

January 24, 2020

To,
General Manager
BSE Limited
P J Towers,
Dalal Street, Mumbai - 400001.

Ref. : Company Code 540728
Sub. : Intimation under Regulation 30 of SEBI(LODR) Regulations, 2015

Dear Sirs,

We, Sayaji Industries Limited, have received a letter dated January 24, 2020 from Vishal Family Trust informing the company that they have obtained exemption order dated 15/11/2019 from Securities and Exchange Board of India permitting inter-se transfer of promoter shares under Section 11(1) and Section 11(2) (h) of the SEBI Act read with regulation 11(5) of SEBI(Substantial Acquisition of Shares and Takeovers) Regulations, 2011), permitting transfer of 10,35,360 (16.38%) equity shares from Priyambhai Bipinbhai Mehta and Niramayiben Bipinbhai Mehta to Vishal Family Trust being the direct acquisition of equity shares of Sayaji Industries Limited by Vishal Family Trust.

We are also informed that the said exemption order of SEBI also permits indirect acquisition of equity shares/control of Sayaji Industries Limited by Vishal Family Trust by acquiring 50% shares of Viva Texchem Private Limited (which is a holding company of C V Mehta Private Ltd., Priyam Commercial Enterprises Private Ltd. and Bini Commercial Enterprises Private Limited), as the said promoter group companies (owned and controlled by the promoter family) together hold 22,75,120 (36%) equity shares of Sayaji Industries Limited. Thus Vishal Family Trust will be indirectly acquiring 50% control over the said shares.

The copy of the exemption order dated 15/11/2019 received from the Securities and Exchange Board of India is enclosed for your kind perusal.

We request you to take the aforesaid order on your records. We also bring to your kind notice that the equity shares of promoters are under lock-in till October 13, 2020 and the company shall ensure that the same will remain under lock-in till that date after the same are acquired by Vishal Family Trust.

For Sayaji Industries Limited

Rajesh H. Shah

(Rajesh H. Shah)

Company Secretary &

Sr. Executive Vice President

Encl.: As above



Sayaji Industries Limited

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January 24, 2020

To,

The Company Secretary
Sayaji Industries Limited
P.O. Kathwada, Ahmedabad - 382430

Dear Sir,

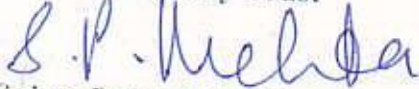
I, Sujata Priyambhai Mehta, Trustee of Vishal Family Trust hereby inform you that I have received an exemption order dated 15/11/2019 from Securities and Exchange Board of India permitting inter-se transfer of promoter shares under Section 11(1) and Section 11(2) (h) of the SEBI Act read with regulation 11(5) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011), permitting transfer of 10,35,360 (16.38%) equity shares from Priyambhai Bipinbhai Mehta and Niramayiben Bipinbhai Mehta to Vishal Family Trust being the direct acquisition of equity shares of Sayaji Industries Limited by Vishal Family Trust.

In addition to above, the aforesaid order of SEBI also permits indirect acquisition of equity shares/control of Sayaji Industries Limited by acquiring by Vishal Family Trust 50% shares of Viva Texchem Private Limited (which is a holding company of C V Mehta Private Ltd., Priyam Commercial Enterprises Private Ltd. and Bini Commercial Enterprises Private Limited), as the said promoter companies (owned and controlled by the promoter family) together hold 22,75,120 (36%) equity shares of Sayaji Industries Limited. Thus Vishal Family Trust will be indirectly acquiring 50% control over the said shares.

The copy of the exemption order dated 15/11/2019 received from the Securities and Exchange Board of India is enclosed for your kind perusal.

We request you to take the aforesaid order on your records.

For Vishal Family Trust


(Sujata Priyambhai Mehta)
Trustee

Encl.: As above

SECURITIES AND EXCHANGE BOARD OF INDIA

ORDER

UNDER SECTION 11(1) AND SECTION 11(2)(h) OF THE SEBI ACT READ WITH REGULATION 11(5) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011.

