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(ENCLOSURE)

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Dhruv M Sawhney

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SEBI/IW/P/20151205/0000065843

December 7, 2015

To,

Corporation Finance Department
Securities and Exchange Board of India
SEBI Bhavan, G Block
Bandra Kurla Complex,
Bandra (East), Mumbai – 400 051

Dear Sir / Ma'am,

TC

भा. प्र. वि. बो. SEBI	
सं / No 65843	
दिनांक Date	08 DEC 2015

Subject: Request for an informal guidance by way of an interpretative letter as well as no action letter under Securities and Exchange Board of India ("SEBI") (Informal Guidance) Scheme, 2003 in connection with the Regulation 11 of the SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 2011 ("SEBI Takeover Regulations") for exemption from the requirement of making an open offer under Regulation 3 and Regulation 4 of the SEBI Takeover Regulations in connection with the proposed acquisition of equity shares of Triveni Engineering & Industries Limited by the trustees of the proposed Dhruv Sawhney Trust, the proposed Tarun Sawhney Trust and the proposed Nikhil Sawhney Trust.

A. Factual Background

1. Triveni Engineering & Industries Limited (hereinafter referred to as "**Target Company**") is a public limited company having its registered office at Deoband, District Saharanpur, Uttar Pradesh - 247 554, shares of which are listed on the BSE Limited ("**BSE**") and the National Stock Exchange of India Limited ("**NSE**"). The Target Company is primarily engaged in the following business: (a) 'Sugar Business' comprising of sugar manufacture, co-generation of power and distillation of alcohol; and (b) 'Engineering Business' comprising of manufacture of gear & gear boxes and providing products, solutions and execution of contracts involving water & waste-water treatment in the industrial and municipal sectors.
2. The paid-up equity share capital of Target Company is Rs. 257,945,110 comprising of 257,945,110 equity shares of face value of Re. 1 each.

3. Out of the above mentioned equity shareholding, the Promoter group holds 175,957,229 Equity Shares representing 68.21% of the total paid up share capital of the Target Company. The Promoter shareholding pattern of the Target Company as on [September 30, 2015] is provided below:

S.No.	Name of the Shareholder	% of Holding	Number of Shares
Individuals			
1.	Mr. Dhruv M. Sawhney	14.88%	38391756
2.	Ms. Rati Sawhney	7.89%	20358164
3.	Mr. Tarun Sawhney	5.70%	14695375
4.	Mr. Nikhil Sawhney	5.92%	15277653
5.	Ms. Tarana Sawhney	0.01%	25000
Body Corporate			
6.	Dhruv Manmohan Sawhney (HUF)	1.75%	4513225
7.	Umananda Trade & Finance Ltd.	8.14%	20991589
8.	Tarnik Investment & Trading Ltd.	7.24%	18680527
9.	Subhadra Trade & Finance Ltd.	6.55%	16907375
10.	Kameni Upaskar Ltd	4.01%	10328525
11.	Dhankari Investments Ltd	5.71%	14714901
12.	TOFSL Trading & Inv. Limited	0.00%	1639
13.	The Engineering & Technical Services Ltd.	0.00%	250
14.	Carvanserai Ltd	0.16%	422750
15.	Accurate Traders Ltd	0.25%	648500
Total		68.21%	175957229

4. Subhadra Trade and Finance Limited ("STFL") is an unlisted public company, incorporated under the provisions of Companies Act, 1956. STFL is a core investment company as per the regulations framed by the Reserve Bank of India and the same has been certified by the statutory auditor of STFL. STFL is a declared Promoter Company of the Target Company. The shareholding pattern of STFL as on November 30, 2015 is mentioned below:

S.No.	Name of the Shareholder	% of Holding in STFL	Number of Shares
Individuals			
1.	Mr. Dhruv M. Sawhney	59.45%	2752551
2.	Ms. Rati Sawhney	24.77%	1147000
3.	Mr. Tarun Sawhney	0.00%	147
4.	Mr. Nikhil Sawhney	0.00%	147
5.	Others	0.01%	155
Body Corporate			
6.	Umananda Trade & Finance Ltd.	7.13%	330000
7.	The Engineering & Technical Services Ltd.	8.64%	400000
Total		100.00%	4630000

