

**SHANTILAL SAVLA FAMILY TRUST**  
**12A, 3RD FLOOR, ABHISHREE CORPORATE PARK,**  
**BOPAL AMBLI ROAD, AMBLI SIM,**  
**AHMEDABAD-380 058**

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**To**  
**The Securities Exchange Board of India**  
Plot No. C4-A, 'G' Block  
Bandra Kurla Complex  
Bandra (East)  
Mumbai - 400051

Dear Sirs,

**Sub: Disclosure under Regulation 10(7) – Acquisition of shares of Deep Industries Limited**

**Re: Order from SEBI dated 31st March 2017 (SEBI/WTM/SR/CFD-DCR/23/03/2017) and further letter dated 6th September 2017 (SEBI/HO/CFD/DCR1/OW/P/2017/21258/1) granting dispensation under Regulation 11 of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011**

With reference to the captioned subject mentioned above kindly find attached herewith the requisite disclosure under Regulation 10(7) in respect of acquisition of shares of Deep Industries Limited pursuant to Order from SEBI dated 31st March 2017 (SEBI/WTM/SR/CFD-DCR/23/03/2017) and further letter dated 6th September 2017 (SEBI/HO/CFD/DCR1/OW/P/2017/21258/1) granting dispensation under Regulation 11 of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

Kindly acknowledge the receipt.

Thanking You

For Shantilal Savla Family Trust  
**Shantilal Savla Family Trust**  
  
Manoj Savla **Trustee**

Trustee

Date: October 16, 2017  
Place: Ahmedabad

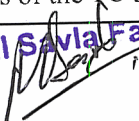
**Copy to Deep Industries Limited**

**CC:**  
**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street  
Mumbai- 40001  
**Scrip Code: 532760**

**National Stock Exchange of India Limited**  
Exchange Plaza, C-1, Block-G  
Bandra Kurla Complex, Bandra (E)  
Mumbai- 400051  
**Scrip Code: DEEPIND**

**Disclosure under Regulation 10(7) - Report to SEBI in respect of any acquisition**

<b>1</b>	<b>General Details</b>	
a.	Name, address, telephone no., e-mail of acquirer(s) {In case there are multiple acquirers, provide full contact details of any one acquirer (the correspondent acquirer) with whom SEBI shall correspond.}	<b>Shantilal Savla Family Trust</b> Address: 12a, 3rd Floor, Abhishree Corporate Park, Bopal Ambli Road, Ambli, Ahmedabad-380058. Telephone No. : 0217-298510 E-mail: savla_manoj@yahoo.co.in
b.	Whether sender is the acquirer (Y/N)	Yes
c.	If not, whether the sender is duly authorized by the acquirer to act on his behalf in this regard (enclose copy of such authorization)	Not applicable
d.	Name, address, Tel no. and e-mail of the sender, if sender is not the acquirer	Not applicable
<b>2</b>	<b>Compliance of Regulation 10(7)</b>	
a.	Date of report	October 16, 2017
b.	Whether report has been submitted to SEBI within 21 working days from the date of the acquisition	Yes
c.	Whether the report is accompanied with fees as required under Regulation 10(7)	No The acquirer had sought dispensation under Regulation 11 of the Takeover Regulations from making public announcement of open offer on acquisition of shares of Deep Industries Limited and has paid the requisite fees under Regulation 11 at the time of making such dispensation application.
<b>3</b>	<b>Compliance of Regulation 10(5)</b>	
a.	Whether the report has been filed with the Stock Exchanges where the shares of the Company are listed, at least 4 working days before the date of the proposed acquisition	Not Applicable Acquisition was made pursuant to dispensation order received from SEBI under Regulation 11 of the Takeover Regulations. Copy of dispensation order by SEBI is enclosed as <b>Annexure-1</b> .
b.	Date of Report	NA
<b>4</b>	<b>Compliance of Regulation 10(6)</b>	
a.	Whether the report has been filed with the Stock Exchanges where the shares of the Company are listed within 4 working days after the date of the proposed acquisition	NA Acquisition was made pursuant to dispensation order received from SEBI under Regulation 11 of the Takeover Regulations.
b.	Date of Report	NA
<b>5</b>	<b>Details of the Target Company (TC)</b>	
a.	Name & address of TC	Deep Industries Limited 12A & 14, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad- 380058, Gujarat
b.	Name of the Stock Exchange(s) where the shares of the TC are listed	1. National Stock Exchange of India Limited 2. BSE Limited

