



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

भारतीय प्रतिभूति
और विनियम 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

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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

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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.

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- 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