B. Settlement of Trusts:

5. Dhruv Sawhney Trust (hereinafter referred to as "**Acquirer 1**" / "**DS Trust**") is proposed to be set up as a private trust under the Indian Trust Act, 1882 ("**Act**"). The settlors of the DS Trust will be Mr. Dhruv Sawhney and his wife i.e. Ms. Rati Sawhney. The trustees of the DS Trust will be Mr. Dhruv Sawhney and his wife Ms. Rati Sawhney. The beneficiaries of the said DS Trust will be Dhruv Sawhney, Ms. Rati Sawhney, their grandchildren (Ms. Noor Tarun Sawhney Granddaughter, Mr. Yash Dhruv Sawhney Grandson and Mr. Zahan Nikhil Sawhney Grandson), TS Trust (as defined below) and the NS Trust (as defined below).
6. Tarun Sawhney Trust (hereinafter referred to as "**Acquirer 2**" / "**TS Trust**") is proposed to be set up as a private trust under the Act. The settlors of the TS Trust will be Mr. Dhruv Sawhney and his wife i.e. Ms. Rati Sawhney. The Trustees of the TS Trust will be Mr. Dhruv Sawhney, his wife Ms. Rati Sawhney, his son Mr Tarun Sawhney. The beneficiaries of the said TS Trust will be Tarun Sawhney, Ms. Tarana Sawhney (daughter in law of Mr. Dhruv Sawhney and wife of Mr. Tarun Sawhney), Ms. Noor Tarun Sawhney, Granddaughter of Mr. Dhruv Sawhney and Mr. Yash Dhruv Sawhney, Grandson of Mr. Dhruv Sawhney and children of Mr. Tarun Sawhney) and lineal descendants of Mr. Tarun Sawhney.
7. Nikhil Sawhney Trust (hereinafter referred to as "**Acquirer 3**" / "**NS Trust**") is proposed to be set up as a private trust under the Act. The settlors of the NS Trust will be Mr. Dhruv Sawhney and his wife i.e. Ms. Rati Sawhney. The Trustees of the NS Trust will be Mr. Dhruv Sawhney, his wife Ms. Rati Sawhney, his son Mr Nikhil Sawhney. The beneficiaries of the said NS Trust will be Mr. Nikhil Sawhney, son of Mr. Dhruv Sawhney, Ms. Zia Sawhney (daughter in law of Mr. Dhruv Sawhney and wife of Mr. Nikhil Sawhney) and Mr. Zahan Nikhil Sawhney, (Grandson of Mr. Dhruv Sawhney and son of Mr. Nikhil Sawhney) and lineal descendants of Mr Nikhil Sawhney.
8. For ease of reference, the details of the above mentioned Private Trusts proposed to be settled is attached for Annexure 1
9. DS Trust, TS Trust and the NS Trust would collectively be hereinafter referred to as the Acquirer Trusts and all beneficiaries of the DS Trust, TS Trust and the NS Trust are collectively referred to as the Sawhney Family. Further, all the Acquirer Trusts will be controlled by Sawhney Family.
10. The present application is being filed by Mr. Dhruv Sawhney (one of the promoters of the Target Company/ proposed settlor / trustee of all the Acquirer Trusts) since the Acquirer Trusts are not in existence.

C. Proposed Acquisition

11. As a part of an internal reorganization of the Promoter Shareholding of the Target Company and with a view to facilitate succession planning for the benefit of the members of the Sawhney Family, the following steps are proposed to be undertaken:

Step 1: Transfer of equity shares in the following unlisted promoter companies ("**Promoter Companies**") to STFL by their existing shareholders:

- 1) Kameni Upaskar Ltd
- 2) Dhankari Investments Ltd
- 3) TOFSL Trading & Inv. Limited
- 4) Tarnik Investment& Trading Ltd.
- 5) Umananda Trade & Finance Ltd.
- 6) The Engineering & Technical Services Ltd.
- 7) Accurate Traders Ltd

The present and post transfer shareholding pattern of the Promoter Companies (also directly/indirectly owned and controlled by Sawhney Family) is annexed as Annexure 2.

