



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

भारतीय प्रतिभूति  
और विनिमय बोर्ड  
**Securities and Exchange  
Board of India**

CFD/DCR1/OW/P/2016/1716  
January 25, 2016

Ms. Monika Chawla Jaggia  
C/o M/s L T Foods Limited  
4<sup>th</sup> floor, MVL-I Park, sector 15  
Gurgaon-122001

Dear Sir,

**Sub: Request for "Interpretative Letter" under the SEBI (Informal Guidance) Scheme, 2003 {Scheme} in the matter of M/s. LT Foods Limited {Target Company} under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 {Takeover Regulations}.**

Please refer to your letters dated October 05, 2015 and November 20, 2015 on the captioned subject.

1. You have, inter alia, represented as follows-

- a) Shares of the Target Company are listed on Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE).
- b) Members of the promoter group holding 67.72% intend to transfer shares in various amounts to M/s Raghuvesh Holdings Pvt limited ("RHPL"). It has been represented that all the transferors and transferees are holding shares in the Target Company for the last 3 years.

2. In view of these transfers, you have sought guidance from SEBI on the following-

- a) Whether the provisions of regulation 3 and 4 of Takeover Regulations are applicable on the aforesaid transfer of shares by transferor and transferee as mentioned at point 1 above?
- b) Whether proposed transfer to RHPL by way of sale can be done in different tranches with prior intimation to stock exchanges?

3. The proposed inter-se transfers are as under:

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Transferor	No of shares	Transferee	No of shares
Vijay Kumar Arora and Ashwani Kumar Arora	16,06,320	1. Vijay Kumar Arora 2. Ashwani Kumar Arora	803160 803160
Surinder Kumar Arora and Gurcharan Dass Arora	11,09,520	1. Surinder Kumar Arora 2. Gurcharan Dass Arora	5547960 5547960

Inter-se gift of shares by and between the promoter group members.

Transferor	Transferee	No of shares
Ashwani kumar Arora	Vijay kumar Arora	207568
Ashwani kumar Arora	Ranju Arora	456902
Ashwani kumar Arora	Vandana Arora	733150
Ashok kumar Arora	Anita Arora	613726
Surinder Kumar Arora	Ranju Arora	277380
Surinder Kumar Arora	Anita Arora	138690
Surinder Kumar Arora	Sakshi Arora	830150

Subsequently, the following shares shall be transferred by way of sale of shares at current market value prevailing on the date of transfer:

Transferor	Transferee	No of shares
Vijay kumar Arora	Raghuvesh Holdings Pvt limited	2128692
Ashwani kumar Arora	Raghuvesh Holdings Pvt limited	2128692
Ashok kumar Arora	Raghuvesh Holdings Pvt limited	2128692
Surinder Kumar Arora	Raghuvesh Holdings Pvt limited	2128692
Gurucharan Dass Arora	Raghuvesh Holdings Pvt limited	2128692

Subsequent to the above transfers, the promoter shareholding would be as under:

Name	Pre-Shareholding ( number of shares)	Pre-Shareholding (%)	Post-Shareholding ( number of shares)	Post-Shareholding (%)
Raghuvesh Holding Private Limited	3098413	11.71	13741873	51.95
Surinder Kumar Arora	2820152	10.66	0	0.00
Ashok Kumar Arora	2742418	10.37	0	0.00
Ashwani Kumar Arora	2723152	10.29	0	0.00



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Vijay Kumar Arora & Ashwani Kumar Arora	1606320	6.07	0	0.00
Gurucharan Dass Arora	1573932	5.95	0	0.00
Vijay Kumar Arora	1117964	4.23	0	0.00
Gurucharan Dass Arora & Surinder Kumar Arora	1109520	4.19	0	0.00
Parvesh Rani	680000	2.57	680000	2.57
Vandana Arora	104000	0.39	837150	3.16
Munish Kumar Arora	64366	0.24	64366	0.24
Abhinav Arora	63334	0.24	63334	0.24
Gurucharan Dass Arora HUF	63334	0.24	63334	0.24
Aditya Arora	63334	0.24	63334	0.24
Ranju Arora	39534	0.15	773816	2.93
Vaneet Arora	16000	0.06	16000	0.06
Gursajan Arora	12666	0.05	12666	0.05
Anita Arora	8734	0.03	761150	2.88
Sakshi Arora	7000	0.03	837150	3.16
<b>Total</b>	<b>17914173</b>	<b>67.72</b>	<b>17914173</b>	<b>67.72</b>

4. We have considered the submission made by you in your letters under reference and without necessarily agreeing with your analysis, our views on the issues are as under.

- a. In the instant case, since the transferors and transferees mentioned in the application are persons named as promoters in the shareholding pattern filed by the Target Company in terms of the Listing Agreement read with SEBI (Listing Obligations and Disclosure Requirements), 2015 for not less than three years prior to the proposed acquisition, therefore the proposed acquisition would be exempt from the obligation to make an open offer subject to fulfillment of pre-conditions specified therein.
- b. Further, Regulation 3(2) of Takeover Regulations would be applicable each time an entity in the promoter/ promoter group acquires shares and crosses the creeping acquisition limit of 5% in a financial year. In terms of explanation (i) to Regulation 3(2) of Takeover Regulations, while calculating the limit of 5% of shares, the gross acquisitions alone will be taken into account regardless of intermittent fall in shareholding or voting rights as provided thereunder.

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Thus, the proposed transfer to RHPL by way of sale can be done in different tranches subject to prior intimation to Stock exchanges in terms of Regulation 10(5) of Takeover Regulations followed by filing of post-acquisition reports stipulated under regulation 10(6) and 10(7) of Takeover Regulations.

5. Vide your letter dated November 20, 2015, you have requested for confidentiality in respect of your interpretative letter. Acceding to your request, it has been decided that the interpretative 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 SEBI Regulations, Guidelines and circulars administered by SEBI or of the laws administered by any other authority.

Yours faithfully,

**Amit Tandon**