**Shantilal Savla Family Trust**  
  
**Trustee**

6		Details of the acquisition			
a.	Date of acquisition	September 26, 2017			
b.	Acquisition price per share (in Rs.)	Please refer <b>Annexure-2</b>			
c.	Regulation which would have triggered an open offer, had the report not been filed under Regulation 10(7). (whether Regulation 3(1), 3(2), 4 or 5)	Shares in the Target Company were held by promoters and members of the promoter group in their individual capacity. The promoter and promoter group of Target Company comprises of members of Shantilal Savla Family and Rupesh Savla Family. Shares held by members of Shantilal Savla Family were desired to be transferred to SSFT, the trustees and ultimate beneficiaries of which comprise of members of Shantilal Savla Family. Post such transfer of shares, the promoters and members of promoter group would continue to exercise control over the company in the capacity of trustees. Thus, there being no effective change in control over the Target Company, in our opinion, the requirement of making public announcement of open offer should not trigger at all. However, in absence of any specific exemption under the Takeover Code and out of abundant caution, an application for seeking dispensation from making open offer was made in case of such transfer.			
d.	Shareholding of acquirer(s) and PAC individually in TC (in terms of no. & as a percentage of the total share/voting capital of the TC)(*)	Before the acquisition		After the acquisition	
		No. of Shares	% w.r.t total share capital of TC	No. of Shares	% w.r.t total share capital of TC
Name of the acquirer(s) / PAC (**)		Please refer <b>Annexure-2</b>			
e.	Shareholding of seller/s in TC (in terms of no. & as a percentage of the total share/voting capital of the TC)(*)	Before the acquisition		After the acquisition	
		No. of Shares	% w.r.t total share capital of TC	No. of Shares	% w.r.t total share capital of TC
Name of the seller(s)(**)		Please refer <b>Annexure-2</b>			
7	<b>Information specific to the exemption category to which the instant acquisition belongs- Regulation 10(1)(a)(i)</b>				
The required details are not applicable since acquisition was made pursuant to dispensation order received from SEBI under Regulation 11 of the Takeover Regulations.					
a.	Provide the names of the seller(s)	N.A			
b.	Specify the relationship between the acquirer(s) and the seller(s).	N.A			
c.	Shareholding of the acquirer and the seller(s) in the TC during the three years prior to the proposed acquisition.	Year-1	Year-2	Year-3	
		Acquirer(s)			
Seller(s)		N.A			

Shantilal Savla Family Trust

Trustee

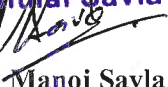
d.	Confirm that the acquirer(s) and the seller/s have been named promoters in the shareholding pattern filed by the target company in terms of the listing agreement or the Takeover Regulations. Provide copies of such filings under the listing agreement or the Takeover Regulations.	N.A
e.	If shares of the TC are frequently traded, volume-weighted average market price (VWAP) of such shares for a period of sixty trading days preceding the date of issuance of notice regarding the proposed acquisition to the stock exchanges where the TC is listed.	N.A
f.	If the shares of the TC are infrequently traded, the price of such shares as determined in terms of clause (e) of sub-regulation (2) of regulation 8.	Not applicable.
g.	Confirm whether the acquisition price per share is not higher by more than twenty-five percent of the price as calculated in (e) or (f) above as applicable	N.A
h.	Date of issuance of notice regarding the proposed acquisition to the stock exchanges where the TC is listed	N.A
i.	1) Whether the acquirers as well as sellers have complied (during 3 years prior to the date of acquisition) with the provisions of Chapter V of the Takeover Regulations (corresponding provisions of the repealed Takeover Regulations 1997) (Y/N).  2) If yes, specify applicable regulation(s) as well as date on which the requisite disclosures were made and furnish copies of the same.	N.A
j.	Declaration by the acquirer that all the conditions specified under regulation 10(1)(a)(i) with respect to exemptions has been duly complied with	NA

I/We hereby declare that the information provided in the instant report is true and nothing has been concealed there from.

**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 Shantilal Savla Family Trust

  
Manoj Savla  
Trustee

**Trustee**

Date: October 16, 2017

Place: Ahmedabad

SEBI/WTM/SR/CFD-DCR/23 /03/2017

SECURITIES AND EXCHANGE BOARD OF INDIA  
S. RAMAN, WHOLE TIME MEMBER

## ORDER

Under 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 of Deep Industries Limited by Shantilal Savla Family Trust.

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1. Deep Industries Limited (CIN: L63090GJ1991PLC014833) (hereinafter referred to as “**the Target Company**”) is a company incorporated under the Companies Act, 1956 on January 01, 1991. The registered office of the company is at 12A and 14, Abhishree Corporate Park, Ambli Bopal Road, Ambli, Ahmedabad- 380 058, Gujarat. The shares of the Target Company are listed on the BSE Limited (hereinafter referred to as “**BSE**”) and the National Stock Exchange of India Limited (hereinafter referred to as “**NSE**”).
2. SEBI received an application dated September 09, 2016 (hereinafter referred to as “**Application**”) from **Shantilal Savla Family Trust** (represented by its Trustees viz., Mr. Paras Savla, Mr. Manoj Savla and Mr. Dharen Savla) ( hereinafter referred to as “**Acquirer**”) filed under Regulation 11(3) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (“**the Takeover Regulations**”), seeking exemption from making an open offer under Regulation 3 and 4 of the Takeover Regulations in respect of its proposed acquisition and control of the shareholding and voting rights of the Target Company.

