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BHORUKA FINANCE CORPORATION OF INDIA LIMITED

Regd. Office : DPT 625/626, DLF Prime Tower, Okhla, Phase-I, New Delhi-110020
Corporate Office : Plot No. 69, TCI House, Sector-32, Institutional Area, Gurgaon-122207
Ph: 0124-2381603 to 07 Fax No. 0124-2381611
CIN No. U67120DL1975PLC322585

19th February, 2018

To,

The Chief General Manager,
Corporation Finance Department,
Division of Corporate Restructuring,
Securities and Exchange Board of India,
SEBI Bhavan, Plot No. C 4-A,
G Block, Bandra Kurla Complex,
Bandra (East), Mumbai-400051

Subject: Request for informal guidance by way of "no action letter" under the Securities and Exchange Board of India (Informal Guidance) Scheme, 2003 in relation to the general exemption available under Regulation 10 (1) (d) (iii) of the SEBI (Acquisition of Shares & Takeovers) Regulation, 2011 for the proposed composite scheme of arrangement among the promoter/promoter group companies.

Dear Sir/ Ma'am,

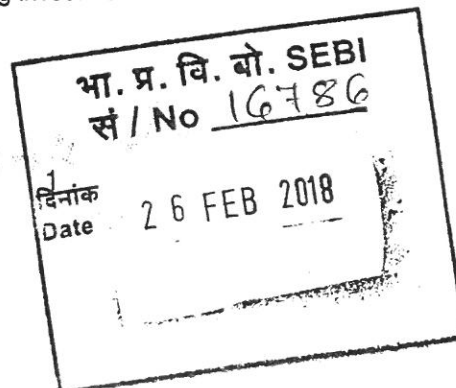
We would like to submit the following facts for your kind consideration and seek your informal guidance by way of issue of "no action letter" under the SEBI (Informal Guidance) Scheme, 2003 with respect to the exemption available under Regulation 10 (1) (d) (iii) of the SEBI (Acquisition of Shares & Takeovers) Regulation, 2011 ("**SEBI Takeover Regulation**") for the proposed composite scheme of arrangement among the promoter/promoter group companies.

A. BACKGROUND AND MATERIAL FACTS:

1. Bhoruka International Private Limited ("**BIPL**") is a private limited company incorporated under the provisions of the Companies Act, 1956 as on 05.12.1991 bearing CIN: U74899DL1991PTC046644 and having its registered office at DPT 625/626, DLF Prime Tower Okhla Phase-1, New Delhi-110020, India. A copy of the said certificate of incorporation is enclosed as **Annexure A** for your perusal. BIPL is authorised to and is primarily engaged in the business of providing financial services for short term and long term finance including investment in various securities.



SEBI/IW/P/20180126/0000016786



The existing shareholding of BIPL as a promoter/promoter group as on 31st December, 2017 is as follows:

Sl. No.	Name of Listed Companies in which BIPL holds Shares	Number of Equity Shares held by BIPL	Percentage Stake/Shareholding
1.	Transport Corporation of India Limited	1,05,88,205	13.83
2.	TCI Express Limited	52,94,102	13.83
3.	TCI Developers Limited	5,57,910	14.96

BIPL holds above stake in the group companies and are proposing to merge itself under the composite scheme of arrangement with BFCIL.

- TCI Global Logistics Limited ("TGLL") is a public limited company incorporated under the provisions of the Companies Act, 1956 as on 10.04.1997 bearing CIN: U74899DL1997PLC086613 and having its registered office at DPT 625/626, DLF Prime Tower Okhla Phase-1, New Delhi-110020, India. A copy of the said certificate of incorporation is enclosed as **Annexure B** for your perusal. TGLL is authorised to and is primarily engaged in the business of providing financial services for short term and long term finance including investment in various securities.

The existing shareholding of TGLL as a promoter/promoter group as on 31st December, 2017 is as follows:

Sl. No.	Name of Listed Companies in which TGLL holds Shares	Number of Equity Shares held by TGLL	Percentage Stake/Shareholding
1.	Transport Corporation of India Limited	23,06,910	3.01
2.	TCI Express Limited	11,53,455	3.01
3.	TCI Developers Limited	1,14,595	3.07

TGLL holds above stake in the group companies and are proposing to merge itself under the composite scheme of arrangement with BFCIL.

- TCI India Limited ("TIL") is a public limited company incorporated under the provisions of the Companies Act, 1956 as on 17.02.1997 bearing CIN: U63011DL1997PLC319287 and having its registered office at DPT 625/626 DLF Prime Tower Okhla Phase 1, New Delhi-110020, India. A copy of the said certificate of incorporation is enclosed as **Annexure C** for your perusal. TIL is authorised to and is primarily engaged in the business of trading petroleum products including diesel and also providing financial services for short term and long term finance including investment in various securities.