IN THE MATTER OF PROPOSED ACQUISITION OF SHARES AND VOTING RIGHTS IN –

TARGET COMPANY	SAYAJI INDUSTRIES LIMITED
ACQUIRERS	VISHAL FAMILY TRUST VARUN FAMILY TRUST

BACKGROUND –

1. Sayaji Industries Limited (“**Target Company**”) was incorporated under the Companies Act, 1913 on January 30, 1941. The Registered Office of the Target Company is at P.O. Kathwada, Maize Products, Ahmedabad-382430. The shares of the Target Company are listed on BSE Limited (“**BSE**”).
2. An Application dated March 23, 2019 read with *inter alia* e-mails dated September 13, 2019 and September 20, 2019 (“**Application**”) seeking exemption from the applicability of Regulations 3 and 5 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (“**Takeover Regulations**”) in the matter of proposed acquisition of shares and voting rights in the Target Company, was received by SEBI from Sujata Priyambhai Mehta and Priyambhai Bipinbhai Mehta on behalf of Vishal Family Trust and Varun Family Trust, respectively (“**Acquirer Trusts/Proposed Acquirers**”).
3. Regulations 3 and 5 of the Takeover Regulations state –

“Substantial acquisition of shares or voting rights.

3. (1) No acquirer shall acquire shares or voting rights in a Target Company which taken together with shares or voting rights, if any, held by him and by persons acting in concert with him in such Target Company, entitle them to exercise twenty-five per cent or more of the voting rights in such Target Company unless the acquirer makes a public announcement of an open offer for acquiring shares of such Target Company in accordance with these Regulations.

(2) No acquirer, who together with persons acting in concert with him, has acquired and holds in accordance with these regulations 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 but less than the maximum permissible non-public shareholding, shall acquire within any financial year additional shares or voting rights in such target company entitling them to exercise more than five per cent of the voting rights, unless the acquirer makes a public announcement of an open offer for acquiring shares of such target company in accordance with these regulations:

Provided that such acquirer shall not be entitled to acquire or enter into any agreement to acquire shares or voting rights exceeding such number of shares as would take the aggregate shareholding pursuant to the acquisition above the maximum permissible non-public shareholding.

Explanation — For purposes of determining the quantum of acquisition of additional voting rights under this sub-regulation,—

- (i) Gross acquisitions alone shall be taken into account regardless of any intermittent fall in shareholding or voting rights whether owing to disposal of shares held or dilution of voting rights owing to fresh issue of shares by the target company.
- (ii) In the case of acquisition of shares by way of issue of new shares by the target company or where the target company has made an issue of new shares in any given financial year, the difference between the pre-allotment and the post-allotment percentage voting rights shall be regarded as the quantum of additional acquisition.

Indirect acquisition of shares or control

5. (1) For the purposes of Regulation 3 and Regulation 4, acquisition of shares or voting rights in, or control over, any company or other entity, that would enable any person and persons acting in concert with him to exercise or direct the exercise of such percentage of voting rights in, or control over, a Target Company, the acquisition of which would otherwise attract the obligation to make a public announcement of an open offer for acquiring shares under these regulations, shall be considered as an indirect acquisition of shares or voting rights in, or control over the Target Company...”



