

Prahlad S. Advani Trust

Flat No. 22 B/1, Woodlands, Dr. G. Deshmukh Marg, Mumbai 200026

Date: June 22, 2023

To,
The Manager,
BSE Limited
Corporate Compliance Department
P. J. Towers,
Dalal Street, Fort, Mumbai - 400001
Scrip Code – **523269**

The Manager - Listing,
National Stock Exchange of India
Exchange Plaza, 5th Floor, 'G' Block,
Bandra Kurla Complex,
Bandra (East), Mumbai – 400051
Symbol- **ADVANIHOTR**

Dear Sir/Madam,

Sub: Advance intimation for the proposed acquisition of 34,18,869 equity shares of Advani Hotels & Resorts (India) Ltd.

Ref. : Disclosure under Regulation 10(5) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulation, 2011

Pursuant to the provisions of Regulation 10(5) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulation, 2011 ('SAST Regulations'), this is to inform you that we, Prahlad S. Advani Trust propose to acquire 34,18,869 (7.40%) Equity Shares of Advani Hotels & Resorts (India) Ltd. on June 30, 2023.

Necessary disclosure in prescribed format is attached and marked as Annexure – 1.

We would like to inform you that acquisition of said equity shares is pursuant to the exemption granted by the SEBI vide its exemption order no. WTM/SM/CFD/6/2022-23 dated December 29, 2022 under Regulation 11(5) of the SAST Regulations from making open offer under Regulation 3(2) read with Regulation 4 of the SAST Regulations. The copy of the exemption order is enclosed as Annexure-2.

Kindly take the same on your record.

Thanking you,
Yours faithfully,

For **Prahlad S. Advani Trust**

Sunder G. Advani
(Trustee)

Place: Mumbai

Enclosure: As stated above

CC: Advani Hotels and Resorts (India) Limited

18A & 18B, Jolly Maker Chambers-II Nariman Point Mumbai 400021

Annexure – 1

Format for disclosures under Regulation 10(5) – Intimation to Stock Exchanges in respect of acquisition under Regulation 10(1)(a) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

1.	Name of the Target Company (TC)	Advani Hotels & Resorts (India) Ltd.
2.	Name of the acquirer(s)	Prahlad S. Advani Trust
3.	Whether the acquirer(s) is/ are promoters of the TC prior to the transaction. If not, nature of relationship or association with the TC or its promoters	No, the acquirer was not named as a promoter/promoter group. The acquirer, Prahlad S. Advani Trust is controlled by members belonging to the promoter and promoter group of the Target Company.
4.	Details of the proposed acquisition	
	a. Name of the person(s) from whom shares are to be acquired	Mr. Sunder G. Advani jointly held with Mrs. Menaka S. Advani
	b. Proposed date of acquisition	June 30, 2023
	c. Number of shares to be acquired from each person mentioned in 4(a) above	34,18,869
	d. Total shares to be acquired as % of share capital of TC	7.40%
	e. Price at which shares are proposed to be acquired	Nil, the proposed transaction is by way of inter-se transfer between the Promoter and a Trust which is controlled by the members belonging to the Promoter and Promoter Group of the Target Company for the benefits of their lineal descendants without any consideration pursuant to the exemption granted by the SEBI vide its exemption order no. WTM/SM/CFD/6/2022-23 dated December 29, 2022.
	f. Rationale, if any, for the proposed transfer	The proposed inter-se transfer of shares is pursuant to an internal reorganisation/Succession Planning within the promoters' family for the benefits of their lineal descendants.
5.	Relevant sub-clause of regulation 10(1)(a) under which the acquirer is exempted from making open offer	The acquisition of said equity shares is pursuant to the exemption granted by the SEBI vide its exemption order no. WTM/SM/CFD/6/2022-23 dated December 29, 2022 under Regulation 11(5) of the SAST Regulations from making open offer under Regulation 3(2) read with Regulation 4 of the SAST Regulations. Therefore, this being an exemption granted by SEBI, there is no sub-clause of Regulation 10(1)(a) under which the acquirer is exempted from making open offer.