The existing shareholding of TIL as a promoter/promoter group as on 31st December, 2017 is as follows:

Sl. No.	Name of Listed Companies in which TIL holds Shares	Number of Equity Shares held by TIL	Percentage Stake/Shareholding
1.	Transport Corporation of India Limited	40,45,564	5.28
2.	TCI Express Limited	20,22,782	5.28
3.	TCI Developers Limited	2,28,955	6.14

TIL holds above stake in the group companies and are proposing to demerge its investments division under the composite scheme of arrangement with BFCIL.

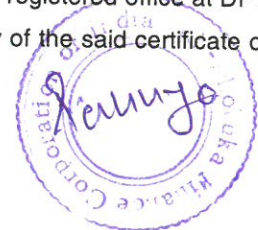
4. XPS Cargo Services Limited ("**XCSL**") is a public limited company incorporated under the provisions of the Companies Act, 1956 as on 27.04.1995 bearing CIN: U74899DL1995PLC067929 and having its registered office at DPT 625/626, DLF Prime Tower Okhla Phase-1, New Delhi-110020, India. A copy of the said certificate of incorporation is enclosed as **Annexure D** for your perusal. XCSL is authorised to and is primarily engaged in the business of leasing out its warehouses and also provides financial services for short term and long term finance including investment in various securities.

The existing shareholding of XCSL as a promoter/promoter group as on 31st December, 2017 is as follows:

Sl. No.	Name of Listed Companies in which XCSL holds Shares	Number of Equity Shares held by XCSL	Percentage Stake/Shareholding
1.	Transport Corporation of India Limited	9,72,855	1.27
2.	TCI Express Limited	4,86,427	1.27
3.	TCI Developers Limited	49,242	1.32

XCSL holds above stake in the group companies and are proposing to demerge its investments division under the composite scheme of arrangement with BFCIL.

5. Boruka Finance Corporation of India Limited ("**BFCIL**") is a public limited company incorporated under the provisions of the Companies Act, 1956 as on 17.02.1975 bearing CIN: U67120DL1975PLC322585 and registered as a Non-Banking Financial Company ("**NBFC**") under Non-Banking Financial Company Non-Systematically Important Non-Deposit Taking Company (Reserve Bank) Directions, 2016 issued by Reserve Bank of India, having its registered office at DPT 625/626 DLF Prime Tower Okhla Phase-I, New Delhi- 110020, India. A copy of the said certificate of



incorporation is enclosed as **Annexure E** and the certificate registered as a NBFC is enclosed as **Annexure F** for your perusal. BFCIL is authorised to and is primarily engaged in the business or profession in India of an Investment Company and to invest in and acquire and hold shares, stocks, debentures, debenture stocks, bonds, obligation and securities issued or guaranteed by any company constituted or carrying on business in India or elsewhere and debentures, debenture stocks, bonds, obligations and securities issued or guaranteed by any government, state, state dominion, sovereign, ruler, commissioner, public body or authority supreme, municipal, local or otherwise, whether in India or elsewhere and to dispose of, exchange, transfer or alienate investments and to undertake various other activities and businesses relating to the above.

The existing shareholding of BFCIL as a promoter/promoter group as on 31st December, 2017 is as follows:

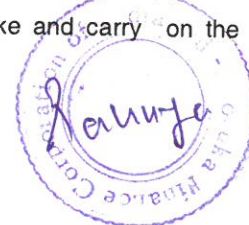
Sl. No.	Name of Listed Companies in which BFCIL holds Shares	Number of Equity Shares held by BFCIL	Percentage Stake/ Shareholding
1.	Transport Corporation of India Limited	1,59,04,679	20.77
2.	TCI Express Limited	79,52,339	20.77
3.	TCI Developers Limited	7,98,489	21.41

BFCIL holds above stake in the Companies whose promoter/promoter group (i.e. BIPL, TGLL, investment division of TIL and investment division of XCSL) are proposing to merge with BFCIL (Merged BFCIL).

6. Boruka Supply Chain Solutions Holdings Limited ("**BSCSHL**") is a public limited company incorporated under the provisions of the Companies Act, 2013 as on 19.12.2017 bearing CIN: U60221DL2017PLC327404 and having its registered office at DPT 625/626 DLF Prime Tower Okhla Phase-I, New Delhi- 110020, India. A copy of the said certificate of incorporation is enclosed as **Annexure G** for your perusal. BSCSHL is authorised to and is primarily engaged in the business or profession in India to undertake and carry on the business of logistics solution provider in any or all of its aspects, carry on the business of public carrier and investments activities to hold shares, stocks, debentures, debenture stock, bonds obligation and securities issued or guaranteed by any company.