4. In the aforementioned Application and subsequent submissions, the following was *inter alia* stated:

A. As on the date of Application, the present shareholding in the Target Company is as under:

TABLE I – SHAREHOLDING IN THE TARGET COMPANY (SOURCE: BSE WEBSITE)			
	NAME	NO. OF SHARES	% SHAREHOLDING
A.	PROMOTER/ PROMOTER GROUP		
1.	PRIYAMBHAI BIPINBHAI MEHTA	7,29,200	11.54
2.	NIRAMAYIBEN BIPINBHAI MEHTA	3,06,160	4.84
3.	SUJATA PRIYAMBHAI MEHTA	11,37,680	18.00
4.	VARUN P. MEHTA	1,09,360	1.73
5.	VISHAL PRIYAM MEHTA	1,44,000	2.28
6.	C. V. MEHTA PVT. LIMITED	9,59,520	15.18
7.	PRIYAM COMMERCIAL ENTERPRISES PVT. LIMITED	8,56,400	13.55
8.	BINI COMMERCIAL ENTERPRISES PVT. LIMITED	4,59,200	7.27
9.	SHRI MURLI PACKING & TRADING CO. P. L.	80	0.00
10.	GAURANG KANTILAL DALAL	800	0.01
11.	JANAK D. DESAI	960	0.02
12.	CHIRAG M. SHAH	880	0.01
13.	AMAL KIRTILAL KOTHARI	4,000	0.06
14.	PRIYABEN AMALBHAI KOTHARI	29,440	0.47
15.	MAHENDRABHAI NATVARLAL SHAH	800	0.01
	TOTAL	47,38,480	74.98
B.	PUBLIC SHAREHOLDING	15,81,520	25.02
C.	TOTAL (A + B)	63,20,000	100.00

B. As per the Application,

- i. Priyambhai Bipinbhai Mehta has settled a Family Trust, viz. Vishal Family Trust, by executing a Trust Deed dated February 11, 2019, which was amended and restated vide Deed of Amendment and Restatement dated July 17, 2019 and further, amended and restated vide Deed of Amendment and Restatement dated September 11, 2019 read with Deed of Amendment dated September 19, 2019.
- ii. Sujata Priyambhai Mehta has settled a Family Trust, viz. Varun Family Trust, by executing a Trust Deed dated February 11, 2019, which was amended and restated vide Deed of Amendment and Restatement dated July 17, 2019 and further, amended and restated vide Deed of Amendment and Restatement dated September 11, 2019 read with Deed of Amendment dated September 19, 2019.



C. The Settlor, Trustees and beneficiaries of the aforementioned Acquirer Trusts are as under –

ACQUIRER TRUST – VISHAL FAMILY TRUST			
SETTLOR	TRUSTEE	BENEFICIARIES	RELATIONSHIP
Priyambhai Bipinbhai Mehta	1. Sujata Priyambhai Mehta (Wife of Priyambhai Bipinbhai Mehta)	1. Sujata Priyambhai Mehta. 2. Miraya Vishal Mehta (Granddaughter of Priyambhai Bipinbhai Mehta). 3. Lineal descendants of Vishal Mehta (Son of Priyambhai and Sujata Mehta). 4. Lineal descendants of Priyambhai Bipinbhai Mehta.	The Trustee and beneficiaries are either Promoters or their immediate relatives.

ACQUIRER TRUST – VARUN FAMILY TRUST			
SETTLOR	TRUSTEE	BENEFICIARIES	RELATIONSHIP
Sujata Priyambhai Mehta	1. Priyambhai Bipinbhai Mehta (Husband of Sujata Priyambhai Mehta)	1. Priyambhai Bipinbhai Mehta. 2. Samara Varun Mehta (Granddaughter of Sujata Priyambhai Mehta). 3. Lineal descendants of Varun Mehta (Son of Priyambhai and Sujata Mehta). 4. Lineal descendants of Sujata Priyambhai Mehta.	The Trustee and beneficiaries are either Promoters or their immediate relatives.

D. The proposed acquisition involves transfer of 10,35,360 (16.38%) equity shares from Priyambhai Bipinbhai Mehta and Niramayiben Bipinbhai Mehta (Mother of Priyambhai Bipinbhai Mehta) to Vishal Family Trust and transfer of 10,70,000 (16.93%) equity shares from Sujata Priyambhai Mehta to Varun Family Trust. The aforementioned transactions will result in a direct acquisition of shares by the Acquirer Trusts in the Target Company attracting Regulation 3 of the Takeover Regulations 2011 (“*Direct Acquisition*”). The shareholding in the Target Company subsequent to the *Direct Acquisition* will be as under:

TABLE II – PROPOSED SHAREHOLDING IN THE TARGET COMPANY (SOURCE: BSE WEBSITE)			
	NAME	NO. OF SHARES	% SHAREHOLDING
A.	PROMOTER/ PROMOTER GROUP		
1.	SUJATA PRIYAMBHAI MEHTA	67,680	1.07
2.	VARUN FAMILY TRUST	10,70,000	16.93
3.	VISHAL FAMILY TRUST	10,35,360	16.38
4.	VARUN P. MEHTA	1,09,360	1.73
5.	VISHAL PRIYAM MEHTA	1,44,000	2.28
6.	BINI COMMERCIAL ENTERPRISES PVT. LIMITED	4,59,200	7.27
7.	C.V. MEHTA PVT. LIMITED	9,59,520	15.18
8.	PRIYAM COMMERCIAL ENTERPRISES PVT. LIMITED	8,56,400	13.55
9.	SHRI MURLI PACKING & TRADING CO. P. L.	80	0.00
10.	GAURANG KANTILAL DALAL	800	0.01
11.	JANAK D. DESAI	960	0.02
12.	CHIRAG M. SHAH	880	0.01
13.	AMAL KIRTILAL KOTHARI	4,000	0.06
14.	PRIYABEN AMALBHAI KOTHARI	29,440	0.47
15.	MAHENDRABHAI NATVARLAL SHAH	800	0.01
	TOTAL	47,38,480	74.98
B.	PUBLIC SHAREHOLDING	15,81,520	25.02
C.	TOTAL (A + B)	63,20,000	100.00



E. In addition to the *Direct Acquisition*, the Acquirer Trust will acquire shares in the Promoter Companies (which are owned and controlled by the Promoter family) resulting in an indirect acquisition of shares/control in the Target Company as under:

- i. C. V. Mehta Pvt. Limited, Priyam Commercial Enterprises Pvt. Limited and Bini Commercial Enterprises Pvt. Limited (collectively referred as “**Specified Promoter Group Companies**”) form part of the Promoter and Promoter Group of the Target Company (See Tables I and II).
- ii. Viva Tex–Chem Pvt. Limited (“**Viva Tex–Chem**”) is the holding company of Specified Promoter Group Companies and the numbers of shares held by Viva Tex–Chem in the aforesaid Companies are as under:

	NAME OF SUBSIDIARY COMPANY OF VIVA TEX–CHEM	NO. OF EQUITY SHARES HELD BY VIVA TEX–CHEM	% OF TOTAL SHARES
1.	C. V. MEHTA PVT. LIMITED	14,003	93.35
2.	PRIYAM COMMERCIAL ENTERPRISES PVT. LIMITED	995	99.50
3.	BINI COMMERCIAL ENTERPRISES PVT. LIMITED	995	99.50

- iii. The shareholding in Viva Tex–Chem is as under:

	NAME	NO. OF EQUITY SHARES	%
1.	PRIYAMBHAI BIPINBHAI MEHTA	12,500	50.00
2.	NIRAMAYIBEN BIPINBHAI MEHTA	12,500	50.00

- iv. It is proposed to transfer the shares of Viva Tex–Chem (Priyambhai Bipinbhai Mehta to Vishal Family Trust and Niramayiben Bipinbhai Mehta to Varun Family Trust) as under:

TRANSFEROR	TRANSFeree	% OF SHARES OF VIVA TEX–CHEM BEING TRANSFERRED	NAME OF SPECIFIED PROMOTER GROUP COMPANIES	% OF TOTAL SHARES HELD BY SPECIFIED PROMOTER GROUP COMPANIES IN THE TARGET COMPANY
PRIYAMBHAI BIPINBHAI MEHTA	VISHAL FAMILY TRUST	12,500 (50.00%)	1. C. V. MEHTA PVT. LIMITED 2. PRIYAM COMMERCIAL ENTERPRISES PVT. LIMITED	36.00
NIRAMAYIBEN BIPINBHAI MEHTA	VARUN FAMILY TRUST	12,500 (50.00%)	3. BINI COMMERCIAL ENTERPRISES PVT. LIMITED	



- v. The aforementioned transaction (at paragraph 4E. iv.) will also result in an indirect acquisition of shares/control in the Target Company i.e. acquisition by Vishal Family Trust and Varun Family Trust of 22,75,120 (36.00%) equity shares held by C. V. Mehta Pvt. Limited, Priyam Commercial Enterprises Pvt. Limited and Bini Commercial Enterprises Pvt. Limited, attracting Regulation 5 of the Takeover Regulations 2011 ("**Indirect Acquisition**").