**Regulation 3 and Regulation 4 of the Takeover Regulations read 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.*

*(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.*

3. The aforesaid application along with the subsequent correspondence received from Acquirer, *inter alia* state the following:

- i. *“The Target Company had filed a scheme of arrangement before Hon’ble High Court of Gujarat at Ahmedabad. The scheme of arrangement involved amalgamation of Kanvel Finance Private Limited, Kanvel Oil and Gas Private Limited, Prabhavati Properties Private Limited, Savla Enterprise Private Limited and Yash Organochem Private Limited (collectively referred to as ‘transferor companies’) with the Target Company and restructure of share capital of the Target Company. The scheme was sanctioned by the Hon’ble High Court vide order dated April 25, 2016. The certified copy of the order of Hon’ble High Court was filed with Registrar of Companies (‘ROC’) on May 12, 2016. As per the update dated June 07, 2016 available on the website of BSE, the Scheme has become effective on May 16, 2016 with effect from April 01, 2015, being the Appointed Date of the Scheme. The shareholders of transferor companies comprised of the members belonging to promoter and promoter group of the Target Company and their family members. Pursuant to the said scheme of arrangement, the shareholding of promoters and promoter group in Target Company remained the same. The fractional entitlements of shareholders of transferor companies (aggregating to 30 shares) were consolidated and allotted to Mr. Paras Savla, Director of the Company, net proceeds from sale of which shall be distributed to the entitled shareholders in due course.*
- ii. *The promoters and the promoter group hold 70.08% of the equity shares and voting rights in the Target Company, as per the following details:*

