%
6	Yashika Properties and Development Company ("Yashika")	5.16%
7	DLF Investments Private Limited ("DLFI")	2.19%
8	Vishal Foods and Investments Private Limited ("Vishal")	4.19%
9	Megha Estates Private Limited ("Megha")	0.19%
10	Madhur Housing and Development Company ("Madhur")	5.26%
11	Kohinoor Real Estates Company ("Kohinoor")	5.35%
	Total	54.08%

Each of the Transferor Companies and the Transferee Company have been holding shares in DLF Limited as part of the promoter/promoter group of DLF Limited since the IPO in July 2007.

It is clarified that the remaining 20.87% of the shares of DLF Limited shall continue to be held by the remaining promoters / promoter group entities which are not part of the proposed merger.

- 1.6. On perusal of the shareholding pattern of the above mentioned companies annexed at **Annexure-4**, it can be seen that the majority control in these entities is held directly/indirectly by the Singh Family Trust through its trustees Mr. Rajiv Singh and Ms. Kavita Singh. Mr. Rajiv Singh and Ms. Kavita Singh are classified as promoters/promoter group of DLF Limited since the IPO in July 2007.



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1.7. Singh Family Trust ("Trust"):

- 1.7.1 The Trust has been settled by Mr. K.P. Singh (a promoter of DLF Limited) vide deed of Trust dated April 19, 2006.
- 1.7.2 The Trust has four (4) trustees namely –
- Mr. K. P Singh,
 - Mrs. Indira Kushal Pal Singh (w/o Mr. K.P. Singh),
 - Mr. Rajiv Singh (son of Mr. K.P. Singh), and
 - Mrs. Kavita Singh (w/o Mr. Rajiv Singh).
- 1.7.3 The beneficiaries of the Trust are as follows:
- Mr. Rajiv Singh,
 - Mrs. Kavita Singh (w/o Mr. Rajiv Singh),
 - Ms. Savitri Devi Singh (daughter of Mr. Rajiv Singh),
 - Ms. Anushka Singh (daughter of Mr. Rajiv Singh),
 - M/s Angus Builders & Developers Private Limited ("**Angus**", a company which is 99.96% owned by Ms. Anushka Singh), and
 - M/s Belicia Builders & Developers Private Limited ("**Belicia**", a company which is 99.96% owned by Ms. Savitri Devi Singh).

The details of Angus and Belicia have been set out at **Annexure - 5**.

- 1.7.4 There has been no change in the trustees and the beneficiaries of the Trust since its formation on April 19, 2006.
- 1.7.5 The Trust through its trustees, Mr. Rajiv Singh and Ms. Kavita Singh, holds equity/voting preference shares in the Transferee Company and Transferor Companies (except in Yashika and Megha).
- 1.7.6 In addition to the above, remaining equity shares are held *inter-se* among the companies involved in the Proposed Merger, along with certain equity shares held by Mr. Rajiv Singh, Mrs. Kavita Singh and Ms. Savitri Devi Singh.
- 1.7.7 It may be seen from the shareholding pattern of the above named promoter group companies, that the Trust, through its trustees, namely Mr. Rajiv Singh and Ms. Kavita Singh holds direct control through equity/voting preference shares in all the above mentioned promoter companies (except Yashika and Megha in which it holds control indirectly).
- 1.7.8 Yashika is a company which is 99.99% owned and controlled by Sidhant which is directly/indirectly controlled by the Trust. Hence, the Trust indirectly controls Yashika.
- 1.7.9 Megha is a company which is 64.04% owned and controlled by DLF which is directly/indirectly controlled by the Trust. Hence, the Trust indirectly controls Megha. The remaining shareholding in Megha is held by Mr. Rajiv Singh and Mrs. Kavita Singh and Ms. Savitri Devi Singh.



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1.7.10 Thus, the Trust, through its trustees, namely Mr. Rajiv Singh and Ms. Kavita Singh, directly/indirectly has control as well as beneficial economic ownership in all the 11 (eleven) promoter companies mentioned above, which are involved in the Proposed Merger.

2. PROPOSED MERGER

- 2.1. With a view to consolidate the holdings and streamline the promoter/promoter group companies structure, it is proposed to merge all the 10 (ten) Transferor Companies into the Transferee Company (Rajdhani) through a composite scheme of merger ("**Scheme**") with the approval of the High Court. The proposed merger indicated hereinabove is referred to as the "**Proposed Merger**".
- 2.2. On the Scheme becoming effective, the current shareholding aggregating to 54.07% held by the 10 (ten) Transferor Companies, will be consolidated into Rajdhani, being the Transferee Company, which currently holds 0.01% shareholding in DLF Limited. In other words, consequent upon the scheme of the Proposed Merger becoming effective, the shareholding of Rajdhani shall increase from 0.01% to 54.08% in DLF Limited.
- 2.3. There will be no change in total promoter/promoter group shareholding of 74.95% of DLF Limited as 54.08% shares will be held by Rajdhani and the remaining 20.87% shares shall continue to be held by other existing promoters/promoter group entities not forming part of the Scheme of Proposed Merger.
- 2.4. Key elements of the Scheme are as follows:
 - 2.4.1 Transferor Companies would be merged into Rajdhani.
 - 2.4.2 The Transferor Companies would cease to exist and their shares in DLF Limited shall consolidate in the Transferee Company (Rajdhani). Thus, Rajdhani's shareholding in DLF Limited would increase from 0.01% to 54.08%.
 - 2.4.3 In consideration of the Proposed Merger of the Transferor Companies into Rajdhani, Rajdhani will issue equity shares to the equity/voting preference shareholders of Transferor Companies (other than inter-se cross shareholding held by these 10 (ten) Transferor Companies which shall stand cancelled as per Scheme of Proposed Merger.
 - 2.4.4 Thus, Rajdhani will issue equity shares to the Trust, which shall be registered in the names of the trustees namely Mr. Rajiv Singh jointly with Ms. Kavita Singh on behalf of the Trust, and other shareholders namely Mr. Rajiv Singh, Mrs. Kavita Singh and Ms. Savitri Devi Singh, [in lieu of equity shares/ voting preference shares held by the Trust and the said individual shareholders in the Transferor Company(ies)].



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2.4.5 Consequent to the Scheme becoming effective, Rajdhani will have the following 4 equity shareholders -

- The Trust (which shall be holding a substantial majority of the equity share capital of Rajdhani),
- Mr. Rajiv Singh,
- Mrs. Kavita Singh, and
- Ms. Savitri Devi Singh

(The above individuals shall hold a minority shareholding).

