



भारतीय प्रतिभूति
और विनिमय बोर्ड
Securities and Exchange
Board of India

DEPUTY GENERAL MANAGER
CORPORATION FINANCE DEPARTMENT
DIVISION OF CORPORATE RESTRUCTURING-1

SEBI/HO/CFD/DCR1/MB/OW/P/2021/29815/1
October 25, 2021

Managing Director
Dhampur Sugar Mills Limited
241, Okhla Industrial Estate, Phase III
New Delhi – 110 020, India

Kind Attention: Ms. Aparna Goel, Company Secretary

Sir / Madam,

No-Action letter under the provisions of SEBI (Informal Guidance) Scheme, 2003 in respect of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ('Takeover Regulations') in the matter of Dhampur Sugar Mills Limited ('DSML').

1. This has reference to your letter dated September 16, 2021 on the captioned subject.
2. In respect of the same, you have, *inter alia*, represented as under:

2.1 DSML ('Target Company') is a public limited company having its registered office at Dhampur, Uttar Pradesh. The shares are listed on BSE Limited and National Stock Exchange of India Limited ('Stock Exchanges').

2.2 As on June 30, 2021, the shareholding of DSML is as follows –

Shareholders	Number of Equity Shares	% of Shareholding
Promoters & Promoter Group	3,25,85,637*	49.08%
Public	3,38,01,953	50.92%
Total	6,63,87,590	100.00%

*GV Promoter Group hold 1,62,50,136 (24.478%) & GT Promoter Group holds 1,62,50,137 (24.478%)

2.3 Dhampur Bio Organics Ltd ('DBOL') is a wholly owned subsidiary of Target Company. DBOL is an unlisted public limited company having its registered office at Moradabad, Uttar Pradesh.

3. It is proposed to apply to National Company Law Tribunal ('NCLT') to approve a Scheme of Arrangement under Sections 230-232 of the Companies Act, 2013. Key features of the said scheme are as follows:

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सेबी भवन, प्लॉट सं. सी 4-ए, "जी" ब्लॉक, बान्द्रा-कुर्ला कॉम्प्लेक्स, बान्द्रा (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

SEBI Bhavan, Plot No. C4-A, "G" Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051.

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- 3.1 Demerger of certain undertakings of Target Company and transfer of the same to DBOL.
- 3.2 Issue and allotment of equity shares of DBOL proportionately to all the shareholders of DSML as consideration for the transfer of demerged undertakings, in such a manner that the shareholding pattern of both the Target Company and DBOL would be identical.
- 3.3 Simultaneously with the issue and allotment of equity shares of DBOL, cancellation of the existing equity shares of DBOL held by DSML.
- 3.4 Upon the aforesaid issuance and allotment of equity shares of DBOL, listing of shares of the DBOL on Stock Exchanges.
- 3.5 Following the above, transfer of equity shares by GV Promoter group in DBOL to GT Promoter Group, and transfer of equity shares held by GT Promoter Group in DSML to GV Promoter Group, in accordance with, and as an integral part of the Scheme. As a result of the said *inter se* transfers, the shareholding in both the companies will be as follows:

Shareholder	Shareholding in DSML		Shareholding in DBOL	
	Pre	Post	Pre	Post
GV Promoter Group	24.478%	48.95%	24.478%	Nil
GT Promoter Group	24.478%	Nil	24.478%	48.95%
Shareholding of promoter groups	48.95%	48.95%	48.95%	48.95%

4. In view of above, you have sought No-Action letter from SEBI as to whether the proposed transaction would be exempt from the obligation to make an open offer under Regulation 3 and / or Regulation 4 of Takeover Regulations.
5. We have considered the submissions made by you in your letter under reference. Without necessarily agreeing with your analysis, our view is as under:

5.1 Regulation 10(1)(d)(ii) of the Takeover Regulations is quoted below:

(1) The following acquisitions shall be exempt from the obligation to make an open offer under regulation 3 and regulation 4 subject to fulfillment of the conditions stipulated therefor, —

(a)

(b)

(c)

(d) acquisition pursuant to a scheme,—

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- (i)
- (ii) *of arrangement involving the target company as a transferor company or as a transferee company, or reconstruction of the target company, including amalgamation, merger or demerger, pursuant to an order of a court or a tribunal under any law or regulation, Indian or foreign;*

5.2 In view of the above mentioned provision, the transactions forming part of the proposed scheme under Sections 230-232 of the Companies Act, 2013 would be exempted under Regulation 10(1)(d)(ii) of the Takeover Regulations from the open offer obligation, provided the aforesaid scheme is approved by NCLT and subject to the compliance with the condition stipulated in Regulation 10(6) and further subject to compliance with any other law or requirements of any other SEBI Regulations, Guidelines and Circulars administered by SEBI.

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 and Takeovers) Regulations, 2011 and do not affect the applicability of any other law or requirements of any other SEBI Regulations, Guidelines and Circulars administered by SEBI or of the laws administered by any other authority.
8. Vide your aforesaid letter, you have requested for confidentiality in respect of your application. Accordingly, it has been decided that the said application and the corresponding 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.

Yours faithfully,


25/10/2021
Manish Bundel