



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

SEBI/HO/CFD/DCR1/OW/P/2017/29408
November 29, 2017

Mr. Prabhakar Shetty
Director
M/s. Vishal Amusements Ltd
KHIL House, 70-C, Nehru Road,
Vile Parle East,
Mumbai - 400099

Sir,

Request for informal guidance by way of "Interpretive Letter" under the SEBI (Informal Guidance) Scheme, 2003 {Scheme} in relation to SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 {SAST Regulations} in the matter of M/s. Kamat Hotels (India) Ltd. {Target Company}

1. This has reference to your letter dated July 31, 2017, revised letter dated September 14, 2017 and email dated November 6, 2017 on the captioned subject.
2. In respect of the same, you have, inter alia, represented as under:
 - 2.1 Vishal Amusement Ltd is an unlisted public company incorporated on January 12, 1983 under the provisions of Companies Act, 1956. The Company falls under the Category of Promoter Group of the Target Company.
 - 2.2 The Target Company was incorporated on March 21, 1986 under the provisions of Companies Act, 1956 and is currently listed on BSE and NSE.
 - 2.3 The Target Company in order to improve its operational efficiencies and in the greater good of the company constantly strives to restructure its group structure. In an ongoing Scheme of Arrangement wherein the Transferor Companies and Transferee Companies involved are classified under the head of Promoter group in Shareholding pattern of Target Company. Following is the list of Transferor and Transferee companies along with their shareholding in the Target Company:

1/3



अनुवर्ती :
Continuation :

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

Sl. No.	Name of Company	% of shares held in paid up capital of Target Company as on 30.06.2017
Transferor Companies		
1	Indira Investments Pvt. Ltd	6.63
2	Kamat Holdings Pvt. Ltd	6.36
3	Kamat Club Pvt. Ltd	0.02
4	Kamats Eateries Pvt. Ltd	0.51
5	Kamats Super Snacks Pvt. Ltd	0.77
6	Kamburger Foods Pvt. Ltd	0.17
7	Karaoke Amusments Pvt. Ltd	0.34
8	Nagpur Ecohotel Pvt. Ltd	4.24
9	VITS Hotels(Bhubaneshwar) Pvt. Ltd.	2.67
Total		21.71
Transferee Company		
1	Vishal Amusements Ltd	1.10

2.4 By virtue of scheme of arrangement the shares held by the Transferor Companies ("Promoter Group Companies"), i.e. from Sl. No. 1 to 9, is aggregating to 21.71%. Post-merger, the shareholding of Vishal Amusement Ltd. (Transferee Company) will increase from 1.10% to 22.81%.(Proposed Transaction).

2.5 However, the overall promoter shareholding will remain unchanged.

3. In view of above, you have sought interpretive letter from SEBI on the following:

- 3.1. Confirmation whether the aforesaid transaction falls under the exempted category as mentioned under Regulation 10(1)(a)(ii) of the Takeover Code?
- 3.2. Since Vishal Amusement Limited's holding (post-merger) will increase from 1.10% to 22.81% whether the said transaction will attract disclosure under Regulations 29 (1) or (2) and 10 (5),(6) & (7) of the Takeover Code?

Cal



अनुवर्ती :
Continuation :

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

4. We have considered the submissions made by you in your letter under reference. Without necessarily agreeing with your analysis, our view is as under:

4.1. The proposed acquisition would not qualify for exemption under Regulation 10(1)(a)(ii) of SAST Regulations. However, the said acquisition will qualify for exemption under Regulation 10(1)(d)(iii) of SAST Regulations subject to fulfilment of conditions specified therein and approval of the scheme of arrangement pursuant to an order of the court or the competent authority. The acquirer also needs to comply with the other disclosure requirements under Regulation 10(6) and 10(7) of SAST Regulations.

4.2. The promoter group needs to be make disclosure as required under Regulation 29(2) read with Regulation 29(3) of SAST Regulations.

5. 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.

6. 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.

Yours faithfully,

Amit Tandon