2.4.6 As a consequence of the Proposed Merger, there will be no change in the trustees or the beneficiaries of the Trust, and accordingly there is no change in control or economic beneficial ownership of the Transferee Company, i.e. Rajdhani.

3. IMPLICATIONS OF SCHEME OF AMALGAMATION OF PROMOTER GROUP COMPANIES UNDER SAST REGULATION

3.1. At the outset, we wish to reiterate that as mentioned in paragraph 2.4 above, the shareholding of the promoters/promoter group would remain unchanged in DLF Limited consequent to the Proposed Merger. Further, there will be no change in the trustees or the beneficiaries of the Trust, and thus there would be no change in control of the Transferee Company i.e. Rajdhani and accordingly there will be no change of control of DLF Limited.

3.2. Please note that under Regulation 10(1)(d)(iii) of the SAST Regulations, an acquisition pursuant to a Scheme of Amalgamation wherein the Target Company (i.e. DLF Limited) is not directly involved as a transferor / transferee company would not trigger any open offer obligations under Regulation 3 or 4 or 5 of the SAST Regulations upon the satisfaction of the below conditions:

- **Condition 1:** the component of cash and cash equivalents in the consideration paid being is less than 25% of the consideration paid under the scheme; and
- **Condition 2:** where after implementation of the scheme of arrangement, persons directly or indirectly holding at least 33% of the voting rights in the combined entity are the same as the persons who held the entire voting rights before the implementation of the scheme.

3.3. Proposed Merger would fulfil the aforesaid conditions as under:

(a) The entire consideration for the amalgamation would be discharged by Rajdhani by issue of its equity shares. No portion of the consideration would be discharged in the form of cash/cash equivalents. Hence, the first condition stands fulfilled.

(b) Post-merger, Rajdhani will issue equity shares to equity/voting preference shareholders of Transferor Companies (other than inter-se cross shareholding held by these 10 (ten) Transferor Companies which shall stand cancelled as these companies will be merged into Rajdhani). Thus, the Trust through its trustees which is directly/indirectly holding entire voting rights of Rajdhani pre-merger will continue to hold more than 33% stake in Rajdhani post-merger. Hence the second condition also stands fulfilled.



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- 3.4. It is also reiterated that pursuant to the Proposed Merger, there will not be any consequential change in control of DLF Limited. It is submitted that the merger of the entities involved in the Proposed Merger would result only in consolidation of shares in one entity i.e. Rajdhani and ultimate control of DLF Limited would continue to be unaltered.
- 3.5. In view of the facts as submitted above and considering the conditions set out in Regulation 10(1)(d)(iii) of the SAST Regulations would be complied with and the acquisition of shares by Rajdhani pursuant to the Proposed Merger, will be exempted from the requirements to make an open offer in pursuance to the exemption provided in Regulation 10(1)(d)(iii) of the SAST Regulations.
- 3.6. Your kind attention is also drawn to a recent no action letter dated January 20, 2016 issued by your humble office to Saldhar Investments and Trading Company Private Limited (enclosed at **Annexure-6**) under SEBI (Informal Guidance) Scheme, 2003 wherein under similar circumstances, SEBI has been pleased to grant no action letter facts of which are pari materia to this case.

4. Request for no action letter under SEBI (Informal) Guidance Scheme, 2003

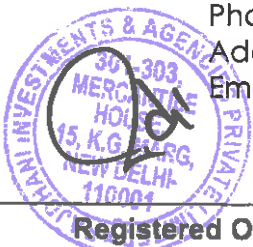
Based on the above facts, we seek your no action letter with respect to:

- 4.1. Confirmation that the transfer and vesting of shares of DLF Limited in Rajdhani resulting in increase in shareholding of Rajdhani in DLF Limited from 0.01% to 54.08% pursuant to the Proposed Merger of promoter/promoter group companies, as explained in 2.4 above, will be exempt from the open offer obligation by virtue of Regulation 10(1)(d)(iii) of the SAST Regulations.

5. REQUEST FOR CONFIDENTIALITY

- 5.1. Given the sensitivities involved in a transaction of this nature, we request you to keep this request and your response confidential in accordance the applicable SEBI Regulations including the Right to Information Act, 2005.
6. A demand draft no. 723739 dated 28.11.2016 of Rs. 25000 (Twenty Five Thousand) issued by Kotak Mahindra Bank Limited, payable in Mumbai is enclosed herewith towards the fees as specified under SEBI (Informal Guidance) Scheme, 2003.
7. Further, for any further clarification / information in relation to the present application, the following representative has been authorized by way of a board resolution dated 05.10.2016 for communicating and representing on behalf of Rajdhani Investments & Agencies Private Limited. A true copy of the said resolution by Rajdhani is annexed hereto as **Annexure- 7**:

Name : Mr. Sunil Kumar Pandey, Company Secretary / Mr. Amit Khanna / Mr. Arun Kumar Gupta (Authorised Signatories)
Phone Number : 91-11-43050700
Address : 301-303, Mercantile House, 15, Kasturba Gandhi Marg, New Delhi-110001
Email : corpdb@yahoo.com, khanna-amit@dlffamoff.in;



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7.1. We would be happy to provide any other information/documents/clarifications which may be relevant for the purpose of this application and pertains to the applicant/ Transferor Companies/promoters/promoter group companies/ DLF Limited.