6.	If, frequently traded, volume weighted average market price for a period of 60 trading days preceding the date of issuance of this notice as traded on the stock exchange where the maximum volume of trading in the shares of the TC are recorded during such period.	Not Applicable
7.	If in-frequently traded, the price as determined in terms of clause (e) of sub-regulation (2) of regulation 8.	Not Applicable
8.	Declaration by the acquirer, that the acquisition price would not be higher by more than 25% of the price computed in point 6 or point 7 as applicable.	Not Applicable since this is a gift which is exempted by SEBI vide its exemption order (<i>enclosed as Annexure-2</i>).
9.	Declaration by the acquirer, that the transferor and transferee have complied / will comply with applicable disclosure requirements in Chapter V of the Takeover Regulations, 2011 (corresponding provisions of the repealed Takeover Regulations 1997)	It is hereby declared that the Acquirer and the Transferee have complied / will comply with the applicable disclosure requirements under Chapter V of the SEBI Takeover Regulations, 2011.
10.	Declaration by the acquirer that all the conditions specified under regulation 10(1)(a) with respect to exemptions has been duly complied with.	It is hereby declared the acquisition of said equity shares is pursuant to the exemption granted by the SEBI vide its exemption order no. WTM/SM/CFD/6/2022-23 dated December 29, 2022 under Regulation 11(5) of the SAST Regulations from making open offer under Regulation 3(2) read with Regulation 4 of the SAST Regulations. Therefore, this being an exemption granted by SEBI, declaration by the acquirer that all the conditions specified under Regulation 10(1)(a) with respect to exemptions being duly complied with is not applicable.

11	Shareholding details	Before the proposed transaction		After the proposed transaction	
		No. of shares /voting rights	% w.r.t total share capital of TC	No. of shares /voting rights	% w.r.t total share Capital of TC
	a	Acquirer(s) and PACs (other than sellers)(*)			
		i) Prahlad S. Advani Trust (Acquirer)	0	0	34,18,869 7.40
		ii) PAC (excluding seller)	13,78,01,109	29.81	13,78,01,109 29.81
	b	Seller (s) Mr. Sunder G. Advani jointly held with Mrs. Menaka S. Advani	94,45,893	20.44	6027,024 13.04
		Total (a+b)	2,32,26,002	50.25	2,32,26,002 50.25

Note:

- (*) Shareholding of each entity may be shown separately and then collectively in a group.
- The above disclosure shall be signed by the acquirer mentioning date & place. In case, there is more than one acquirer, the report shall be signed either by all the persons or by a person duly authorized to do so on behalf of all the acquirers.

For and on behalf of Prahlad S. Advani Trust

Sunder G. Advani
Trustee

Place: Mumbai

Date: June 22, 2023

WTM/SM/CFD/6/2022-23

SECURITIES AND EXCHANGE BOARD OF INDIA

ORDER

UNDER SECTION 11(1) AND SECTION 11(2)(h) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 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	ADVANI HOTELS AND RESORTS (INDIA) LTD.
PROPOSED ACQUIRER	PRAHLAD S. ADVANI TRUST

Background -

1. Advani Hotels and Resorts (India) Ltd. (for convenience "*Target Company*") is a company incorporated under the Companies Act, 1956 and has its registered office at 18A & 18B, Jolly Maker Chambers-II, Nariman Point, Mumbai -400021. It was incorporated on March 13, 1987. The equity shares of the Target Company are listed on the BSE Ltd. ("*BSE*") and National Stock Exchange of India Ltd. ("*NSE*").
2. An Application dated May 31, 2022, addendum to the application dated September 15, 2022 and other submissions dated July 26, 2022, August 12, 2022, August 18, 2022, September 09, 2022, November 16, 2022 & December 26, 2022 (for convenience collectively referred to as "*Application*") seeking exemption from the applicability of regulation 3(2) and 4 of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (for convenience "*Takeover Regulations, 2011*") in the matter of proposed direct acquisition of shares in the *Target Company* has been filed by Prahlad S. Advani Trust (for convenience "*Acquirer Trust/ Proposed Acquirer/ Applicant*").
3. *Acquirer Trust* vide its *Application* and subsequent submissions/clarifications has submitted the following:

- (a) The issued, subscribed and paid up Equity Share Capital of the *Target Company* is INR 9,24,38,500/- divided into 4,62,19,250 equity shares of INR 2/- each. For, the quarter ended September 2022, the *Target Company* has a public shareholding of 49.81% and the non-public shareholding of 50.19% is entirely held by the promoters and the promoter group. Further, the shareholding pattern of the *Target Company* is as follows:

S.No.	Name of shareholder	Percentage of Shareholding
1.	Mr. Sunder Advani (Individually)	0.36%
2.	Mrs. Menaka Sunder Advani (Individually)	0.00%
3.	Mr. Sunder Advani jointly with Mrs. Menaka Sunder Advani	20.03%
4.	Mrs. Menaka Sunder Advani jointly with Mr. Sunder Advani	2.84%
5.	Mr. Prahlad Advani	2.97%
	Others	23.99%
	Total Promoters' Shareholding	50.19%
	Public Shareholding	49.81%
	Total Shareholding	100%

- (b) The *Acquirer Trust* has been set up as a private family trust *inter alia* for providing a suitable succession planning between the members of the Sunder Advani family.
- (c) Settlor of the *Acquirer Trust* i.e. Mr. Sunder G Advani proposes to transfer 34,18,869 shares of the *Target Company*, held by him jointly with Mrs. Menaka S. Advani, by way of gift (without any payment consideration) to the *Acquirer Trust*. The Trustees and beneficiaries are the family members of the Settlor.