BSCSHL presently holds no stake in the group companies and is one of the demerged undertaking of Merged BFCIL.

7. Boruka Express Consolidated Limited ("**BECL**") is a public limited company incorporated under the provisions of the Companies Act, 2013 as on 29.12.2017 bearing CIN: U60300DL2017PLC327745 and having its registered office at DPT 625/626 DLF Prime Tower Okhla Phase-I, New Delhi- 110020, India. A copy of the said certificate of incorporation is enclosed as **Annexure H** for your perusal. BECL is authorised to and is primarily engaged in the business to undertake and carry on the



business of logistics solution provider in any or all of its aspects, carry on the business of public carrier and investments activities to hold shares, stocks, debentures, debenture stock, bonds obligation and securities issued or guaranteed by any company.

BECL presently holds no stake in the group companies and is one of the demerged undertaking of Merged BFCIL.

8. TDL Real Estate Holdings Limited ("**TREL**") is a public limited company incorporated under the provisions of the Companies Act, 2013 as on 15.12.2017 bearing CIN: U70200DL2017PLC327216 and having its registered office at DPT 625/626 DLF Prime Tower Okhla Phase-I, New Delhi- 110020, India. A copy of the said certificate of incorporation is enclosed as **Annexure I** for your perusal. TREL is authorised to and is primarily engaged in the business or profession in India of constructing, developing, managing, leasing, consultancy of land, warehouses, logistic parks, godowns, roads, commercial and residential buildings/ complexes etc. and to take as well as to give on lease, rent, hire and to purchase, sale, construct, build, establish, erect, promote, undertake, acquire, own, operate, equip, manage, renovate, recondition, turn to account, maintain and to run land, warehouse, godowns, open platforms, refrigeration house, old storage , stores, truck terminals, logistics parks , commercial buildings offices, residential buildings , resorts, hotels, roads and other similar and allied establishments in India or abroad along with to invest and deal with the surplus moneys of the company, not immediately required, in or upon such investments (other than shares in the company) and in such manner as may from time to time be determined.

TREL presently holds no stake in the group companies and is one of the demerged undertaking of Merged BFCIL.

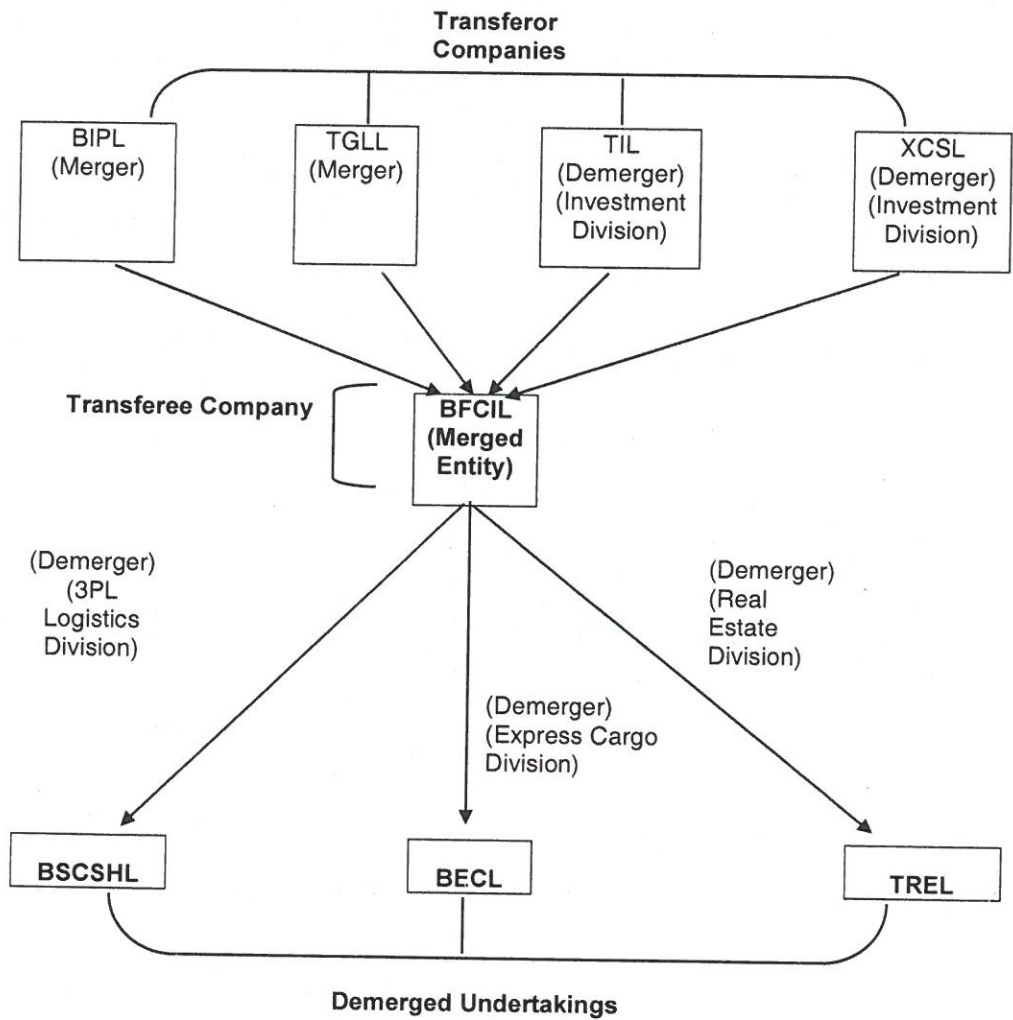
9. BIPL, TGLL, investment division of TIL and investment division of XCSL are hereinafter collectively referred to as the "**Transferor Companies**" and BFCIL is referred to as the "**Transferee Company**".
10. Each of BIPL, TGLL, TIL, XCSL and BFCIL have been holding shares in Transport Corporation of India Limited, TCI Express Limited and TCI Developers Limited ("**Group Companies**") as part of the promoter / promoter group since its incorporation. The list of individuals / entities constituting the promoters / promoter group of Group Companies is annexed as **Annexure J (Colly)** (as per the listing agreement fillings as on 31st December, 2017 with stock exchanges).
11. It is clarified that the remaining 21.95% of the shares of Transport Corporation of India Limited, 21.97% of the shares of TCI Express Limited and 27.92% of the shares of TCI Developers Limited shall continue to be held by the remaining promoters / promoter group of the Group Companies which are not part of the proposed composite scheme of arrangement.