Thanking you,

For Rajdhani Investments & Agencies Private Limited


Rajiv Singh
Director
(DIN :- 00003214)
ADD: 16, AZB RD
New Delhi-110011

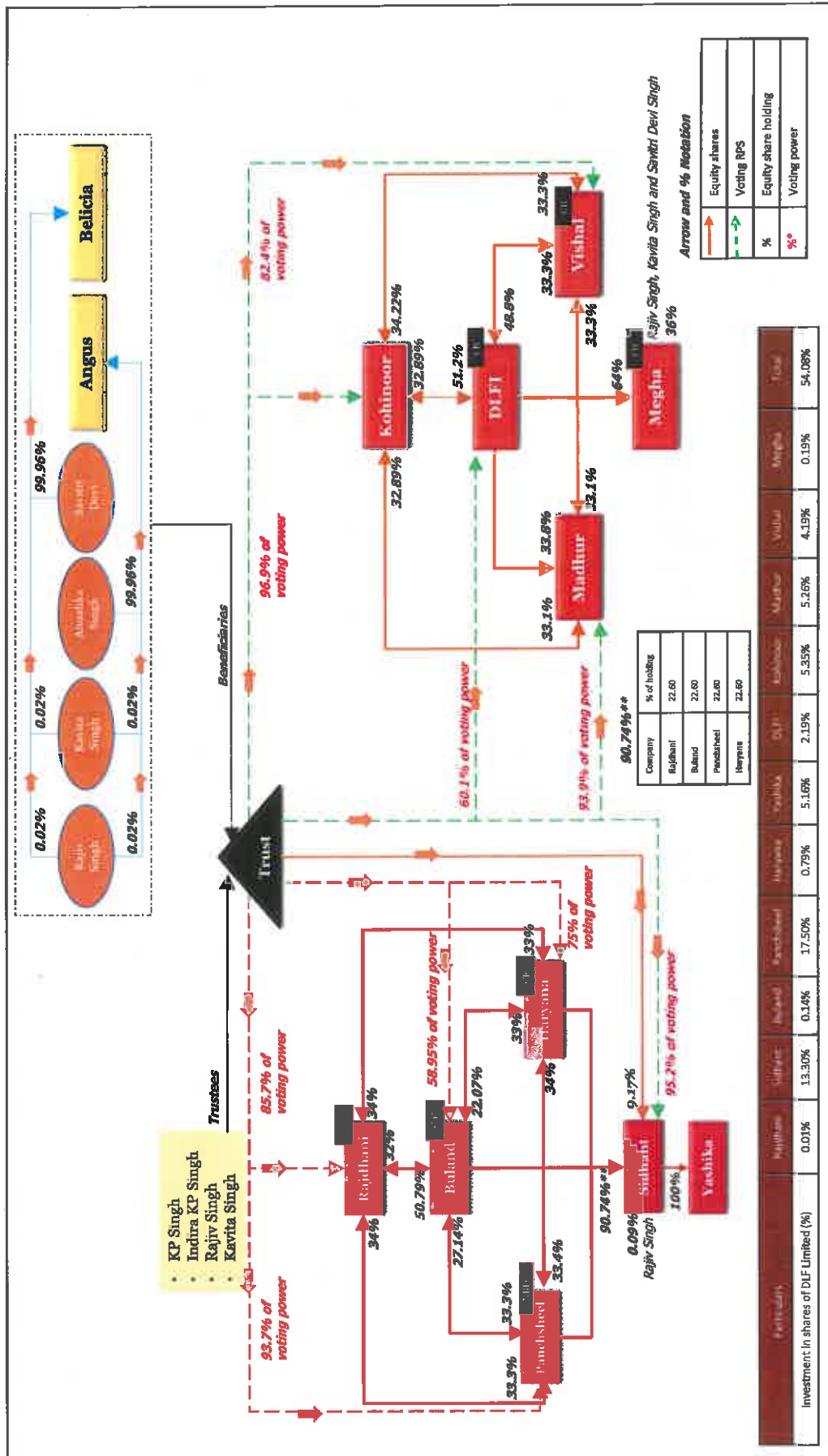
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Annexure 1: Pictorial representation of the structure pre-merger

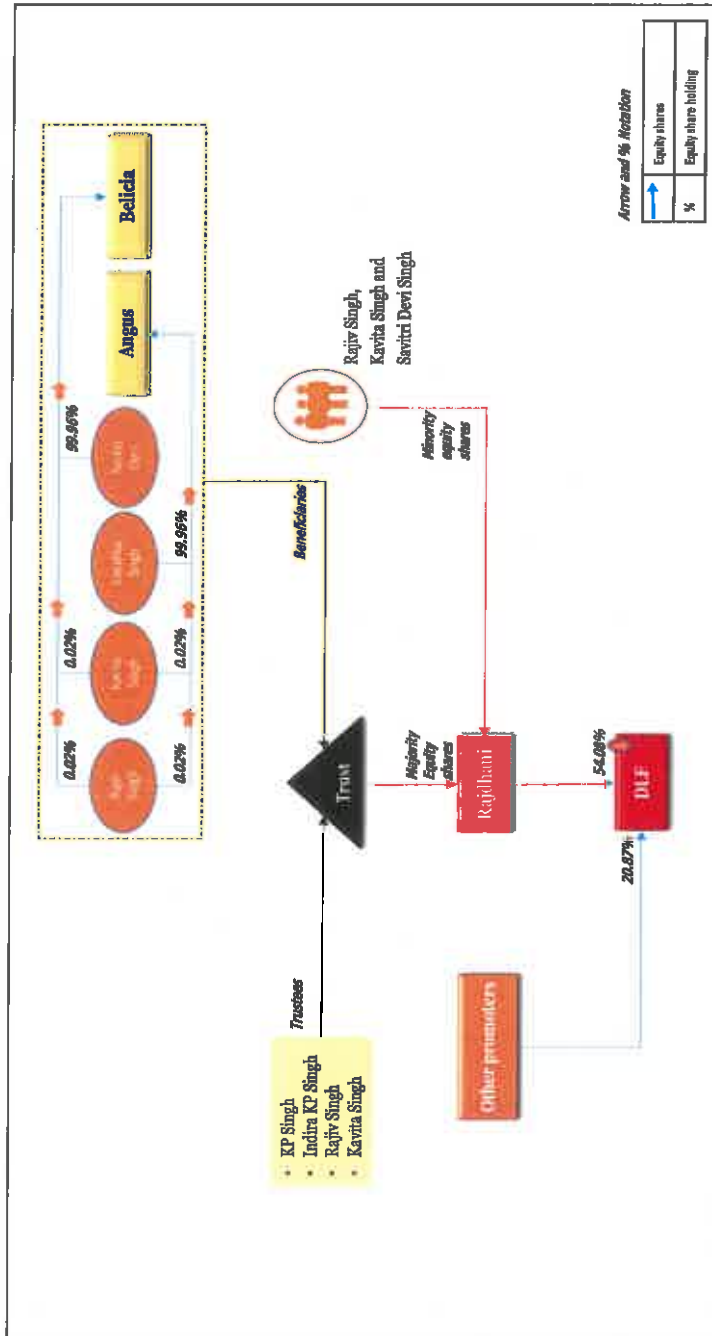


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Annexure 2: Pictorial representation of the structure post-merger



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Annexure - 3

List of Individuals/ entities constituting the Promoters and the promoter group of DLF Limited (as on September 30, 2016)