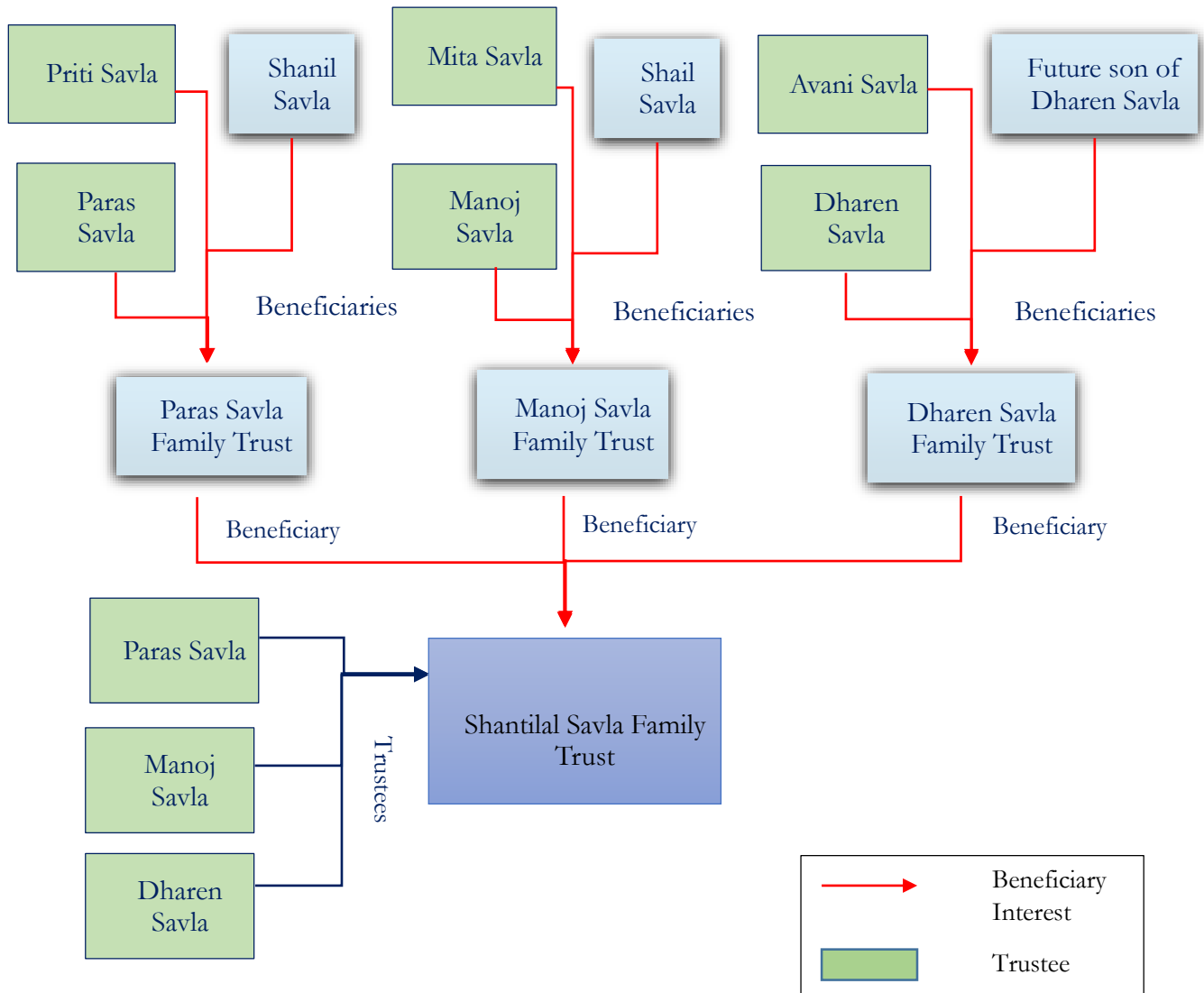
**Table A**

<b>Sl.No</b>	<b>Name of shareholder</b>	<b>Shareholding Post Merger</b>	
		<b>No. of shares</b>	<b>% Shareholding &amp; Voting Rights</b>
1.	<i>Paras Shantilal Savla</i>	6,04,524	2.07%
2.	<i>Priti Paras Savla</i>	16,10,504	5.51%
3.	<i>Dharen Shantilal Savla</i>	13,68,865	4.69%
4.	<i>Manoj Shantilal Savla</i>	12,13,110	4.15%
5.	<i>Mita Manoj Savla</i>	12,12,147	4.15%
6.	<i>Prabbaben Shantilal Savla</i>	2,88,478	0.99%
7.	<i>Avani Dharen Savla</i>	8,97,864	3.07%
8.	<i>Manoj Savla HUF</i>	4,77,798	1.64%
9.	<i>Shantilal Savla HUF</i>	4,72,613	1.62%
10.	<i>Shantilal Murjibbai Savla</i>	4,05,884	1.39%
11.	<i>Shail M. Savla</i>	1,75,000	0.60%
12.	<i>Manoj Shantilal Savla jointly with Paras Shantilal Savla &amp; Dharen Shantilal Savla (as trustees of Shantilal Savla Family Trust i.e. Acquirer Trust)</i>	3,90,000	1.34%
13.	<i>Adinath Exim Resources Ltd.</i>	12,28,000	4.20%
14.	<i>Rupesh Kantilal Savla</i>	53,20,586	18.22%
15.	<i>Shital Rupesh Savla</i>	24,34,732	8.34%
16.	<i>Prabbaben Kantilal Savla</i>	11,85,377	4.06%
17.	<i>Kantilal Velji Savla-HUF</i>	9,67,820	3.31%
18.	<i>Rita Keval Shab</i>	1,47,561	0.51%
19.	<i>Kanvel Sharebrokers Private Limited</i>	63,351	0.22%
20.	<i>Sanjay Karani</i>	97	0.00%
21.	<i>Rupesh Savla HUF</i>	97	0.00%
22.	<i>Aarav Savla</i>	97	0.00%
23.	<i>Fractional entitlements post merger (Held by Mr. Paras Savla, Director of Target Company, on behalf of respective shareholders)</i>	30	0.00%
	<b>Total</b>	<b>2,04,64,535</b>	<b>70.08%</b>

iii. The Acquirer is a private family trust viz., Shantilal Savla Family Trust, settled under the Indian Trusts Act, 1882 for the benefit of the members of Shantilal Savla family. The ultimate beneficiaries of the Acquirer are the promoters and members of the promoter group of the Target Company.

iv. The trustees of the Acquirer are three brothers viz., Mr. Paras Shantilal Savla, Mr. Manoj Shantilal Savla and Mr. Dharen Shantilal Savla. Mr. Paras Savla is the Chairman and Managing Director of the Target Company while Mr. Dharen Savla is the whole-time director of the Target Company. The beneficiaries of the Acquirer are Paras Savla Family Trust (“PSFT”), Manoj Savla Family Trust (“MSFT”) and Dharen Savla Family Trust (“DSFT”). A pictorial representation of the trustees and beneficiaries of the Acquirer is as follows:

**Graphical Presentation of the trustees and beneficiaries of the acquirer trust**





- vi. *The Object of the Acquirer is to establish a Trust, inter alia, for the following benefit of the beneficiaries:-*
- ✓ *“To maintain harmony, peace and goodwill among the members of Savla Family members and avoid dispute/ litigation among family members;*
  - ✓ *To consolidate holding of Savla Family members in Deep Industries and other controlled entities without dilution of control and empower key family members of the Savla Family to take decisions and to protect family’s interest in the controlled entities promoting diversified businesses of the group;*
  - ✓ *To provide flexibility to the Trustees to distribute income and / or assets derived from its Group’s business to the beneficiaries without diluting management control;*
- vii. *The trustees of the Acquirer are also the Promoters of the Target Company.*