- (d) The transferors i.e. Mr. Sunder G Advani and Mrs. Menaka S. Advani are part of the 'Promoter and Promoter Group' of the *Target Company* and together holds a total of 23.23% equity shares in the *Target Company*. Out of which, the transferors hold 22.87% of shares jointly. Under the proposed acquisition, they intend to transfer / contribute 34,18,869 shares i.e. 7.40% shareholding, held by them jointly, in the *Target Company* to the *Acquirer Trust*.
- (e) The aforesaid transaction would trigger regulation 3(2) and 4 of the *Takeover Regulations, 2011*.
- (f) The Settlor, Trustees and beneficiaries of the *Acquirer Trust* are as under:

Status	Name	Relationship
Settlor	Mr. Sunder G Advani	Husband of Mrs. Menaka S. Advani, the father of Mr. Prahlad S. Advani
Trustees	1. Mr. Sunder G Advani	
	2. Mrs. Menaka S. Advani	Mother of Mr. Prahlad S. Advani
Beneficiaries	1. Mr. Prahlad S Advani	Father of Master Samir P. Advani
	2. Master Samir P. Advani	Son of Mr. Prahlad S Advani

4. Further, vide *Application* and subsequent communications, the *Applicant* has *inter-alia* provided following grounds for seeking exemption.

- (a) The *Acquirer Trust* is a private family trust set up *inter alia* for the purposes of providing a suitable succession planning structure for ensuring seamless intergenerational transfer of the trust funds amongst the family members who have been identified as Beneficiaries.
- (b) The proposed transfer is only in the nature of *inter-se* transfer of shares within the promoter / promoter group, with no change in overall promoter / promoter group shareholding in *Target Company*.

- (c) The Trust Deed of the *Acquirer Trust inter-alia* provides that the trustees of the *Acquirer Trust* shall only be individuals and immediate relatives or lineal descendants of the Trustees and/or Beneficiaries.
- (d) The proposed acquisition would neither result in any increase or decrease in the shareholding of the promoter group, nor would it result in change in control and management of the *Target Company*.
- (e) The proposed acquisitions is only a part of the internal re-alignment of holding within the family of Mr. Sunder G Advani and is non-commercial in nature.
- (f) The proposed acquisition is intended to streamline succession and welfare of the members of the Sunder G. Advani family. Moreover, the member of the Sunder G. Advani family are the only beneficiaries of the *Acquirer Trust*.
- (g) The proposed acquisition would not have any adverse impact on the *Target Company* or the wider securities market in India and is not expected to cause any appreciable adverse effect on the price of the shares of the *Target Company*.

CONSIDERATION

5. Before I proceed with my consideration, I find it appropriate to quote the relevant regulatory provisions of *Takeover Regulations, 2011*, which are placed below for facility of reference:

Substantial acquisition of shares or voting rights.

3(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.*

Acquisition of Control

4. Irrespective of acquisition or holding of shares or voting rights in a target company, no acquirer shall acquire, directly or indirectly, control over 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.

6. I have considered the *Application* submitted by the Trust 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 direct acquisition of shares and voting rights in the *Target Company* i.e. **Advani Hotels and Resorts (India) Limited**. The proposed acquisition as detailed above, which is to be undertaken by the *Acquirer Trust*, will attract the provisions of regulations 3(2) and 4 of the *Takeover Regulations, 2011*.
- (b) Pursuant to the proposed acquisition, the *Acquirer Trust* would hold 7.40% shares in the *Target Company* as currently being held by the transferors, jointly, who are part of the promoter and promoter group of the *Target Company*.
- (c) The proposed acquisition is intended to streamline succession and promote welfare of the Sunder G. Advani Family. The proposed direct acquisition would be non-commercial transaction which would not affect or prejudice the interests of the public shareholders of the *Target Company* in any manner.
- (d) There will be no change in control of the *Target Company* pursuant to the proposed acquisition.
- (e) The pre-acquisition and post-acquisition shareholding of the promoter and promoter group in the *Target Company* will remain the same. The shareholding pattern is produced below for reference:

Particulars	Shareholding before the proposed acquisition		Proposed transaction		After the proposed acquisition	
	No. of shares	% holding	No. of shares	% holding	No. of shares	% holding
Promoters & Promoter group other than Acquirer(s)						
Mr. Sunder G Advani (Individually)	1,67,312	0.36	0	0	1,67,312	0.36
Mrs. Menaka S. Advani (Individually)	0	0.00	0	0	0	0.00
Mr. Sunder G Advani (jointly with Mrs. Menaka S. Advani)	92,58,581	20.03	-34,18,869	-7.40	58,39,712	12.63
Mrs. Menaka S. Advani (jointly with Mrs. Sunder G. Advani)	13,10,880	2.84	0	0	13,10,880	2.84
Other than above	1,24,59,429	26.96	0	0	1,24,59,429	26.96
Acquirers and PAC						
Prahlad S. Advani Trust	-	-	+34,18,869	+7.40	34,18,869	7.40
Public						
Public Shareholding	2,30,23,048	49.81	-	-	2,30,23,048	49.81
Total	4,62,19,250	100.00	-	-	4,62,19,250	100.00