Shareholders	Number of Shares	% of Shareholding
KAVITA SINGH	95,14,080	0.53
RAJIV SINGH	1,64,56,320	0.92
K P SINGH	1,04,61,000	0.59
INDIRA KUSHAL PAL SINGH	40,34,360	0.23
RENUKA TALWAR	15,40,000	0.09
PIA SINGH	2,13,32,500	1.2
PREM'S WILL TRUST (K.P. SINGH & RAJIV SINGH)	88,000	0
MALLIKA HOUSING COMPANY LLP	7,77,98,100	4.36
RAISINA AGENCIES LLP	6,58,89,120	3.69
PREM TRADERS LLP	9,00,59,200	5.05
PARVATI ESTATES LLP	63,80,000	0.36
BEVERLY BUILDERS LLP	10,99,120	0.06
JHANDEWALAN ANCILLARIES LLP	4,73,88,000	2.66
UNIVERSAL MANAGEMENT AND SALES LLP	54,55,560	0.31
REALEST BUILDERS AND SERVICES PRIVATE LIMITED	1,49,27,680	0.84
BULAND CONSULTANTS AND INVESTMENTS PRIVATE LIMITED	25,68,000	0.14
YASHIKA PROPERTIES AND DEVELOPMENT COMPANY	9,20,80,400	5.16
VISHAL FOODS AND INVESTMENTS PRIVATE LIMITED	7,47,69,060	4.19
SIDHANT HOUSING AND DEVELOPMENT COMPANY	23,72,09,700	13.3
RAJDHANI INVESTMENT AND AGENCIES PRIVATE LIMITED	97,920	0.01
PANCHSHEEL INVESTMENT COMPANY	31,21,10,500	17.5
MEGHA ESTATES PRIVATE LIMITED	34,64,600	0.19
MADHUR HOUSING AND DEVELOPMENT COMPANY	9,38,19,600	5.26
KOHINOOR REAL ESTATES COMPANY	9,53,53,400	5.35
HARYANA ELECTRICAL UDYOG(P) LTD.	1,40,52,400	0.79
DLF INVESTMENTS PRIVATE LIMITED	3,91,54,500	2.19
Total	1,33,71,03,120	74.95



1964

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1964

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Annexure - 4

Details of Shareholding pattern of Relevant Promoter Companies

• Equity Share Capital

Equity Share capital	Rajdhani	Buland	Panchsheel	Haryana	Sidhant	Yashika	Kohinoor	Madhur	DLF Investments	Vishal	Megha
Rajdhani	-	50.79%	33.30%	33%	22.69%	-	-	-	-	-	-
Buland	32%	-	33.30%	33%	22.69%	-	-	-	-	-	-
Panchsheel	34%	27.14%	-	34%	22.69%	-	-	-	-	-	-
Haryana	34%	22.07%	33.40%	-	22.69%	-	-	-	-	-	-
Sidhant	-	-	-	-	-	99.99%	-	-	-	-	-
Rajiv Singh	-	-	-	-	0.09%	-	-	-	-	-	-
Rajiv Singh jointly with Sidhant	-	-	-	-	-	0.01%	-	-	-	-	-
Trust	-	-	-	-	9.17%	-	-	-	-	-	-
Kohinoor	-	-	-	-	-	-	-	33.11%	51.20%	33.33%	-
Madhur	-	-	-	-	-	-	32.89%	-	-	33.33%	-
DLF Investments	-	-	-	-	-	-	32.89%	33.77%	-	33.33%	64.04%
Vishal	-	-	-	-	-	-	34.22%	33.11%	48.80%	-	-
Rajiv Singh	-	-	-	-	-	-	-	-	-	-	34.77%
Kavita Singh	-	-	-	-	-	-	-	-	-	-	1.19%
Savitri Devi	-	-	-	-	-	-	-	-	-	-	0.00%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

• Voting Preference Share Capital

Voting Preference Share Capital	Rajdhani	Buland	Panchsheel	Haryana	Sidhant	Yashika	Kohinoor	Madhur	DLF Investments	Vishal	Megha
Held directly by Trust	100.00%	100.00%	100.00%	100.00%	100.00%	-	100.00%	100.00%	100.00%	100.00%	-
Total	100.00%	100.00%	100.00%	100.00%	100.00%	0.00%	100.00%	100.00%	100.00%	100.00%	0.00%

• Details of control through voting rights

Voting Power	Rajdhani	Buland	Panchsheel	Haryana	Sidhant	Yashika	Kohinoor	Madhur	DLF Investments	Vishal	Megha
Held directly by Trust through Voting Redeemable Preference Shares	85.71%	58.95%	93.75%	75%	95.65%	-	96.90%	93.90%	60.10%	82.35%	-
Held by transferor companies through equity shares	14.29%	41.05%	6.25%	25%	4.35%	99.99%	3.10%	6.10%	39.90%	17.65%	64.04%
Total	100%	100%	100%	100%	100%	99.99%	100%	100%	100%	100%	64.04%



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Annexure – 5

Details of the beneficiary companies

Details of shareholder(s) of the beneficiary companies:

Shareholders	M/s Angus Builders & Developers Private Limited	M/s Belicia Builders & Developers Private Limited
Rajiv Singh	0.02%	0.02%
Kavita Singh	0.02%	0.02%
Anushka Singh	99.96%	-
Savitri Devi Singh	-	99.96%

Details of director(s) of the beneficiary companies

S.No	Company	Directors
1.	M/s Angus Builders & Developers Private Limited	Mr. Rajiv Singh Mrs. Kavita Singh
2.	M/s Belicia Builders & Developers Private Limited	Ms. Savitri Devi Singh Ms. Anushka Singh





DEPUTY GENERAL MANAGER
CORPORATION FINANCE DEPARTMENT
DIVISION OF CORPORATE RESTRUCTURING-I
Phone no: 022-26449373

Annexure - 6
भारतीय प्रतिभूति
और विनिमय बोर्ड
Securities and Exchange
Board of India

SEBI/HO/CFD/DCR1/P/2016/712/1
January 20, 2016

M/s. Saldhar Investments and Trading Company Private Limited
N K Mehta international House
178, Backbay Reclamation
Babubhai M Chinai Marg
Mumbai- 400020

Kind Attention: Mr Atul Choksey

Dear Sir,

Sub: Request for "No-action Letter" under SEBI (Informal Guidance) Scheme, 2003 {"Scheme"} in the matter of M/s. Apcotex Industries Limited {"Target Company"} under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 {"Takeover Regulations"}.

