

Disclosures under Regulation 29(2) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

| | | | | |
|--|---|--|--|--|
| Name of the Target Company (TC) | Capri Global Capital Limited | | | |
| Name(s) of the acquirer and Persons Acting in Concert (PAC) with the acquirer | Seller: Ramesh Chandra Sharma HUF | | | |
| Whether the acquirer belongs to Promoter/Promoter group | Yes | | | |
| Name(s) of the Stock Exchange(s) where the shares of TC are Listed | BSE Limited National Stock Exchange of India | | | |
| Details of the acquisition/ disposal as follows | Number | % w.r.t. total share/voting capital wherever applicable(*) | % w.r.t. total diluted share/voting capital of the TC (**) | |
| Before the acquisition/sale under consideration, holding of: | 2135405 | 1.2161 | 1.2161 | |
| a) Shares carrying voting rights | Nil | Nil | Nil | |
| b) Shares in the nature of encumbrance (pledge/ lien/ non-disposal undertaking/ others) | Nil | Nil | Nil | |
| c) Voting rights (VR) otherwise than by shares | Nil | Nil | Nil | |
| d) Warrants/convertible securities/any other instrument that entitles the acquirer to receive shares carrying voting rights in the T C (specify holding in each category) | 2135405 | 1.2161 | 1.2161 | |
| e) Total (a+b+c+d) | | | | |
| Details of acquisition/sale | | | | |
| a) Shares carry/ing voting rights acquired/sold | 2135405 | 1.2161 | 1.216 | |
| b) VRs acquired /sold otherwise than by shares | Nil | Nil | Nil | |
| c) Warrants/convertible securities/any other instrument that entitles the acquirer to receive shares carrying voting rights in the TC (specify holding in each category) acquired/sold | Nil | Nil | Nil | |
| d) Shares encumbered / invoked/released by the acquirer | Nil | Nil | Nil | |
| e) Total (a+b+c+d) | 2135405 | 1.2161 | 1.2161 | |

After the acquisition/sale, holding of:

- Shares carrying voting rights
- Shares encumbered with the acquirer
- VRs otherwise than by shares
- Warrants/convertible securities/any other instrument that entitles the acquirer to receive shares carrying voting rights in the TC (specify holding in each category) after acquisition
- Total (a+b+c+d)

0
Nil
Nil
Nil
0

0
Nil
Nil
Nil
0

0
Nil
Nil
Nil
0

0
Nil
Nil
Nil
0

0
Nil
Nil
Nil
0

Off-market - In line with deed of partition of the Ramesh Chandra Sharma HUF duly executed dated November 11, 2021, the ownership of 21,35,405 equity shares of Capri Global Capital Limited shifted from Ramesh Chandra Sharma HUF to Mr. Ramesh Chandra Sharma on January 17, 2022.

Date of acquisition/ sale of shares / VR or date of receipt of information of allotment of shares, whichever is applicable

January 17, 2022

Equity share capital / total voting capital of the TC before the said acquisition/ sale

Paid up and issued capital of Rs. 35,11,96,210 consisting of 17,55,98,105 Equity shares of Rs. 2 each

Equity share capital/ total voting capital of the TC after the said acquisition/ sale

Paid up and issued capital of Rs. 35,11,96,210 consisting of 17,55,98,105 Equity shares of Rs. 2 each

Total diluted share/voting capital of the TC after the said acquisition

Paid up and issued capital of Rs. 35,11,96,210 consisting of 17,55,98,105 Equity shares of Rs. 2 each

Note:

(*) Total share capital/ voting capital to be taken as per the latest filing done by the Company to the Stock Exchange under Clause 35 of the Listing Agreement.

(**) Diluted share/voting capital means the total number of shares in the TC assuming full conversion of the outstanding convertible securities/warrants into equity shares of the TC.



(Ramesh Chandra Sharma on behalf of Ramesh Chandra Sharma HUF)

Place: Mumbai

Date: 19.01.2022

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 | CAPRI GLOBAL CAPITAL LTD |
| ACQUIRER | JJR FAMILY TRUST |

Background

1. Capri Global Capital Ltd (for convenience "*Target Company*") is a company incorporated under the Companies Act, 1956 and has its registered office at 502, Tower A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai - 400013. It was incorporated on November 15, 1994. The equity shares of the *Target Company* are listed on the BSE Ltd. (for short "*BSE*") and National Stock Exchange of India Ltd. (for short "*NSE*"). The *Target Company* is a diversified Non-Banking Financial Company (NBFC), mainly engaged in lending business with 2-3 key verticals - Micro, Small and Medium Enterprises (MSME) loans, construction finance loans and indirect lending loans. An Application dated June 08, 2021 and an addendum to the said Application dated June 24, 2021 (for convenience collectively referred to as "*Application*") has been submitted by the JJR Family Trust (for convenience "*Acquirer Trust/Proposed Acquirer/Applicant*"). Vide the aforesaid Application, the *Applicant* has sought exemption from the applicability of regulations 3 (1) and 5(1) read with regulation 4 of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (for convenience "*Takeover Regulations, 2011*") in the matter of proposed direct and indirect acquisition of shares in the *Target Company* by *Acquirer Trust* from promoters and promoter holding companies.