- (f) There will also be no change in the public shareholding of the *Target Company*.
- (g) The *Target Company* shall continue to be in compliance with the Minimum Public Shareholding requirements under the Securities Contracts Regulation Rules, 1957 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (h) The settlor vide letter dated February 10, 2022 has also provided the following undertaking:

“Prahlad S. Advani Trust undertakes and confirms that Prahlad S. Advani Trust & the concerned trust deeds are in compliance with the Guidelines outlined in the Schedule to the SEBI Circular dated December 22, 2017 and will always remain in compliance with the aforesaid Guidelines.”

7. The *Acquirer Trust*, vide the *Application* has confirmed compliance with the following guidelines outlined in the Schedule to the SEBI Circular dated December 22, 2017:

- (a) 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.
- (b) Only individual promoters or their immediate relatives or lineal descendants are Trustees and beneficiaries of the Trust.
- (c) 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, without the prior approval of: (i) the Beneficiaries of the Trust; and/or (ii) any other statutory or other approval (including SEBI), if required.
- (d) In case of dissolution of the Trust, the assets will be distributed only to the beneficiaries of the trust or to their legal heirs;
- (e) The Trustees will not be entitled to transfer or delegate any of their powers to any person other than one or more of themselves.
- (f) Any change in the trustees / beneficiaries and any change in ownership or control of shares or voting rights held by the Trust shall be disclosed within 2 days to the concerned stock exchanges with a copy endorsed to SEBI for its record.

- (g) As far as the provisions of the SEBI Act, 1992 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.
- (h) The liabilities and obligations of individual transferors under the SEBI Act, 1992 and the regulations framed thereunder will not change or get diluted due to transfers to the Trust.
- (i) The Trust shall confirm, on an annual basis, that they are 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.
- (j) The Trust shall get their 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.
- (k) The proposed acquisition is in accordance with the provisions of the Companies Act, 2013 and other applicable laws.
- (l) 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 the proposed acquisition.
- (m) There is no layering in terms of trustees / beneficiaries in case of the Trust.
- (n) The Trust Deed Agreement does not contain any limitation of liability of the trustees / beneficiaries in relation to the provisions of the SEBI Act, 1992 and all regulations framed thereunder.

8. Considering the aforementioned, I am of the view that exemption as sought for in the *Application* (read with further submissions) may be granted to the *Proposed Acquirer*, subject to certain conditions as ordered herein below.

ORDER

9. I, in exercise of the powers conferred upon me under Section 19 read with Section 11(1) and Section 11(2)(h) of the SEBI Act, 1992 and regulation 11(5) of the *Takeover Regulations 2011*, hereby grant exemption to the *Proposed Acquirer*, viz. **Prahlad S. Advani Trust** from complying with the requirements of regulation 3(2) read with regulation 4 of the *Takeover Regulations, 2011* with respect to the proposed direct acquisition in the *Target Company*, viz. **Advani Hotels and Resorts (India) Ltd.**, by way of proposed transaction as mentioned in the *Application*.

10. The exemption so granted is subject to the following conditions:

- (a) The proposed acquisitions shall be in accordance with the relevant provisions of the Companies Act, 2013 and other applicable laws.
- (b) 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, 2011*.
- (c) The statements / averments made or facts and figures mentioned in the *Application* and other submissions by the *Proposed Acquirer* are true and correct.
- (d) The *Proposed Acquirer* 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.
- (e) The *Proposed Acquirer* shall also ensure that the covenants in the Trust Deeds are not contrary to the above conditions and undertaking provided by the

transferor. In such case, the Trust Deeds shall be suitably modified and expeditiously reported to SEBI.

11. The exemption granted above is limited to the requirements of making open offer under the *Takeover Regulations, 2011* 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.

12. The exemption granted in this Order (at paragraph 9) from making an open offer in respect of the Proposed Acquisition shall remain valid for a period of 1 year from the date of this Order and the Applicant shall complete the implementation of the Proposed Acquisition within such period, failing which the granted exemption shall lapse and cease to exist.

13. The Application dated May 31, 2022 read with other submissions of **Prahlad S. Advani Trust**, is accordingly disposed of.

-Sd-

Place: Mumbai

Date: December 29, 2022

S. K. MOHANTY

WHOLE TIME MEMBER

SECURITIES AND EXCHANGE BOARD OF INDIA