***Details of the Proposed Acquisition:***

- viii. *This exemption is sought by the Acquirer in relation to the proposed purchase of 87,26,487 shares representing 29.88% the total share capital of the Target Company from the following transferors on stock exchange at the prevailing market price:*

**Table B**

<b>Sl. No.</b>	<b>Name of transferor</b>	<b>Relationship with acquirer</b>	<b>No. of shares of Deep Industries being transferred</b>	<b>% of shares to the paid up capital of Deep Industries</b>
1.	Paras Shantilal Savla	Trustee	6,04,424	2.07%
2.	Priti Paras Savla	Spouse of Trustee	16,10,504	5.51%
3.	Dharen Shantilal Savla	Trustee	13,68,765	4.69%
4.	Manoj Shantilal Savla	Trustee	12,13,010	4.15%
5.	Mita Manoj Savla	Spouse of Trustee	12,12,147	4.15%
6.	Prabbaben Shantilal Savla	Mother of Trustee	2,88,478	0.99%
7.	Avani Dharen Savla	Spouse of Trustee	8,97,864	3.07%
8.	Manoj Savla HUF	HUF of Trustee	4,77,798	1.64%
9.	Shantilal Savla HUF	HUF of Father of Trustee	4,72,613	1.62%
10.	Shantilal Murjibhai Savla	Father of Trustee	4,05,884	1.39%
11.	Shail M Savla	Son of Trustee	1,75,000	0.60%
<b>Total</b>			<b>87,26,487</b>	<b>29.88%</b>

- ix. *Out of 87,26,487 shares in the Target Company held by the abovementioned transferors, 14,75,000 shares are locked-in till end of day of May 26, 2017 in terms of Regulation 78(1) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“ICDR Regulations”). However, under Regulation 79(1) of the said Regulations, securities held by promoters and locked-in may be transferred among promoters or promoter group or to a new promoter or persons in control of the issuer and lock-in shall*

*continue for the remaining period with the transferee. Since the Acquirer is also part of promoter group of the Target Company, transfer of 14,75,000 locked-in shares shall be permissible and the lock-in on such shares shall continue in the hands of the Acquirer till end of day of 26th May 2017.*

- x. *As on date of the application, the promoter group holds 70.08% of the share capital in the Target Company. The Acquirer is currently holding 3,90,000 shares representing 1.34% of total share capital. Post the proposed acquisition, its shareholding will increase to 31.22%. Additionally, 99,71,960 shares representing 34.15% of share capital shall be transferred by certain other entities belonging to the promoter group to another trust, namely, Rupesh Savla Family Trust (RSFT). A separate application has been filed with SEBI in this regard.*
- xi. *There are two groups of promoter entities in the Target Company. There is no blood relationship between Rupesh Savla (trustee of Rupesh Savla Family Trust) and trustees of the Acquirer. However, as per the definition of 'promoter' under Regulation 2(1)(za) of ICDR Regulations, promoter includes the person or persons named in the offer document as promoters. As per applicant, Rupesh Savla and Paras Savla have been shown as promoters in the prospectus for IPO. Rupesh Savla and Paras Savla are thus the promoters of the Target Company. Further, pursuant to transfer of shares of the Target Company to RSFT and the Acquirer, the promoters and members of promoter group who currently exercise control over Target Company in their personal capacity would then exercise control over Target Company in their capacities as trustees of these two trusts. Accordingly, they would fall within the 'promoter group' and be in joint control of the Target Company.*
- xii. *There would be no alteration to the total equity share capital of the Target Company as a result of the proposed acquisition.*

**Reasons for the Exemption Sought:**

- xiii. *The proposed acquisition is further to an internal reorganization within the promoter family and beneficiary trusts is intended to streamline succession and promote welfare of promoter family. The proposed acquisition would be a non-commercial transaction which would not affect or prejudice the interests of the public shareholders of the Target Company in any manner.*
- xiv. *The proposed acquisition would not result in change in control and management of the Target Company. Mr. Paras Savla, Mr. Manoj Savla and Mr. Dharen Savla (trustees of Acquirer Trust) through whom control would be exercised over the assets of the Acquirer, are also the members belonging to promoter and promoter group of the Target Company in their personal capacity.*
- xv. *In any event, since the Acquirer has been set up for the benefit of the members of promoter family, the trustees of the Acquirer will exercise control only as part of promoter family. Therefore, regardless of whether the trustees exercise control in their personal capacity or as trustees, the promoter family would continue to be in control of the Target Company.*