2. Regulation 3, 4 and 5 of the *Takeover Regulations, 2011* states as under -

"*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.

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.

Indirect acquisition of shares or control:

5. 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*."

3. In the aforementioned *Application*, the following was, *inter alia*, stated:

(a) The Settlor, Trustees and beneficiaries of the aforementioned *Acquirer Trust* are as under:

| Settlers | Initial Trustees | Beneficiaries | Relationship |
|---------------------------|-------------------|----------------------|----------------|
| Mr. Ramesh Chandra Sharma | Mr. Rajesh Sharma | Mr. Rajesh Sharma | Son |
| | | Ms. Jinisha Sharma | Grand Daughter |
| | | Ms. Jahnavi Sharma | Grand Daughter |
| | | Master Raghav Sharma | Grand Son |

(b) The details of the proposed acquisition are as follows:

- The proposed acquisition involves direct and indirect acquisition of shares of the *Target Company* by *Proposed Acquirer* from promoter and members of promoter group of the *Target Company*. Pursuant to acquisition of shares



and voting rights by acquirer, the *Proposed Acquirer* along with other promoters and promoter group will directly and indirectly have control over the *Target Company*. Present shareholding of *Target Company* is as follows:

| Category of shareholder | No. of shareholders | No. of fully paid up equity shares held | Shareholding as a % of total no. of shares |
|---------------------------|---------------------|---|--|
| Promoter & Promoter Group | 8 | 13,12,42,538 | 74.87 |
| Public | 5,248 | 4,40,42,817 | 25.13 |
| Total | 5,256 | 17,52,85,355 | 100.00 |

ii. Shareholding of promoter and promoter group is tabulated below:

| Name of shareholder | Nos. of shareholders | No. of fully paid up equity shares held | Shareholding as a % of total no. of shares |
|--|----------------------|---|--|
| Mr. Ramesh Chandra Sharma | 1 | 4,37,64,630 | 24.97 |
| Ramesh Chandra Sharma HUF | 1 | 21,55,405 | 1.22 |
| Mr. Rajesh Sharma | 1 | 500 | 0.00 |
| Ms. Jinisha Sharma | 1 | 100 | 0.00 |
| Ms. Jahnavi Sharma | 1 | 100 | 0.00 |
| Master Raghav Sharma | 1 | 100 | 0.00 |
| Capri Global Holdings Pvt Ltd | 1 | 6,78,24,643 | 38.69 |
| Capri Global Advisory Services Pvt Ltd | 1 | 1,75,17,060 | 9.99 |
| Sub Total | 8 | 13,12,42,538 | 74.87 |

Direct Acquisition:

iii. The Sharma family intends to dissolve and partition the assets of the Ramesh Chandra Sharma HUF which is holding 1.22% shares of the *Target Company*, such that the shareholding shall be distributed to Mr. Ramesh Chandra Sharma being the Karta of the Ramesh Chandra Sharma HUF.



Thus, the shareholding of Mr. Ramesh Chandra Sharma would increase from 24.97% to 26.19%. *Acquirer Trust* proposes to acquire entire 26.19% shares of the *Target Company* by way of gift directly from Mr. Ramesh Chandra Sharma.

Indirect Acquisition:

iv. *Acquirer Trust* proposes to acquire 99.97% of shares in Capri Global Holdings Pvt Ltd (for convenience "*CGHPL*") (Promoter of the *Target Company* holding 38.69%) and 99.97% shares in Capri Global Advisory Services Pvt Ltd (for convenience "*CGASPL*") (Promoter of the *Target Company* holding 9.99%), from Mr. Ramesh Chandra Sharma, by way of gift. Details are given below:

a. Mr. Ramesh Chandra Sharma would settle / transfer 2,99,900 shares held in *CGHPL* in to the *Acquirer Trust*. This would result in the *Acquirer Trust* holding 99.97% stake in *CGHPL*. In turn this will result in *Acquirer Trust* having indirect control over the *Target Company*. Shareholding pattern of *CGHPL* is as follows:

| Name of Shareholder | No. of equity shares held | % shares held |
|----------------------------|---------------------------|---------------|
| Mr. Ramesh Chandra Sharma | 2,99,900 | 99.97 |
| Ramesh Chandra Sharma HUF* | 100 | 0.03 |
| Total | 3,00,000 | 100.00 |