F. Grounds for seeking exemption –

- a. *The proposed transfer is only in the nature of inter-se transfer of shares within the Promoter / Promoter Group.*
b. *The proposed acquisition is intended to streamline succession and welfare of the members of the Priyambhai Bipinbhai Mehta family, being members of the Promoter Group of the Target Company.*

G. The Acquirer Trusts have confirmed their compliance with the following Guidelines outlined in the Schedule to the SEBI Circular dated December 22, 2017 (through submission of the Deed of Amendment and Restatement executed on September 11, 2019 and Deed of Amendment executed on September 19, 2019, respectively) –

- i. *The Trust is in substance, only a mirror image of the Promoters' holdings and consequently, there is no change of ownership or control of the shares or voting rights in the Target Company.*
ii. *Only individual promoters or their immediate relatives or lineal descendants are Trustees and beneficiaries.*
iii. *The beneficial interest of the beneficiaries of the Trust has not been and will not in the future, be transferred, assigned or encumbered in any manner including by way of pledge/ mortgage.*
iv. *In case of dissolution of the Trust, the assets will be distributed only to the beneficiaries of the trust or to their legal heirs*
v. *The Trustees will not be entitled to transfer or delegate any of their powers to any person other than one or more of themselves.*
vi. *Any change in the trustees / beneficiaries and any change in ownership or control of shares or voting rights held by Trust shall be disclosed within 2 days to the concerned stock exchanges with a copy endorsed to SEBI for its record.*
vii. *As far as the provisions of the SEBI Act and the regulations framed thereunder are concerned the ownership or control of shares or voting rights will be treated as vesting not only with the Trustees but also indirectly with the beneficiaries.*
viii. *The liabilities and obligations of individual transferors under the SEBI Act and the regulations framed thereunder will not change or get diluted due to transfers to the Trust.*
ix. *The Trust shall confirm, on an annual basis, that it is in compliance with the exemption order passed by SEBI. The said confirmation shall be furnished to the company which it shall disclose prominently as a note to the*



shareholding pattern filed for the quarter ending March 31 each year, under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- x. The Trust shall get its compliance status certified from an independent auditor annually and furnish the certificate to the Stock Exchanges for public disclosure with a copy endorsed to SEBI for its records.
- xi. The proposed acquisition is in accordance with the provisions of the Companies Act, 2013 and other applicable laws.
- xii. The transferors are disclosed as promoters in the shareholding pattern filed with the Stock Exchanges for a period of at least 3 years prior to transfer (except for holding on account of inheritance).
- xiii. There is no layering in terms of trustees/ beneficiaries in case of Trusts.
- xiv. The Trust Deed does not contain any limitation of liability of the trustees/beneficiaries in relation to the provisions of the SEBI Act and all regulations framed thereunder.

CONSIDERATION –

5. I have considered the Application submitted by Sujata Priyambhai Mehta and Priyambhai Bipinbhai Mehta on behalf of Vishal Family Trust and Varun Family Trust, respectively and other material available on record. Without reiterating the facts as stated above, the following is noted:
- A. The Application submitted is in respect of the proposed acquisitions of shares and voting rights in the Target Company i.e. **Sayaji Industries Limited**. The proposed acquisitions as detailed at paragraphs 4D and 4E, which are to be made by Vishal Family Trust and Varun Family Trust i.e. the Proposed Acquirers, will attract the provisions of Regulations 3 and 5 of the Takeover Regulations 2011.
 - B. Pursuant to the proposed acquisitions, the Proposed Acquirers will hold an aggregate of approximately 69.31% of the paid up equity capital in the Target Company (33.31% on account of the *Direct Acquisition* and approximately 36% on account of the *Indirect Acquisition*) in such Company.
 - C. The objective of the proposed acquisitions is to streamline succession and promote welfare of the Promoter family.
 - D. The shareholding in Viva Tex–Chem (Holding Company of the Specified Promoter Group Companies of the Target Company) are substantially held by Priyambhai Bipinbhai Mehta and Niramayiben Bipinbhai Mehta (both Promoters of the Target Company) (see Tables I, II and IV).