Step 2: Transfer of upto 50% equity shares held by Mr. Dhruv Sawhney (29.72%) and Ms. Rati Sawhney (12.39%) in STFL to the TS Trust as represented by its Trustees by way of a gift/settlement in the TS Trust.

Step 3: Transfer of upto 50% equity shares held by Mr. Dhruv Sawhney (29.73%) and Ms. Rati Sawhney (12.38%) in STFL to the NS Trust as represented by its Trustees by way of a gift/settlement in the NS Trust.

Step 4: Transfer of upto 22.77% of the Equity Share Capital in TEIL, presently held by Mr. Dhruv Sawhney (14.88%) and Ms. Rati Sawhney (7.89%) to the DS Trust as represented by its Trustees by way of a gift/settlement in the DS Trust.

D. Issue for Consideration

12. The acquisition of shares in the Promoter Companies by STFL as described in Step 1 of Para [11] above, would enable STFL to indirectly exercise or direct the exercise of such percentage of voting rights in, or control over the Target Company which would otherwise attract the obligation to make an open offer for acquiring shares as mentioned under regulation 5 of the SEBI Takeover Regulations. The said indirect acquisition of shares or voting rights being a transfer of shares amongst qualifying persons i.e. the promoters of the Target Company for not less than three years prior to the acquisition and disclosed as such pursuant to the filings under the listing agreement, as contemplated in regulation 10 (1) (a) of the SEBI Takeover Regulations, would be exempted from the requirement of making an open offer under regulation 3 and regulation 4 of the SEBI Takeover Regulations.
13. However, consequent to the consummation of the transfers set out in Para 11 above, the Acquirer 2 and Acquirer 3 collectively, would indirectly (through STFL) hold upto 31.90% and the Acquirer 1 would directly hold upto 22.77% of the Equity Share Capital of the Target Company. Further the Acquirer Trusts along with the promoters would, thus be collectively holding 68.21%, of the equity share capital of the said Target Company which may ordinarily trigger Regulation 3(1) of the SEBI Takeover Regulations.

14. As the Trustees and Beneficiaries of the Acquirer Trusts are the existing promoters (and their relatives) of the Target Company, the proposed acquisition (covered under para 11 above) should be exempted from the requirement of making an open offer as the transfer to the Acquirer Trusts would not result in any increase in the aggregate shareholding of the promoter group as a whole and would remain at 175,957,229 Equity Shares representing 68.21% of the Equity Share Capital of the Target Company.

15. The shareholding pattern of the Target Company before and after the proposed acquisition is as under:

Category	Before the proposed acquisition			After the proposed acquisition	
	Number of registered shareholders	Number of shares	%	Number of shares	%
Promoter & Promoter Group	15	175,957,229	68.21%	175,957,229	68.21%*
Public	32,368	81,987,881	31.79%	81,987,881	31.79%
Total	32,383	257,945,110	100.00%	257,945,110	100.00%

**upto 54.67% of the equity share capital to be held directly / indirectly by the Acquirer Trusts*

E. Applicable Regulations of SEBI Takeover Regulations

16. In terms of Regulation 3 (1) of the SEBI Takeover Regulations an acquirer, who together with persons acting in concert with him, has acquired shares or voting rights in a target company entitling them to exercise twenty-five per cent or more of the voting rights in the target company, would be required to make a public announcement of an open offer for acquiring shares of such target company, unless the same is exempted under Regulation 10(1) of the SEBI Takeover Regulations.

