

**DMK HOLDINGS PVT. LTD.**  
Regd. Office: "PAN PARAG HOUSE"  
24/19, THE MALL, KANPUR-208001

CIN:U67120UP2005PTC030000

Ph No. 0512-2312171-74 & E-mail : rkgupta@kothariproducs.in

17<sup>th</sup> June, 2016

The Chief General Manager  
Securities and Exchange Board of India  
SEBI Bhawan, Plot No. C4-A  
"G" Block, Bandra Kurla Complex  
Bandra East  
Mumbai – 400 051

Sub : Request for "Interpretive Letter" under the SEBI (Informal Guidance) Scheme, 2003 for Regulation 10 (1) (a) (iii) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

Sir/Madam,

We would like to submit the following facts for your consideration and opinion w.r.t. exemption under Regulation 10 (1) (a) (iii) from the obligation to make an open offer under Regulation 3 and 4 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("Takeover Regulations") and subsequent amendments thereto.

1. Kothari Products Ltd. ("The Company") is a listed Company having its shares listed on National Stock Exchange of India Ltd. & Bombay Stock Exchange Ltd.. It is having its Registered Office at "Pan Parag House", 24/19 The Mall, Kanpur (U.P.) – 208 001. It has paid up capital of Rs. 29,84,38,650/- (Rupees Twenty Nine Crore Eighty Four Lacs Thirty Eight Thousand Six Hundred Fifty only) comprising of 29843865 Equity shares of Rs.10/- each. Its shareholding pattern as on 31<sup>st</sup> March, 2016 is as under :-

SHAREHOLDING STRUCTURE [FACE VALUE OF Rs. 10/- EACH]		
NAME	NO. OF SHARES	% OF HOLDING
<b>PROMOTERS &amp; PROMOTERS GROUP :-</b>		
DEEPAK KOTHARI	16576596	55.55
MITESH KOTHARI – (HUF)	1828098	6.13
MITESH KOTHARI	609570	2.04
URVI KOTHARI	54643	0.18
AVINASH GUPTA	2250	0.01
REETA DILIP SHAH	6750	0.02
SADHNA V. KOTHARI	4500	0.01
DHAM SECURITIES PVT.LTD.	3299998	11.06
<b>TOTAL PROMOTERS &amp; PROMOTERS GROUP HOLDING</b>	<b>22382405</b>	<b>75.00</b>
<b>PUBLIC</b>	<b>7461460</b>	<b>25.00</b>
<b>TOTAL</b>	<b>29843865</b>	<b>100.00</b>

2. Sri Deepak Kothari is the Chairman & Managing Director of the Company, presently holding 55.55% of the total paid-up Capital of the Company and is also one of the promoters of the company and shown as such in at least last three years shareholding patterns submitted by the Company with the Stock Exchanges.



SEBI/IW/P/20160622/0000051076

3. Due to restructuring plan of his shareholding Sri Deepak Kothari wishes to transfer his aforesaid holding to M/s. DMK Holdings Pvt. Ltd. at current market price (one of his group company).
4. M/s. DMK Holdings Pvt. Ltd. (CIN – U67120UP2005PTC030000) is having its Registered Office at “Pan Parag House”, 24/19 The Mall, Kanpur, (U.P.) - 208 001. Its Paid-up Capital is Rs.2,00,40,000 (Rupees Two Crore Forty Thousand only). Its shareholding pattern as on 31<sup>st</sup> March, 2016 is as under :-

SHAREHOLDING STRUCTURE [FACE VALUE 10/- EACH]		
NAME	NO.OF SHARES	% OF HOLDING
DEEPAK KOTHARI	668000	33.33
ARTI KOTHARI	668000	33.33
MITESH KOTHARI	668000	33.34
	2004000	100.00

Entire Equity capital of this Company is being held by the aforesaid persons in the same ratio as mentioned above since its incorporation in 2005. Accordingly this company is being shown regularly in the list of Related Parties in the Annual Reports of the Company i.e. Kothari Products Limited.

5. M/s. DMK Holdings Pvt. Ltd. is not having any shares presently in the Company i.e. Kothari Products Limited.
6. Regulation 10 (1) (a) (iii) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 provides exemptions from open offer for the inter-se transfer of Shares of a Company amongst a Company and persons holding not less than 50% of the Equity shares of such Company i.e. M/s. DMK Holdings Private Limited.
7. We have been advised that the proposed transfer as mentioned in clause 3 above falls under the aforesaid regulation 10 (1) (a) (iii) and will not result in change of control over the Company. Hence the proposed transfer will be covered under the aforesaid inter-se transfer amongst qualified persons mentioned in aforesaid regulation 10 (1) (a) and would not entail an open offer.
8. In view of the above submissions we request for an “interpretive letter” for the following :-  
Whether the exemption provided under Regulation 10 (1) (a) (iii) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 is available to the proposed transfer of shares as mentioned above.

We are enclosing herewith a Demand Draft No. 050020 Dated 16<sup>th</sup> June, 2016 for Rs.25000/- drawn on Kotak Mahindra Bank, Mumbai for the fees of the aforesaid “interpretive letter”.

In case you require any further information/documents we will be pleased to submit the same on hearing from you.

We would be highly obliged if you could provide me with a prompt reply.

Thanking you,

With regards,  
For DMK HOLDINGS PVT.LTD.

  
(DIRECTOR)

Encl: As above