B. PROPOSED ARRANGEMENT:

This is in connection with the proposed scheme of arrangement among the 4 (four) Transferor Companies proposing to be merged with the Transferee Company and further demerger of 3 PL Logistics Division, Express Cargo Division and Real Estate Division of Transferee Company into 3 (three) separate companies as BSCSHL, BECL and TREL.

A pictorial representation of the proposed scheme of arrangement is given below:



The existing shareholding of each of the Transferor Companies, Transferee Company and the demerged undertaking of Transferee Company in the Group Companies as on 31st December, 2017 is as follows:

Sl. No.	Name of the Company	Percentage Stake/ Shareholding in Transport Corporation of India Limited	Percentage Stake/ Shareholding in TCI Express Limited	Percentage Stake/ Shareholding in TCI Developers Limited
TRANSFEROR COMPANIES				
1.	BIPL	13.83	13.83	14.96
2.	TGLL	3.01	3.01	3.07
3.	TIL	5.28	5.28	6.14
4.	XCSL	1.27	1.27	1.32
TRANSFEE COMPANY				
5.	BFCIL	20.77	20.77	21.41
DEMURGED UNDERTAKING OF TRANSFEE COMPANY				
1.	BSCSHL	-	-	-
2.	BECL	-	-	-
3.	TREL	-	-	-

The proposed scheme of arrangement is prepared in terms of the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and rules made thereunder. At the first stage, amalgamation of BIPL, TGLL and demerger of investment division of TIL and investment division of XCSL, i.e. the Transferor Companies into BFCIL (Transferee Company) and immediately thereafter, demerger of 3 PL Logistics Division, Express Cargo Division and Real Estate Division of BFCIL (Merged BFCIL) into BSCSHL, BECL and TREL (demerged undertaking of Transferee Company) respectively. The proposed scheme of arrangement approved by their respective Board of Directors is enclosed as **Annexure K**. The copies of the extract of their respective board resolutions are enclosed as **Annexure L (Colly)** for your perusal.