17. However, the Regulation 10(1)(a) of the SEBI Takeover Regulations exempts an acquisition amongst the following qualifying persons from the obligation to make an open offer :

- (i) immediate relatives;
- (ii) persons named as promoters in the shareholding pattern filed by the target company in terms of the listing agreement or these regulations for not less than three years prior to the proposed acquisition;
- (iii) a company, its subsidiaries, its holding company, other subsidiaries of such holding company, persons holding not less than fifty per cent of the equity shares of such company, other companies in which such persons hold not less than fifty per cent of the equity shares, and their subsidiaries subject to control over such qualifying persons being exclusively held by the same persons;
- (iv) persons acting in concert for not less than three years prior to the proposed acquisition, and disclosed as such pursuant to filings under the listing agreement;

- (v) shareholders of a target company who have been persons acting in concert for a period of not less than three years prior to the proposed acquisition and are disclosed as such pursuant to filings under the listing agreement, and any company in which the entire equity share capital is owned by such shareholders in the same proportion as their holdings in the target company without any differential entitlement to exercise voting rights in such company

18. Now as, the Regulation 10(1)(a) of the SEBI Takeover Regulations, doesn't specifically envisage an 'inter-se' transfer of shares amongst an existing promoter and a proposed family trust, guidance is sought on the points mentioned in para 19 below based on the following averments:

- a) The acquisition for which exemption is sought will take place pursuant to a private family arrangement intended to streamline ownership and welfare of the Sawhney Family.
- b) The proposed transfer of shares is a non-commercial transaction which will not prejudice the interests of the Public shareholders of the Target Company in any manner.
- c) The proposed settlement of shares in TEIL presently held by Mr. Dhruv Sawhney and his wife Mrs. Rati Sawhney to the DS Trust as represented by its Trustees and 84.22% of the equity shares in STFL to the TS Trust and the NS Trust, does not in any way result in a change in the control or management of the Target Company.
- d) There will be no change in the shareholding pattern for the promoter group of the Target Company pursuant to the proposed transfer of shares to the Acquirer Trusts.
- e) The change in the identity of persons who will directly and indirectly exercise voting rights over the Target Company through STFL will only be between persons who, in their personal capacities are promoters (and their relatives) of the Target Company.

19. Guidance Sought

- a) Would the proposed transfer of shares referred to in Step 2, 3 and 4 of para 11 above trigger an obligation on the querist/Acquirer Trusts to make an open offer in terms of Regulation 3 of SEBI Takeover Regulations.
- b) If the answer to 19(a) above is in affirmative, whether the proposed transfer of shares under para 11 above would fall within the exemption provided under Regulation 10(1)(a) of the SEBI Takeover Regulations.

Please also advise that no action would initiated under SEBI Takeover Regulations if above referred transactions are consummated.

Given the sensitivities involved in this kind of transactions and the fact that no final decision of sale/transfer has been taken by the relevant parties we request you to keep the contents of this letter and your response confidential for the maximum period under applicable law.

We would highly appreciate your early action in this matter and will be pleased to provide additional information, if any, on hearing from you and will also be available for a personal discussion, if required. Please find below the details of the concerned person, who will provide the additional information required by you:

Name	:	Ms. Geeta Bhalla, Group General Manager & Company Secretary Triveni Engineering & Ind. Ltd.
Phone Number	:	# 011-4308205
Email ID	:	geeta@ho.trivenigroup.com

As required in SEBI (Informal Guidance) Scheme, 2003, a demand draft for Rs. 25,000 payable at Mumbai is enclosed herewith towards fees payable for seeking guidance. We look forward to your response.

Thanking You,

A handwritten signature in black ink, appearing to read 'Dhruv Sawhney', with a long horizontal flourish extending to the right.