1. This has reference to your letter dated December 10, 2015 on the captioned subject.
2. You have, inter alia, represented as follows-
 - (a) The Target Company is a listed company whose shares are listed on Bombay Stock Exchange Limited and National Stock Exchange of India Limited.
 - (b) The key companies which form part of the promoter group are as follows:
 - (i) Saldhar Investments and Trading Company Private Limited ('Saldhar') owns 5.46% stake in the Target Company and has been classified as a promoter for over 3 years. The shareholders of Saldhar are also promoters of the Target Company.
 - (ii) Dhumraketu Investments and Trading Company Private Limited ('Dhumraketu') owns 16% stake in the Target Company and has been classified as a promoter for over 3 years. The shareholders of Dhumraketu are also promoters of the Target Company.
 - (iii) Trivikram Investments and Trading Company Private Limited ('Trivikram') owns 19.07% stake in the Target Company and has been classified as a promoter for over 3 years. The shareholder of Trivikram is Titan Trading and

सेबी भवन, प्लॉट सं. सी 4-ए, "जी" ब्लॉक, बांद्रा कुर्ला कॉम्प्लेक्स, बांद्रा (पूर्व), मुंबई - 400 051.
दूरभाष : 2644 9950 / 4045 9950 (आई.वी.आर. एस.), 2644 9000 / 4045 9000 फैक्स : 2644 9019 से 2644 9022 वेब : www.sebi.gov.in



अनुवर्ती :
Continuation :

भारतीय प्रतिभूति
और विनिमय बोर्ड
**Securities and Exchange
Board of India**

Agencies Limited ('Titan'). The shareholders of Titan are also promoters of the Target Company.

- (c) With a view to consolidate the holding, Titan, Trivikram and Dhumraketu are proposed to be amalgamated into Saldhar through a Scheme of Amalgamation.
- (d) In consideration of the amalgamation of Trivikram into Saldhar, Saldhar will not issue shares to Titan since it is also being amalgamated. Hence, shares would be issued to shareholders of Titan.
- (e) Pursuant to the Scheme of Amalgamation, Saldhar's shareholding in the Target Company would increase from 5.46% to 40.53%.
- (f) The applicant is of the view that the present case of acquisition of shares by Saldhar in the Target Company would fall under exemption provided under regulation 10(1)(d)(iii) of Takeover Regulations.

3. In view of the above, you have sought a no-action letter from SEBI seeking confirmation on the following issues:

- (i) That the transfer and vesting of shares of the Target Company in Saldhar would be exempt from open offer obligations by virtue of regulation 10(1)(d)(iii) of Takeover Regulations.
- (ii) That the acquisition of shares of the Target Company by Saldhar from individual promoters would be exempt from open offer obligations by virtue of regulation 10(1)(a)(ii) of Takeover Regulations.
- (iii) That Saldhar would be permitted to separately acquire up to 5% stake in the Target Company from the open market in FY 2015-16 and FY 2016-17 through creeping acquisition under regulation 3(2) of Takeover Regulations.

4. We have considered the submissions made by you in your letter under reference and without necessarily agreeing with your analysis, we are issuing a no-action letter as follows:

- a. With regard to point 3(i), it appears from the submissions that the conditions precedent to availing exemption would be complied with on approval of the Scheme by the Hon'ble High Court. Therefore, transfer and vesting of shares of the Target Company in Saldhar would be exempt from open offer obligations by virtue of regulation 10(1)(d)(iii) of Takeover Regulations.



अनुवर्ती :
Continuation :

**भारतीय प्रतिभूति
और विनिमय बोर्ड
Securities and Exchange
Board of India**

- b. With regard to point 3(ii), any acquisition of shares by Saldhar from individual promoters would be exempt provided such persons are named as promoters in the shareholding pattern filed by the Target Company in terms of the Listing Agreement, SEBI (Listing Obligations and Disclosure Requirements), 2015 or Takeover Regulations for not less than three years prior to the proposed acquisition and the pre-conditions specified in the proviso to regulation 10(1)(a) are complied with.
- c. With regard to point 3(iii), since the acquisition pursuant to a scheme of arrangement would be exempt from the obligation to make an open offer subject to compliance with the pre-conditions specified therein, Saldhar can acquire further shares through creeping acquisition.
5. Vide your letter dated December 10, 2015, you have requested for confidentiality in respect of your no-action letter. Acceding to your request, it has been decided that the no-action letter issued to you in this matter will not be made public for a period of 90 days from the date of issuance of this letter.
6. The above position is based on the information furnished in your letter under reference. Different facts or conditions might lead to a different result. Further, this letter does not express a decision of the Board on the questions referred.
7. You may also note that the above views are expressed only with respect to the clarification sought in your letter under reference with respect to Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 2011 and do not affect the applicability of any other law or any other SEBI Regulations, Guidelines and Circulars administered by SEBI or of the laws administered by any other authority.

Yours faithfully,


Amit Tandon

Saldhar Investments and Trading Company Private Limited

NKM International House, 178 Backbay Reclamation, B C Marg, Mumbai 400 020.

Telephone (022) 22838302 / 22838304 Email: apmaniar@apcotex.com CIN: U67120MH1979PTC021881

Date: 10th December, 2015



SEBI/IW/P/2015331/0000066701

To
The Chief General Manager,
Corporation Finance Department,
Division of Corporate Restructuring,
Securities and Exchange Board of India,
SEBI Bhavan, Plot No C4-A,
'G' Block, Bandra Kurla Complex,
Bandra (East), Mumbai 400 051.

Dear Sir,

Re: Request for Informal Guidance by way of no action letter under the SEBI (Informal Guidance) Scheme, 2003, in relation to an amalgamation of promoter group companies of Apcotex Industries Limited and inter-se transfer of shares of Apcotex Industries Limited by the Promoters to the promoter group companies.

We submit the following facts for your consideration and your opinion, with respect to the provisions of SEBI (Substantial Acquisitions of Shares and Takeovers) Regulations, 2011 ('SAST Regulations').

1. BACKGROUND

1.1 Apcotex Industries Ltd ('Apcotex') is an Indian company engaged in the business of manufacturing performance emulsion polymers. The equity shares of Apcotex are listed on National Stock Exchange ('NSE') and Bombay Stock Exchange ('BSE').