- xvi. *There is no effective change in the exercise of voting power or in the control / management of the Target Company. The pre-acquisition shareholding and post-acquisition shareholding of promoter and members of the promoter group in the Target Company would therefore remain same. The change in the identity of persons exercising voting rights over the Target company would only be between persons, who in their personal capacities, are persons belonging to promoter and promoter group of the Target Company and are the relatives of the persons transferring the shares.*
- xvii. *Trustees are individuals who always represent the trust and all regulations can therefore be enforced on the trustees in their individual capacity. Accordingly, there shall be no difficulty as regards enforceability of the provisions of SEBI Act and the regulations framed thereunder if the shares of the Target Company are held by the trustees for the benefit of the beneficiaries.*
- xviii. *The Trust is a private family trust. The trustees and ultimate beneficiaries are individuals from the promoter family. The structure in no way results in lack of transparency and does not in any way impact the interest of investors.*
- xix. *The transfer to the Acquirer is for efficient succession planning and for holding the controlling interest in the Target Company in one entity rather than spreading the holding amongst different individuals which may not be in the best interest of the Target Company and investors.*
- xx. *The acquirer has, further, undertaken as under:*
  - a. *No outsider other than family members and their descendants shall be part of the acquirer and any change in the trustees or beneficiaries of acquirer resulting in change in ownership or control of TC shall be in compliance with TC and shall be adequately disclosed.*
  - b. *There shall be no limitation of liability of the trustees / beneficiaries of the acquirer in relation to provision of SEBI Act and regulations thereunder and the trustees / beneficiaries shall continue to be liable as if they were acting as promoters / members of promoter group in their individual capacity.*
- xxi. *The transferors have provided their no objection to the proposed acquisition by Acquirer and undertaken that their liabilities under the SEBI Act and Regulations thereunder shall not change as a result of the proposed acquisition”.*

#### **Observations of the Takeover Panel on the Application made by the Acquirer-**

4. The Application along with the undertakings made by the Acquirer/Applicant were referred to a Panel of Experts (hereinafter referred to as “**Takeover Panel**”) to make recommendation thereon in terms of the *proviso* to Regulation 11(5) of the Takeover Regulations. The Takeover Panel in its meeting held on January 07, 2017 deliberated the case and recommended as under:

*“The Panel took note of the provisions in trust deeds of the acquirer trusts and the beneficiary trusts permitting appointment of any additional trustee and inclusion of any person as a beneficiary. The Panel also noted the undertakings furnished by trustees of all the aforesaid trusts to appropriately amend the deeds to provide that no*

*outsider other than the relatives (as defined under the Companies Act, 2013) of trustees and beneficiaries of the trust and descendants of such relatives shall be admitted as trustees and / or beneficiaries of the trust. The Panel also took note of the clauses in the trust deeds providing for the appointment of interim trustees and after deliberating upon the matter recommended grant of exemption subject to the acquirers undertaking to make the following amendments to the trust deeds:*

- i. The term 'relatives' should be limited to 'immediate relatives' as defined in Regulation 2(1)(l) of the Takeover Regulations, 2011. Further, the term 'descendants' should be amended to 'lineal descendants'.*
- ii. Provision for the appointment of interim trustees be deleted."*

4.1 Subsequently, the Acquirer and all the three beneficiary trusts have vide separate undertakings dated January 11, 2017, undertook to appropriately amend the Trust Deed to provide that no outsider other than the immediate relatives (as defined under the Takeovers Regulations) of the trustees and beneficiaries of the Trust and lineal descendants of such relatives shall be admitted as trustees and/or beneficiaries of the Trust. Further, DSFT has vide an undertaking dated January 25, 2017, undertaken to amend sub-clause (ii) of clause 4.3 of the Trust Deed relating to "Trustee" as under:

*"ii. It is provided that in an event when either of the Original Trustees cease to be the Trustee for any reasons whatsoever including for the reasons specified in Clause 12 of the Trust Deed, the remaining trustee shall act as sole trustee of this settlement. In an event where both the Original Trustees cease to be the Trustees for any reasons whatsoever including for the reasons specified in Clause 12 of this Trust Deed, then the future son of Shri Dharen Savla shall be appointed as trustee."*

4.2 Further, the applicant has vide e-mail dated January 25, 2017, informed that the clause relating to interim trustee is not applicable in case of PSFT as the son of Mr. Paras Savla (viz. Shanil Paras Savla) has attained 21 years of age. This undertaking is in line with recommendations of the Takeover Panel.

#### **Consideration of the Application and Findings:-**

5. I have considered the Application alongwith further correspondence/ submissions/ clarifications submitted by the Acquirer; the recommendations of the Takeover Panel, the undertakings of the Acquirer and the material available on record.
6. From the preceding paragraphs, it is noted that-
  - A. As per the Application, the Acquirer viz., Shantilal Savla Family Trust has proposed to acquire 29.88% shares/voting rights in the Target Company i.e. Deep Industries Limited from its

promoters and members of the promoter group through stock exchange at the prevailing market price.