- E. There will be no change in control of the Target Company pursuant to the proposed acquisition.
- F. The pre-acquisition and post-acquisition shareholding of the Promoters in the Target Company will remain the same (except that of the transferors and the transferees in the *Direct Acquisition*).
- G. There will also be no change in the public shareholding of the Target Company.
- H. The Target Company shall continue to be in compliance with the minimum public shareholding requirements under the Securities Contracts Regulation Rules, 1957 (“**SCRR**”) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
6. Upon perusal of the Trust Deeds, as restated and amended on September 11, 2019 and September 19, 2019, respectively, it is observed that the terms therein are in compliance with the Guidelines outlined in the Schedule to the SEBI Circular dated December 22, 2017. Accordingly, the Applicant Trusts are eligible for exemption as sought and the same is being granted subject to certain conditions imposed in the interest of investors, as ordered herein below.

ORDER –

7. I, in exercise of the powers conferred upon me under Section 19 read with Section 11(1) and Section 11(2)(h) of the Securities and Exchange Board of India Act, 1992 (“**SEBI Act**”) and Regulation 11(5) of the Takeover Regulations, hereby grant exemption to the Proposed Acquirer, viz. **Vishal Family Trust** and **Varun Family Trust**, from complying with the requirements of Regulations 3 and 5 of the Takeover Regulations with respect to the proposed acquisitions in the Target Company, viz. **Sayaji Industries Limited**, by way of proposed transactions as mentioned in the Application.
8. The exemption so granted is subject to the following conditions:
- i. The proposed acquisition shall be in accordance with the relevant provisions of the Companies Act, 2013 and other applicable laws.



- ii. On completion of the proposed acquisition, the Proposed Acquirer shall file a report with SEBI within a period of 21 days from the date of such acquisition, as provided in the Takeover Regulations.
 - iii. The statements/averments made or facts and figures mentioned in the Application and other submissions by the Proposed Acquirer are true and correct.
 - iv. The Proposed Acquirers shall ensure compliance with the statements, disclosures and undertakings made in the Application. The Proposed Acquirer shall also ensure compliance with the provisions of the SEBI Circular dated December 22, 2017.
 - v. The Proposed Acquirers shall also ensure that the covenants in the Trust Deeds are not contrary to the above conditions and undertakings provided by the transferors. In such case, the Trust Deeds shall be suitably modified and expeditiously reported to SEBI.
 - vi. The Proposed Acquirers shall at all points in time, ensure that Directors appointed in the Promoter Companies, viz. C. V. Mehta Pvt. Limited, Priyam Commercial Enterprises Pvt. Limited and Bini Commercial Enterprises Pvt. Limited, are either the individual Promoters or their immediate relatives or lineal descendants.
9. The exemption granted above is limited to the requirements of making open offer under the Takeover Regulations and shall not be construed as exemption from the disclosure requirements under Chapter V of the aforesaid Regulations; compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015; Listing Agreement/SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or any other applicable Acts, Rules and Regulations.
10. The Application dated March 23, 2019 read with e-mails dated September 13, 2019 and September 20, 2019, filed by Sujata Priyambhai Mehta and Priyambhai Bipinbhai Mehta on behalf of Vishal Family Trust and Varun Family Trust respectively, is accordingly disposed of.



G. Mahalingam

Place: Mumbai
Date: November 15, 2019

G. MAHALINGAM
WHOLE TIME MEMBER
SECURITIES AND EXCHANGE BOARD OF INDIA