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- 1.2 The list of individuals / entities constituting the Promoters and the promoter group of Apcotex is annexed as Schedule 1 hereto (as per the listing agreement filings made by Apcotex).
- 1.3 As can be observed from Schedule 1, there are certain companies which hold shares in Apcotex. The key companies which form part of the promoter group are:
- Saldhar Investments and Trading Company Private Limited ('Saldhar') which owns 5.46% stake in Apcotex and is classified as a 'promoter' for over 3 years. The shareholders of Saldhar are also promoters of Apcotex.
 - Dhumraketu Investments and Trading Company Private Limited ('Dhumraketu') which owns 16% stake in Apcotex and is classified as a 'promoter' for over 3 years. The shareholders of Dhumraketu are also promoters of Apcotex.
 - Trivikram Investments and Trading Company Limited ('Trivikram') owns 19.07% stake in Apcotex and is classified as a 'promoter' for over 3 years. The shareholder of Trivikram is Titan Trading and Agencies Limited ('Titan'). However, it may be noted that the shareholders of Titan are also promoters of Apcotex.
 - In a nutshell, Saldhar, Dhumraketu and Trivikram and their shareholders are directly or indirectly promoters of Apcotex.
- 1.4 The shareholding pattern of Saldhar, Dhumraketu, Trivikram and Titan is annexed at Schedule 2. A pictorial representation of the structure is also enclosed at Schedule 3.

2. PROPOSED CONSOLIDATION

- 2.1 With a view to consolidate the holdings and streamline the promoter holding company structure, it is proposed to amalgamate Titan, Trivikram and Dhumraketu into Saldhar through a Scheme of Amalgamation which will require approval of the High Court.



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2.2 The key elements of the Scheme of Amalgamation are as under:

- Titan, Trivikram and Dhumraketu would be merged into Saldhar with effect from Appointed Date of 1st January, 2016 (which falls in Financial Year [FY]2015-16). The process of amalgamation is likely to be completed and approved by the High Court within a period of 5 to 6 months (sometime during FY 2016-17).
- In consideration of the amalgamation of Dhumraketu into Saldhar, Saldhar will issue shares to the shareholders of Dhumraketu (i.e. the Promoters). Thus, pursuant to this amalgamation, the shareholders of Dhumraketu (which are substantially the same as the shareholders of Saldhar) will become shareholders of Saldhar.
- In consideration of the amalgamation of Trivikram into Saldhar, Saldhar will not issue shares to the shareholder of Trivikram (i.e. Titan) as Titan is also being amalgamated with Saldhar. Hence, Saldhar will issue shares to the shareholders of Titan. Thus, pursuant to this amalgamation, the shareholders of Titan (who, as mentioned above, are promoters of Apcotex) will become shareholders of Saldhar.
- Accordingly:
 - Pursuant to the Scheme of Amalgamation, Saldhar's shareholding in Apcotex will increase from 5.46% to 40.53%, as the shares held by Dhumraketu and Trivikram in Apcotex will be transferred and vested in Saldhar.
 - Shareholders of Dhumkrekту and Titan will become shareholders of Saldhar.
- A pictorial representation of the structure post the Scheme of Amalgamation is enclosed at Schedule 4.

2.3 Further, the individual Promoters (all of whom have been classified as part of the "promoters" or "promoter group" for over 3 years) are proposing to transfer all /



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part of the shares held by them in Apcotex to Saldhar. Such inter-se transfer is likely to be done on the floor of stock exchange through the block deal window during FY 2016-17.

3. IMPLICATIONS OF SCHEME OF AMALGAMATION OF PROMOTER GROUP COMPANIES UNDER SAST REGULATIONS

3.1 Pursuant to the Scheme of Amalgamation of Dhumraketu, Trivikram and Titan into Saldhar, the shares held by Dhumraketu and Trivikram in Apcotex would be transferred to and vested in Saldhar. Thus, Saldhar's stake in Apcotex would increase from 5.46% to 40.53%.

3.2 Under Regulation 10(1)(d)(iii) of the SAST Regulations, an acquisition pursuant to a Scheme of Amalgamation wherein the Target (i.e. Apcotex) is not directly involved as a transferor / transferee company would not trigger any open offer obligations under Regulation 3 if:

- the component of cash and cash equivalents in the consideration paid being is less than 25% of the consideration paid under the Scheme of Amalgamation; and
- after implementation of the Scheme of Amalgamation, persons directly or indirectly holding at least 33% of the voting rights in the combined entity are the same as the persons who held the entire voting rights before the implementation of the Scheme of Amalgamation.

3.3 The proposed Scheme of Amalgamation would fulfil the aforesaid conditions as under:

- The entire consideration for the amalgamation would be discharged by Saldhar by issue of its shares. No portion of the consideration would be discharged in the form of cash/cash equivalents. Hence, the first condition stands fulfilled.
- Post-merger, since Saldhar will issue shares to the shareholders of Dhumraketu, such shareholders will hold more than 33% in Saldhar. However, concurrent to



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the amalgamation of Trivikram with Saldhar, the shareholder of Trivikram (i.e. Titan) will also be amalgamated into Saldhar. Thus, Saldhar will not issue any shares to Titan, but to Titan's shareholders. Thus, post-merger, Titan will not hold shares in Saldhar, but Titan's shareholders (i.e. the Promoters, who are currently indirect shareholders of Trivikram) will hold more than 33% stake in Saldhar. Hence, the second condition also stands fulfilled.

- 3.4 Hence, we understand that the present case of acquisition of shares by Saldhar in Apcotex would squarely fall under the exemption provided under Regulation 10(1)(d)(iii) of the SAST Regulations.

4. IMPLICATIONS OF INTER-SE PROMOTER TRANSFER FROM INDIVIDUAL PROMOTERS TO PROMOTER GROUP COMPANY UNDER SAST REGULATIONS

- 4.1 In order to further consolidate their holdings into Saldhar, apart from the Scheme of Amalgamation, the individual Promoters are proposing to transfer all / part of the shares held by them in Apcotex to Saldhar. This is likely to happen sometime in FY 2016-17.

- 4.2 At the time of such inter-se transfer of shares, Saldhar would hold approximately 40.53% in Apcotex (pursuant to the aforesaid Scheme of Amalgamation).

- 4.3 By virtue of Regulation 10(1)(a)(ii) of the SAST Regulations, such inter-se transfer from the individual Promoters to Saldhar would be exempt from the open offer obligations under Regulation 3 since this would be inter-se transfer of shares amongst qualifying persons, being persons named as promoters in the shareholding pattern filed by the Target (Apcotex) for atleast 3 years prior to the proposed



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acquisition (all the Promoters and Saldhar would fulfil this criteria and, hence, would be qualifying persons).