The shareholding of each of the remaining Transferor Company, Transferee Company and the demerged undertaking of the Transferee Company in the Group Companies upon approval and implementation of the Scheme shall be as follows:



Sl. No.	Name of the Company	Percentage Stake/ Shareholding in Transport Corporation of India Limited	Percentage Stake/ Shareholding in TCI Express Limited	Percentage Stake/ Shareholding in TCI Developers Limited
TRANSFEROR COMPANIES				
1.	BIPL	-	-	-
2.	TGLL	-	-	-
3.	TIL	-	-	-
4.	XCSL	-	-	-
TRANSFeree COMPANIES				
5.	BFCIL	-	-	-
DEMERGED UNDERTAKING OF TRANSFeree COMPANY				
	BSCSHL	44.16	-	-
6.	BECL	-	44.16	-
7.	TREL	-	-	46.90

C. IMPLICATIONS OF PROPOSED SCHEME OF ARRANGEMENT OF PROMOTER GROUP UNDER SEBI TAKEOVER REGULATION:

Please note that under Regulation 10(1)(d)(iii) of the SEBI Takeover Regulations, an acquisition pursuant to a scheme wherein the target company/Group Companies (i.e. Transport Corporation of India Limited, TCI Express Limited and TCI Developers Limited) is not directly involved as a transferor / transferee company would not trigger any open offer obligations under Regulation 3 or Regulation 4 or Regulation 5 of the SEBI Takeover Regulations upon the satisfaction of the below conditions:

- Condition 1: The component of cash and cash equivalents in the consideration paid being is less than 25% of the consideration paid under the scheme; and
- Condition 2: where after implementation of the scheme of arrangement, persons directly or indirectly holding at least 33% of the voting rights in the combined entity are the same as the persons who held the entire voting rights before the implementation of the scheme.

The proposed scheme of arrangement would fulfill the aforesaid conditions as under:



- (a) The entire consideration for the proposed scheme of arrangement would be discharged by the Transferee Company by issue of its equity shares. No portion of the consideration would be discharged in the form of cash / cash equivalents. Hence, the first condition stands fulfilled.
- (b) Post-merger, the Transferor Companies shall stand cancelled as these companies will be merged into the Transferee Company. On perusal of the shareholding pattern of the above mentioned companies after the implementation of the proposed scheme of arrangement, it can be seen that the majority control in these Group Companies shall be held by the demerged undertaking of Transferee Companies.

It is also reiterated that pursuant to the proposed scheme of arrangement, there will not be any consequential change in control of the Group Companies. It is submitted that the merger and demerger of the entities involved in the proposed scheme of arrangement would result only in consolidation of shares in one entity i.e. the Transferee Company and the ultimate control of the Group Companies would continue to be unaltered in the hands of demerged undertaking of Transferee Company.

In view of the facts as submitted above and considering the conditions set out in Regulation 10(1)(d)(iii) of the SEBI Takeover Regulation, the conditions would be complied with and the acquisition of shares by the Transferee Company pursuant to the proposed scheme of arrangement will be exempted from the requirements to make an open offer under Regulation 3, Regulation 4 and Regulation 5 in pursuance to the exemption provided in Regulation 10(1)(d)(iii) of the SEBI Takeover Regulations.

D. REQUEST FOR NO ACTION LETTER UNDER SEBI (INFORMAL GUIDANCE) SCHEME, 2003:

Based on the above facts, we seek your no action letter with respect to:

Confirmation that the transfer and vesting of shares of Group Companies i.e Transport Corporation of India Limited, TCI Express Limited and TCI Developers Limited in the demerged undertaking of Transferee Companies pursuant to the proposed scheme of arrangement of promoter / promoter group, as explained above, will be exempted from the obligation to make an open offer under Regulation 3, Regulation 4 and Regulation 5 by virtue of Regulation 10(1)(d)(iii) of the SEBI Takeover Regulations.



E. REQUEST FOR CONFIDENTIALITY:

Given the sensitivities involved in a transaction of this nature, we request you to keep this request and your response confidential in accordance the applicable SEBI Regulations including the Right to Information Act, 2005.

A demand draft No.402753 dated 13-02-2018 of Rs. 25,000 (Rupees Twenty Five Thousand only) issued by State Bank of India in favour of Securities Exchange Board of India payable at Mumbai is enclosed herewith towards the fees as specified under SEBI (Informal Guidance) Scheme, 2003. **Annexure - M**

Further, for any further clarification/ information in relation to the present application, the following representative has been authorized by way of a board resolution dated 13th December, 2017 for communicating and representation on behalf of BFCIL. A true copy of the said resolution by BFCIL is annexed as **Annexure N**.

Name: Mr R C Pahuja
Phone Number: 9313580894
Address: Plot no 69 Sec 32 TCI House Gurugram-122207
Email: *rc.pahuja@tcil.com*

We request you to take the above on record and oblige. We look forward to receive your opinion on this matter. In case you require any other relevant details/documents for the purpose of this application, we would be happy to furnish the same to

Yours faithfully,

For Bhorka Finance Corporation of India Limited

R.C. Pahuja
R.C. Pahuja
Authorised Signatory