*Pursuant to complete partition of Ramesh Chandra Sharma HUF 100 shares will be distributed to Mr. Ramesh Chandra Sharma.

b. Mr. Ramesh Chandra Sharma would settle / transfer 3,59,900 shares held in Shri Rangji Realities Pvt Ltd (for convenience "*SRRPL*") into the *Acquirer Trust*. This would result in the *Acquirer Trust* holding 99.97% stake in Shri Rangji Realities Pvt Ltd. Shareholding pattern of Shri Rangji Realities Pvt Ltd (*SRRPL*) is as follows:

| Name of Shareholder | No. of equity shares held | % shares held |
|----------------------------|---------------------------|---------------|
| Mr. Ramesh Chandra Sharma | 1,95,000 | 54.17 |
| Ramesh Chandra Sharma HUF* | 1,65,000 | 45.83 |
| Total | 3,60,000 | 100.00 |



*Post the proposed complete partition of Ramesh Chandra HUF (1,95,000 shares + 1,64,900 shares) 3,59,900 shares of SRRPL will be held by Mr. Ramesh Chandra Sharma and 100 shares SRRPL will be held by Mr. Rajesh Sharma.

- c. Further, Mr. Ramesh Chandra Sharma would settle / transfer 4.4% direct holding in CGASPL in the Acquirer Trust. In turn this will result indirect change of control over the Target Company. Shareholding pattern of CGASPL is as follows:

| Name of Shareholder | No. of equity shares held | % shares held |
|---------------------------------------|---------------------------|---------------|
| Shri Rangji Realities Pvt Ltd (SRRPL) | 6,97,000 | 48.19 |
| Capri Global Holdings Pvt Ltd (CGHPL) | 6,85,800 | 47.41 |
| Mr. Ramesh Chandra Sharma | 63,600 | 4.40 |
| Total | 14,46,400 | 100.00 |

- v. There would be no alteration in total equity share capital of the Target Company as a result of aforementioned acquisition. The shareholding pattern of the Target Company before and after the proposed acquisition will be as under:

| Particulars | Shareholding before the proposed acquisition | | Proposed transaction | | Shareholding after the proposed acquisition | |
|--|--|-----------|----------------------|-----------|---|-----------|
| | No. of shares | % holding | No. of shares | % holding | No. of shares | % holding |
| Mr. Ramesh Chandra Sharma (after partition of HUF) | 4,59,00,035 | 26.19 | 4,59,00,035 | 26.19 | - | - |
| Mr. Rajesh Sharma | 500 | 0.00 | - | - | 500 | 0.00 |
| Ms. Jinisha Sharma | 100 | 0.00 | - | - | 100 | 0.00 |
| Ms. Jatinavi Sharma | 100 | 0.00 | - | - | 100 | 0.00 |
| Master Raghav Sharma | 100 | 0.00 | - | - | 100 | 0.00 |
| Capri Global Holdings Pvt Ltd | 6,78,24,643 | 38.69 | - | - | 6,78,24,643 | 38.69 |
| Capri Global Advisory | 1,75,17,060 | 9.99 | - | - | 1,75,17,060 | 9.99 |



| Services Pvt Ltd | | | | |
|------------------|---------------------|---------------|----------|---------------------|
| JJR Family Trust | - | 4,59,00,035 | 26.19 | 4,59,00,035 |
| Public | 4,40,42,817 | 25.13 | - | 4,40,42,817 |
| Total | 17,52,85,355 | 100.00 | - | 17,52,85,355 |

- vi. The Acquirer Trust do not hold any equity shares in the Target Company prior to the proposed acquisition. Pursuant to the aforesaid acquisition of shares by Acquirer Trust, the Acquirer Trust shall directly and indirectly acquire control over the Target Company. The aggregate shareholding of the promoter and promoter group in the Target Company before and after the proposed acquisition shall remain the same.

Grounds for seeking exemption

4. The following grounds have been cited by the Applicant while seeking the exemption from Takeover Regulations, 2011:

(a) Members of Sharma Family

- The proposed acquisition is intended to streamline succession and welfare of the members of Sharma Family, being members of the promoter group of the Target Company.
- The proposed acquisitions of equity shares of the Target Company, CGHPL and CGASPL is not by any third party but by the Acquirer Trust which is a family trust administered by the family members of Mr. Ramesh Chandra Sharma.
- The Settlor, Trustee and Beneficiaries of the Acquirer Trust are all relatives and / or part of the Promoter and Promoter Group of the Target Company and shall always be them and their lineal descendants and legal heirs.
- The beneficiaries of the Acquirer Trust are not entitled to transfer their beneficial ownership interest in Trust's property to any person outside their family.



- Upon demise of all beneficiaries, the beneficial interest in the trust property will vest in the legal heirs of last surviving beneficiary of the *Acquirer Trust*.