Dhruv Sawhney

Annexure 1

Details of the proposed Private Trusts

S · N O ·	Trust	Settlor	Trustee	Beneficiary
1.	Dhruv Sawhney Trust	Mr. Dhruv Sawhney and Ms. Rati Sawhney	Mr. Dhruv Sawhney and Ms. Rati Sawhney	Dhruv Sawhney, Ms. Rati Sawhney, his grandchildren (Ms. Noor Tarun Sawhney, Granddaughter, Mr. Yash Dhruv Sawhney, Grandson and Mr. Zahan Nikhil Sawhney Grandson), TS Trust and the NS Trust
2.	Tarun Sawhney Trust	Mr. Dhruv Sawhney and Ms. Rati Sawhney	Mr. Dhruv Sawhney, Ms. Rati Sawhney and Mr Tarun Sawhney	Tarun Sawhney, Ms. Tarana Sawhney (daughter in law of Mr Dhruv Sawhney and wife of Mr. Tarun Sawhney), Ms. Noor Tarun Sawhney, Granddaughter and Mr. Yash Dhruv Sawhney, Grandson of Mr. Dhruv Sawhney and children of Mr. Tarun Sawhney) and lineal descendants of Mr. Tarun Sawhney.
3.	Nikhil Sawhney Trust	Mr. Dhruv Sawhney and Ms. Rati Sawhney	Mr. Dhruv Sawhney, Ms. Rati Sawhney and Mr. Nikhil Sawhney	Mr. Nikhil Sawhney, son of Mr. Dhruv Sawhney, Ms. Zia Sawhney (daughter in law of Mr. Dhruv Sawhney and wife of Mr. Nikhil Sawhney) and Mr. Zahan Nikhil Sawhney, Grandson of Mr. Dhruv Sawhney and son of Mr. Nikhil Sawhney and lineal descendants of Mr. Nikhil Sawhney

Annexure 2

Present and Post Transfer Shareholding Pattern of the Promoter Companies

A. Present Shareholding Pattern

Shareholders	Accurate Traders Limited		Dhankari Investments		Tarnik Trading and Investment		Kameni Upaskar Limited		Umananda Trade & Finance Limited		The Engg & Tech Services Limited		TOFSL Trading & Investment Limited	
	Shares	%age	Shares	%age	Shares	%age	Shares	%age	Shares	%age	Shares	%age	Shares	%age
Dhruv M Sawhney	86,600	34.6%	164,950	60.5%	316,252	48.7%	45,950	35.3%	1,145,877	71.2%	115,197	59.8%	162,876	23.6%
Raj Sawhney	163,000	65.2%	82,500	30.3%	148,240	22.8%	60,000	46.2%	353,800	22.0%			122,000	17.7%
Mr. Anan Sawhney (HUF)					2,950	0.5%	24,000	18.5%						
Tarun Sawhney					76,275	11.7%			102	0.0%				
Nikhil Sawhney					106,275	16.4%			101	0.0%				
Umananda Trade & Finance Limited											10,000	5.2%	148,000	21.4%
Subhadra Trade & Finance Limited											60,000	31.2%	240,083	34.7%
TOFSL Trading & Investment Limited			8,929	3.3%					26,667	1.7%	7,281	3.8%		
The Engineering & Technical Services Limited			16,071	5.9%					73,333	4.6%			13,386	1.9%
Tarnik Investment & Trading Limited									10,000	0.6%			4,571	0.7%
Others	400	0.2%	50	0.0%	8	0.0%	50	0.0%	120	0.0%	-		-	
Total	250,000	100.0%	272,500	100.0%	650,000	100.0%	130,000	100.0%	1,610,000	100.0%	192,478	100.0%	690,916	100.0%

B. Post Transfer Shareholding Pattern

Shareholders	Accurate Traders Limited		Dhankari Investments		Tarnik Trading and Investment		Kameni Upaskar Limited		Umananda Trade & Finance Limited		The Engg & Tech Services Limited		TOFSL Trading & Investment Limited	
	Shares	%age	Shares	%age	Shares	%age	Shares	%age	Shares	%age	Shares	%age	Shares	%age
Subhadra Trade and Finance Limited (STFL)	249,600	99.8%	272,450	100.0%	649,992	100.0%	129,950	100.0%	1,609,880	100.0%	192,478	100.0%	690,916	100.0%
Others (as nominees of STFL)	400	0.2%	50	0.0%	8	0.0%	50	0.0%	120	0.0%	-	-	-	-
Total	250,000	100.0%	272,500	100.0%	650,000	100.0%	130,000	100.0%	1,610,000	100.0%	192,478	100.0%	690,916	100.0%