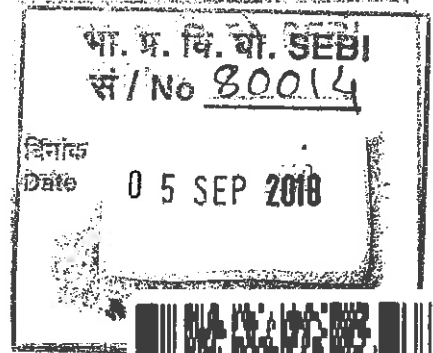


*S. S. Toshniwal*

Date: 05<sup>th</sup> September, 2018

To,  
The Chief General Manager,  
Informal Guidance Scheme, 2003,  
Corporate Finance Department,  
SEBI,  
Sebi Bhavan, Plot C-4-A, 'G' Block,  
Bandra Kurla Complex, Mumbai – 400051.



SEBI/IW/P/20180906/0000080014

**Sub: Seeking Interpretive Letter pursuant to**  
**Regulation 4 of SEBI (Informal Guidance**  
**Scheme) 2003 as an Acquirer.**

**Ref: Under Regulation 10(1)(a)(i) "Immediate**  
**Relative" read with Regulation 3 of SEBI**  
**(SAST) Regulations, 2011.**

1. I am a shareholder and Promoter Group Entity of Lactose (India) Limited (Target company) since long and have been shown as Promoter Group Entity during the period including latest as on 31.03.2014, 31.03.2015, 31.03.2016 and 31.03.2017. As is evident from the disclosure

A handwritten signature in black ink, appearing to be 'S. S. Toshniwal'.

made pursuant to listing Agreement, I am presently holding 53,073 shares constituting 0.52% of paid up equity share capital of the company. Please note I have been allotted 75000 convertible warrants, convertible into equity share capital of the company by April 2019. After conversion of warrants into equity my shareholding will increase from present 53,073 shares constituting 0.52% to 1,28,073 shares constituting 1.26% of paid up equity share capital of the company.

2. My Elder Sister's daughter Mrs. Indu Kasat a foreign shareholder from 2008, is holding 7,80,000 shares constituting 7.76% of paid up Equity Share Capital of the company. She wants to Gift 7,80,000 shares constituting 7.76% of paid up equity share capital of the company by way of Off Market transaction (Gift) to her mother Mrs. Vidyawati Parwal. My Elder sister, Mrs. Vidyawati Parwal, wish to gift these 7,80,000 shares constituting 7.76% of paid up Equity Share Capital of the company to me by way of Off Market transaction (Gift)
3. Therefore, if the transactions as has been contemplated in the impugned letter, if



concluded, my shareholding will be increased from existing 53,073 shares constituting 0.52% to 8,33,073 shares constituting to 8.28% of paid up Equity Share Capital of the company, i.e. an increase of 7.76% in my shareholding, due to which there will be change in promoter group shareholding on account of off market inter se transfer from current 34.28% to 42.04% of the paid up equity share capital of the company. Please note after warrant conversion promoter group shareholding will be 43.51% of the paid up equity share capital of the company.

4. On account of such off market transactions amongst immediate relative as have been envisaged in Regulation 10(1)(a)(i) of SEBI (SAST) Regulations, 2011, there will be no change in control and management of the company even if shareholding of promoter group could increase from current 34.28% to 42.04% of the paid up share capital of the company.
5. I understand that all three of us stand as qualifying persons as has been envisaged in Regulation 10(1)(a) of SEBI (SAST) Regulations, 2011 and thereby entitled to avail



the benefit of General Exemption pursuant to Regulation 10 of SEBI (SAST) Regulations, 2011.

6. I intend to execute this transaction through off market transactions. All three of us are immediate relative to each other; I apprehend attraction and invitation of provision of SEBI (Prohibition of Insider Trading) Regulations, 2015. As per my views since it is off market and inter se transfer it will not attract Regulation 4(1) of SEBI (Prohibition of Insider Trading) Regulations, 2015.
7. As per my view since it is off market inter se transfer among immediate relatives it will not trigger an OPEN OFFER as per Regulation 3(1) of SEBI (SAST) Regulations, 2011 and OFFER PRICE as per Regulation 8(1) of SEBI (SAST) Regulations, 2011 related to valuation of shares in case of acquisition of shares as per SEBI (SAST) Regulations, 2011.
8. I seek an interpretive letter as has been envisaged in Regulation 5(ii) of SEBI (Informal Guidance Scheme), 2003 for the contemplated off market transactions referred hereinabove with an object to avail the benefit from



exemption from inviting and invoking of provision of Regulation 3 related to OPEN OFFER consequent to the contemplated transaction.

9. Also I seek an interpretive letter as has been envisaged in Regulation 5(ii) of SEBI (Informal Guidance Scheme), 2003 for the contemplated off market transactions referred hereinabove with an object to avail the benefit from exemption from inviting and invoking of provision of Regulation 8 related to OFFER PRICE for valuation of shares as per SEBI (SAST) Regulations, 2011 consequent to the contemplated transaction.

10. I hope that to the best of my knowledge, I have tried to place on record the true and correct fact related to the contemplated transaction and intention of seeking benefit of the provision of SEBI (SAST), Regulation 2011 and SEBI (Insider Code), 2015. I understand that the impugned transaction described hereinabove has no bearing or definite impact on any other similarly placed transactions or pending enquiries, if any. However, if you need any further information or clarification for the

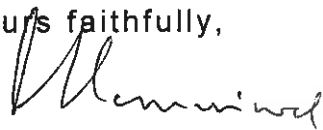


contemplated transaction, kindly intimate me at the earliest and oblige.

11. In compliance with the provisions of Regulation 6(ii) of SEBI (Informal Guidance Scheme), 2003, a Demand Draft of Rs.25000/- drawn on RBL Bank bearing No 067944 dated 05.09.2018 is enclosed herewith.
12. You are requested to dispose of my request as early as possible as has been envisaged in Regulation 7 of SEBI (Informal Guidance Scheme), 2003.
13. Awaiting your affirmative consideration.

Thanking You.

Yours faithfully,



S. S. Toshniwal

Enclosed:

1. Demand Draft of Rs.25,000/-
2. Current Share holding pattern for your ready reference.