(b) No change in Ownership

- *Acquirer* shall form part of the Promoter and Promoter Group of *Target Company*.
- The proposed transfer will not alter the board of directors of the *Target Company*.
- Further, the proposed transfer will not result in any increase / decrease in the holding of the transferors / contributors in the *Target Company* as the transferors / contributors will now continue to hold the same equity shares through the *Acquirer Trust* pursuant to the private family arrangement between the transferors / contributors.

(c) No change in control

- The proposed acquisition by the *Acquirer Trust* is only an internal reorganization of the shareholding of the *Target Company*, CGHPL and CGASPL within the family of the transferors / contributors for the purpose of a private family trust arrangement for the benefit of the members of Sharma Family.
- There will be no change of control of the *Target Company* even after the completion of the transaction as provided above. The members of Sharma family will continue to exercise control over the *Target Company*; CGHPL and CGASPL through IJR Family Trust. The promoter family would continue to be in control of the *Target Company* to the extent of shares held by them. There is no change in aggregate shareholding of promoter and members of promoter group in the *Target Company*.

(d) Non-prejudicial to the interest of public shareholders

- The proposed acquisition will not prejudice the interest of the public shareholders of the *Target Company* in any manner.

5. The *Acquirer Trust*, vide the *Application* read with subsequent submissions, have confirmed compliance with the following Guidelines outlined in the Schedule to the SEBI Circular dated December 22, 2017:

- The *Acquirer Trust* is in substance, only a mirror image of the promoter's holdings and consequently, there is no change of ownership or control of the shares or voting rights in the *Target Company*.
- Only individual promoters or their immediate relatives or lineal descendants are Trustees and beneficiaries.
- The beneficial interest of the beneficiaries of the *Acquirer Trust* has not been and shall not in the future, be transferred, assigned or encumbered in any manner including by way of pledge / mortgage.
- In case of dissolution of the *Acquirer Trust*, the assets will be distributed only to the beneficiaries of the *Acquirer Trust* or to their legal heirs.
- The Trustees will not be entitled to transfer or delegate any of their powers to any person other than one or more of themselves.
- Any change in the trustees / beneficiaries and any change in ownership or control of shares or voting rights held by the *Acquirer Trust* shall be disclosed within 2 days to the concerned stock exchanges with a copy endorsed to SEBI for its record.
- 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.
- The liabilities and obligations of individual transferor under the SEBI Act, 1992 and the regulations framed thereunder will not change or get diluted due to transfer to the *Acquirer Trust*.
- The *Acquirer 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 *Target 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 *Acquirer 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.
- (k) The proposed acquisition is in accordance with the provisions of the Companies Act, 2013 and other applicable laws.
- (l) The transferor is disclosed as promoter 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 *Acquirer Trust*.
- (n) The Trust Deed 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.

Consideration

- 6. I have considered the *Application* submitted by the *Acquirer Trust* and other material available on record. Without reiterating the facts as stated above, the following is noted:
 - (a) The *Application* is in respect of the proposed direct and indirect acquisition of shares and voting rights in the *Target Company* i.e. **Capri Global Capital Limited**. The proposed acquisition as detailed above, which is to be made by the *Acquirer Trust*, will attract the provisions of regulations 3 (1) and 5(1) read with regulation 4 of the *Takeover Regulations, 2011*.
 - (b) There will be no change in control of the *Target Company* pursuant to the proposed acquisition, as stipulated under the SEBI Circular dated December 22, 2017.
 - (c) The pre-acquisition and post-acquisition shareholding of the promoters and promoter group in the *Target Company* will remain the same.



- (d) There will also be no change in the public shareholding of the *Target Company*.
- (e) 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.
- (f) The *Acquirer Trust* has confirmed that it is in compliance with the Guidelines outlined in the Schedule to the SEBI Circular dated December 22, 2017 (as reproduced at paragraph 5 above).
- 7. 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

- 8. 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. **JJR Family Trust** from complying with the requirements of regulations 3 (1) and 5(1) read with regulation 4 of the *Takeover Regulations, 2011* with respect to the proposed direct and indirect acquisition in the *Target Company*, viz. **Capri Global Capital Limited**, by way of proposed transaction as mentioned in the *Application*.
- 9. The exemption so granted is subject to the following conditions:
 - (a) The proposed acquisition 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 Deed are not contrary to the above conditions and undertaking provided by the transferor. In such case, the Trust Deed shall be suitably modified and expeditiously reported to SEBI.

10. 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.

11. The *Application* dated June 08, 2021 filed by the *Applicant*, is accordingly disposed of.



S. K. MOHANTY
WHOLE TIME MEMBER
SECURITIES AND EXCHANGE BOARD OF INDIA

Place: Mumbai

Date: July 15, 2021