5. IMPLICATIONS OF CREEPING ACQUISITION UNDER SAST REGULATIONS

5.1 Saldhar's holding in Apcotex would increase from 5.46% to over 40% by FY2016-17 (being the year in which the Scheme of Amalgamation is approved by the High Court) pursuant to the Scheme of Amalgamation [exempt under Regulation 10(1)(d)(iii)] and the inter-se transfer [exempt under Regulation 10(1)(a)(ii)].

5.2 Since the increase in stake is a result of acquisitions which are exempt under Regulation 10 and are between Promoters / promoter group, separately Saldhar would be permitted to acquire upto 5% stake in Apcotex in FY 2016-17 under the creeping route from the open market under Regulation 3(2) of SAST Regulations.

6. CLARIFICATIONS SOUGHT

Based on the above facts, we seek your no action letter with respect to the following:

1. Confirmation that the transfer and vesting of shares of Apcotex in Saldhar pursuant to the Scheme of Amalgamation of Dhumraketu, Trivikram and Titan into Saldhar would be exempt from open offer obligations by virtue of Regulation 10(1)(d)(iii) of the SAST Regulations.
2. A. Confirmation that the acquisition of shares of Apcotex by Saldhar from the individual Promoters would be exempt from open offer obligations by virtue of Regulation 10(1)(a)(ii) of the SAST Regulations.
3. Confirmation that Saldhar would be permitted to separately acquire up to 5% stake in Apcotex from the open market in FY2015-16 (being the financial year in which the appointed Date for the Scheme of Amalgamation falls) and in FY 2016-17 (being the financial year in which the Scheme of Amalgamation is approved by the Courts and it



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acquires shares through inter-se Promoter transfer) through creeping acquisition under Regulation 3(2) of SAST Regulations.

REQUEST FOR CONFIDENTIALITY

Given the sensitivities involved in a transaction of this nature, we request you to keep this request and your response confidential and not be made available to the public in accordance with applicable SEBI Regulations.

If any additional information is required in relation to the clarifications as sought above, we request you to kindly communicate at the following address:

**NK Mehta International House
178, Backbay Reclamation
Babubhai M. Chinai Marg,
Mumbai - 400 020**

We thank you in advance for your time in considering this application and look forward to hearing from you and receiving your interpretive letter in relation to the above.

We have already submitted demand draft bearing No. 455853 dated 06/11/2015 of Rs. 25,000/- drawn on HDFC Bank Ltd, Churchgate Industry House Branch vide our letter dated November 5, 2015 towards the fees as specified under the SEBI (Informal Guidance) Scheme, 2003 (Copy attached herewith as Schedule 5).

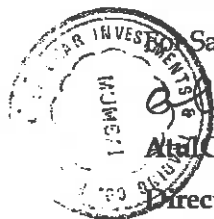
Yours Truly

Saldhar Investments and Trading Company Private Limited


Atul Choksey

Director

Encl: a/a



Saldhar Investments and Trading Company Private Limited

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Schedule 1

LIST OF SHAREHOLDERS FORMING PART OF PROMOTERS / PROMOTER GROUP OF APCOTEX INDUSTRIES LIMITED (AS ON SEPTEMBER 30, 2015)

Name of the individuals/entities forming part of Promoter and Promoter Group of Apcotex	Number of Equity shares owned	% Shareholding of Apcotex
Trivikram Investments and Trading Company Limited	3953976	19.0663
Dhumraketu Investments and Trading Company Private Limited	3319114	16.005
Atul Champaklal Choksey	1335400	6.4394
Saldhar Investments and Trading Company Private Limited	1133088	5.4638
Parul Atul Choksey	541540	2.6113
Abhiraj Atul Choksey (HUF)	349728	1.6864
Abhiraj Atul Choksey	169888	0.8192
Devanshi Anant Jalan	146000	0.704
Abhiraj Trading and Investment Private Limited	116468	0.5616
Apco Enterprises Limited	112352	0.5418
Rita Ashok Parekh	106380	0.513
Bhuvantray investments and Trading Company Private Limited	99784	0.4812
Aquamarine Trading and Investments Private Limited	98800	0.4764
Amit Champaklal Choksey	68910	0.3323
Namrata Amit Choksey	57076	0.2752
Ankita Amit Choksey	54088	0.2608
Gauriputra Investments and Trading Company Private Limited	52400	0.2527
Priti Amit Choksey	47134	0.2273
Amit Champaklal Choksey HUF	41140	0.1984
Biyash Abhiraj Choksey	36000	0.1736
HMP Minerals Private Limited	19324	0.09
Ankur Girish Choksey	13600	0.0656
Prashant Girish Choksey	13200	0.0637
Girish Champaklal Choksey	10000	0.0482
Sunita Girish Choksey	9200	0.0444
Forest Hills Trading and Investments Pvt. Ltd.	8600	0.0415
Haridwar Trading and Investments Pvt. Ltd.	8600	0.0415
Girish Champaklal Choksey	7800	0.0376
Devaki Ashok Parekh	6400	0.0309
Atul Champaklal Choksey HUF	5000	0.02
Janaki Ashok Parekh	4800	0.0231
Choksey Chemicals Pvt. Ltd.	276	0.0013
Total	11946066	57.60



Saldhar Investments and Trading Company Private Limited

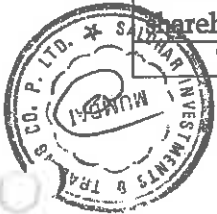
NKM International House, 178 Backbay Reclamation, B C Marg, Mumbai 400 020.