- B. As per the shareholding pattern of the Target Company as on date of the application i.e. September 09, 2016, the total shareholding of the promoter group was 70.08% (Table A). Out of the above, the transferors together hold 29.88% (Table B). The proposed acquisition would result in increase of the shareholding of Acquirer from 1.34% to 31.22%. The shareholding pattern of the promoters and promoter group of the Target Company (before and after the acquisition) are as follows:

Table C

<b>Pre and post shareholding of promoters in Target Company</b>					
		<b>Pre-transfer</b>		<b>Post-transfer</b>	
<b>S.N.</b>	<b>Name of shareholder</b>	<b>No. of shares</b>	<b>Shareholding (%)</b>	<b>No. of shares</b>	<b>Shareholding (%)</b>
1	Paras Shantilal Savla	604,524	2.07%	100	0.00%
2	Priti Paras Savla	1,610,504	5.51%	-	0.00%
3	Dharen Shantilal Savla	1,368,865	4.69%	100	0.00%
4	Manoj Shantilal Savla	1,213,110	4.15%	100	0.00%
5	Mita Manoj Savla	1,212,147	4.15%	-	0.00%
6	Prabhaven Shantilal Savla	288,478	0.99%	-	0.00%
7	Avani Dharen Savla	897,864	3.07%	-	0.00%
8	Manoj Savla HUF	477,798	1.64%	-	0.00%
9	Shantilal Savla HUF	472,613	1.62%	-	0.00%
10	Shantilal Murjibhai Savla	405,884	1.39%	-	0.00%
11	Shail M Savla	175,000	0.60%	-	0.00%
<b>Total of Transferors</b>		<b>8,726,787</b>	<b>29.88%</b>	<b>300</b>	<b>0.00%</b>
12	Shantilal Savla Family Trust (Trustees Paras Savla, Manoj Savla and Dharen Savla)	390,000	1.34%	9,116,487	31.22%
13	Others in promoter group	11,347,748	38.86%	11,347,748	38.86%
<b>Total of entire promoter group</b>		<b>2,04,64,535</b>	<b>70.08%</b>	<b>2,04,64,535</b>	<b>70.08%</b>

- C. The Acquirers are private family trust settled by Mr. Shantilal Savla, one of the promoters of the Target Company. The Transferors (mentioned at Table B) are the promoters of the Target Company and fall within the definition of 'promoter group' under ICDR Regulations and the Acquirers would become part of the promoter group pursuant to the proposed acquisition. Therefore, the Acquirer would be regarded as a person deemed to be acting in concert with the promoters of the Target Company in terms of regulation 2(1)(q)(2) of the Takeover Regulations.
  - D. The Proposed acquisition is intended to streamline succession and promote welfare of Shantilal Savla family. The proposed acquisition would not affect the interest of the public shareholders.
  - E. There will be no change in control of the Target Company pursuant to the proposed acquisition.
  - F. There is no new acquisition of shares by the Promoters Group and the pre-acquisition and post-acquisition shareholding of the Promoter Group would remain the same at 70.08%.
  - G. There will 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.
  - I. I note that Takeover Panel recommended grant of exemption in the instant case subject to the undertaking to make the amendment in the Trust Deeds of the Acquirer and its beneficiary trusts.
  - J. Accordingly, the Acquirer (represented by its Trustees) and the beneficiaries submitted the Undertakings to SEBI vide letters dated January 11, 2017 and January 25, 2017.
7. In view of the foregoing, I am of the considered view that exemption as sought for in the Application (read with further correspondence/submissions/clarifications) be granted to the Proposed Acquirer, subject to certain conditions as ordered herein below.

## **Order-**

8. I, in exercise of powers conferred under Section 19 of the Securities and Exchange Board of India Act, 1992 read with Regulation 11(5) of the Takeovers Regulations, hereby grant exemption to the proposed Acquirer i.e. Shantilal Savla Family Trust (represented by its Trustees viz., Mr. Paras Savla, Mr. Manoj Savla and Mr. Dharen Savla) from complying with the requirements of Regulation 3 of the Takeover Regulations in respect to its proposed acquisition/exercise of voting rights of the Target Company viz., Deep Industries Limited.