Telephone (022) 22838302 / 22838304 Email: apmaniar@apcotex.com CIN: U67120MH1979PTC021881

Schedule 2

DETAILS OF SHAREHOLDING PATTERN OF RELEVANT COMPANIES

Name of the shareholder	Titan	Trivikram	Dhumraketu	Saldhar
Mr. AtulChoksey	22.58%	-	49%	47.50%
Mrs. ParulChoksey	16.62%	-	49%	47.55%
AtulChoksey HUF	11.69%	-	-	-
Mr. AbhirajChoksey	39.38%	-	-	-
Ms. DevanshiJalan	9.69%	-	-	-
AbhirajChoksey HUF	0.02%	-	-	-
Dhumraketu	0.02%	-	-	4.95%
Saldhar	-	-	2%	-
Titan (alongwith nominee shareholders)	-	100%	-	-
Total	100%	100%	100%	100%



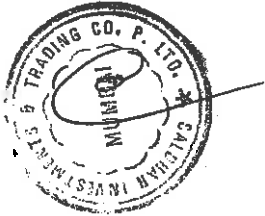
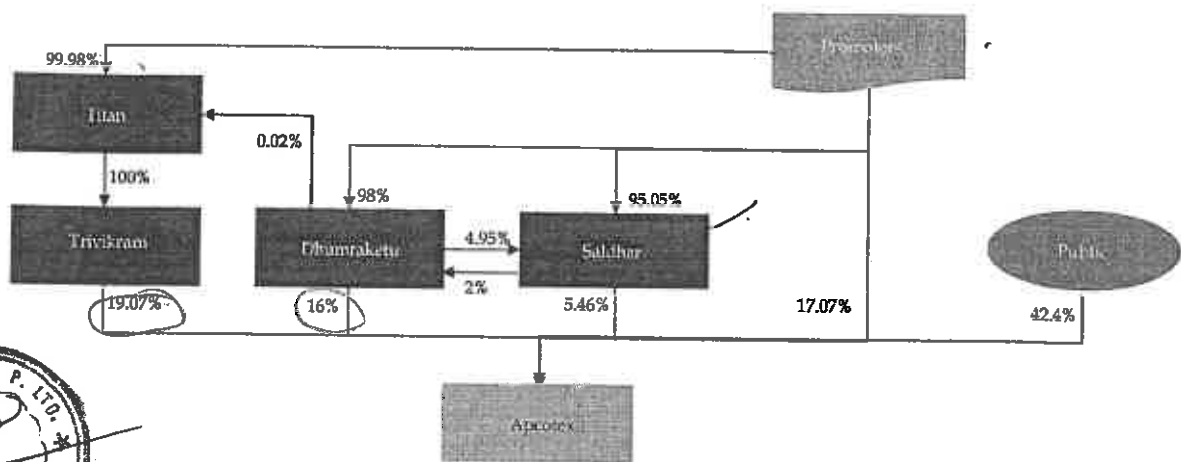
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Schedule 3

PICTORIAL REPRESENTATION OF THE SHAREHOLDING PATTERN OF APCOTEX LIMITED AS ON SEPTEMBER 30, 2015



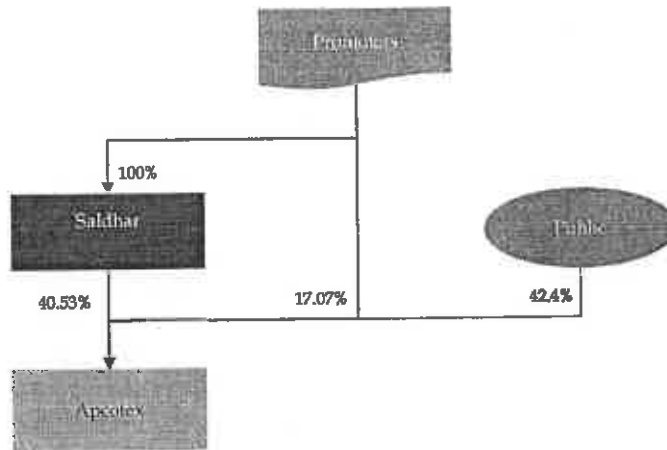
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Schedule 4

PICTORIAL REPRESENTATION OF THE INDICATIVE SHAREHOLDING PATTERN OF APCOTEX INDUSTRIES LIMITED POST SCHEME OF AMALGAMATION



RAJDHANI INVESTMENTS & AGENCIES PRIVATE LIMITED

CIN: U65993DL1972PTC232374

E-mail: corpdbs@yahoo.com

Annexure - 7

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS OF RAJDHANI INVESTMENTS & AGENCIES PRIVATE LIMITED HELD ON WEDNESDAY, THE 5TH OCTOBER, 2016.

"RESOLVED THAT subject to the approval of statutory authorities including but not limited to Reserve Bank of India (RBI), Securities and Exchange Board of India (SEBI) and the relevant High Court or under the corresponding provisions of the Companies Act, 2013 (when notified), approval by the relevant National Company Law Tribunal (as the case may be) or such other concerned authorities, as may be required from time to time and subject to such conditions and modifications as may be prescribed while granting such approvals, permissions, consents and sanctions and which may be agreed to, by the Board of Directors of the Company, consent of the Board be and is hereby granted for submission of requisite application with RBI, SEBI and other statutory authorities for their approval / consent / permission to file the necessary application with the High Court or under the corresponding provisions of the Companies Act, 2013 (when notified), approval by the relevant National Company Law Tribunal (as the case may be) for amalgamation of the following 10 companies (collectively called "Transferor Companies") with the Company (the "Transferee Company") by way of a Scheme of Amalgamation / Arrangement:

1. Buland Consultants & Investments Private Limited
2. Panchsheel Investment Company
3. Vishal Foods and Investments Private Limited
4. DLF Investments Private Limited
5. Haryana Electrical Udyog Private Limited
6. Megha Estates Private Limited
7. Kohinoor Real Estates Company
8. Madhur Housing and Development Company
9. Sidhant Housing and Development Company
10. Yashika Properties and Development Company



Registered Office: 301-303, Mercantile House, 15, Kasturba Gandhi Marg, New Delhi-110001
Tel.: (+91-11) 43050700, Fax: (+91-11) 43590389

RAJDHANI INVESTMENTS & AGENCIES PRIVATE LIMITED

CIN: U65993DL1972PTC232374

E-mail: corpdb@yahoo.com

RESOLVED FURTHER THAT Mr. Rajiv Singh, Ms. Kavita Singh, Directors, Mr. Sunil Kumar Pandey, Company Secretary and Mr. Arun Kumar Gupta and Mr. Amit Khanna, authorised officials of the Company, be and are hereby severally and individually authorised to do all such acts, deeds and things necessary or incidental in this regard including to sign and file application, undertaking, papers, letters, affidavits, writings, etc. with the RBI / SEBI to get NOC / guidance / approval / for the proposed amalgamation and such other matters as may be necessary including engaging counsels, advocates, solicitors, chartered accountants and other professionals and to sign and execute vakalatnama, authority letters, wherever necessary, and to sign and issue public advertisements and notices for giving effect to the above resolution of the Board for and on behalf of the Company."

For Rajdhani Investments & Agencies Private Limited



Sunil Kumar Pandey
Company Secretary
(Membership No.-5085)
Add: H.No.-1167, Sector-21
Gurgaon, Haryana- 122016