8.1 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. The Trust Deeds shall be revised as undertaken by the Acquirer, Beneficiaries and the transferors within a period of 30 days from the date of this Order and the Acquirer shall furnish an authenticated copy of the same to SEBI.
- iii. The proposed acquisition shall be completed within a period of 30 days after revision of the Trust Deed. On completion of the transaction, the acquirer shall file a report with SEBI within a period of 21 days from the date of such acquisition.
- iv. The Acquirer/ Applicant, Beneficiaries, Transferors and the Target Company shall ensure compliance with the statements, averments made or facts and figures given in the application and in their subsequent correspondence.
- v. The provisions of the SEBI Act and the Regulations framed thereunder will apply on the basis that the ownership or control of shares or voting rights vests not only directly with the Trustees but also indirectly with the beneficiaries of the Acquirer.
- vi. There shall be no limitation of liability of the trustees/beneficiaries in relation to the provisions of the SEBI Act and all Regulations framed thereunder.
- vii. The Acquirer Trust shall also ensure that the covenants in the Trust Deed are not contrary to the above conditions and undertakings provided by the transferors. In such case, The Trust Deed shall be suitably modified and expeditiously reported to SEBI.
- viii. 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 on 31<sup>st</sup> March every year, under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- ix. The Acquirer Trust shall get the compliance status certified from an independent Auditor annually and furnish the same to the stock exchanges with a copy endorsed to SEBI for its records.
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 Takeover Regulations, the compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Listing Agreement/SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or any other applicable Acts, Rules and Regulations.
10. The application dated September 09, 2016 (read with further correspondence/ submissions/ clarifications) filed by Shantilal Salva Family Trust (represented by its Trustees viz., Mr. Paras Savla, Mr. Manoj Savla and Mr. Dharen Savla) is accordingly disposed of.

**MUMBAI  
MARCH 31, 2017**

**S. RAMAN  
WHOLE TIME MEMBER  
SECURITIES AND EXCHANGE BOARD OF INDIA**





भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India

**Assistant General Manager**  
Corporation Finance Department  
Division of Corporate Restructuring - 1  
Tel. (Direct): 022 - 2644 9334  
E-mail: [anjanp@sebi.gov.in](mailto:anjanp@sebi.gov.in)

SEBI/HO/CFD/DCR1/OW/P/2017/21258/1  
September 06, 2017

**Shantilal Savla Family Trust**  
6<sup>th</sup> Floor, Astron Tower  
Opp. Fun Republic Cinema  
S.G. Highway  
**Ahmedabad - 380 015**

**Kind Attention:** Mr. Paras Savla (Trustee) / Mr. Manoj Savla (Trustee) /  
Mr. Dharen Savla (Trustee)

Dear Sir,

**Sub:** Order dated March 31, 2017 under Regulation 11 of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 granting exemption to Shantilal Savla Family Trust from making an open offer in respect of the proposed acquisition of equity shares in Deep Industries Limited

1. This has reference to your letter dated April 25, 2017 and subsequent correspondence on the captioned subject. You have sought approval to acquire the shares from promoters and members of promoter group as per the revised details submitted to SEBI.
2. Upon examining your request, it has been decided to convey that we have no objection to the proposed acquisition being undertaken as per the revised facts already furnished to SEBI.
3. You are advised to furnish the details of acquisition along with copies of the SEBI order dated March 31, 2017 and this letter to the stock exchange(s) for dissemination on their website(s).

Yours faithfully,

*Anjan Patel*

**Anjan Patel**

**Annexure-2**

Sr.No	Name of Acquirer and PAC	Pre- holding		Shares Acquired/Disposed		Price Per share (Rs.)	Date of Acquisition/ disposal	Post-Holding	
		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			No of Shares/ Voting Rights	% w.r.t. total share capital of TC
<b>Acquirer</b>									
1.	Shantilal Savla Family Trust	390000	1.21	3178474	9.93	216.83	26-09-2017	3568474	11.15%
<b>Sellers</b>									
1.	Paras Shantilal Savla	400550	1.25	400450	1.25	212	26-09-2017	100	0.00
2.	Dharen Shantilal Savla	3164048	9.89	1105226	3.45	212	26-09-2017	2058822	6.43
3.	Manoj Shantilal Savla	241199	0.75	241099	0.75	212	26-09-2017	100	0.00
4.	Priti Paras Savla	2346298	7.33	293673	0.92	212	26-09-2017	2052625	6.42
5	Mita Manoj Savla	1633792	5.10	302771	0.95	212	26-09-2017	1331021	4.16
6	Prabhabeen Shantilal Savla	58880	0.18	58780	0.18	239.45	26-09-2017	100	0.00
7	Avani Dharen Savla	277046	0.87	276946	0.87	212	26-09-2017	100	0.00
8	Manoj Savla HUF	118688	0.37	118688	0.37	239.27	26-09-2017	-	-
9	Shantilal Savla HUF	117286	0.37	117286	0.37	239.57	26-09-2017	-	-
10	Shantilal Murjibhai Savla	88755	0.28	88655	0.28	239.57	26-09-2017	100	0.00
11	Shail M Savla	175000	0.55	174900	0.55	239.58	26-09-2017	100	0.00
<b>Other Persons Acting in Concert</b>									
12	Adinath Exim Resources Limited	1228000	3.84	-	-	-	-	1228000	3.84
13	Paras Savla (Fractional shares allotted pursuant to Scheme of Arrangement)	30	0.00	30	0.00	223.55	27-09-2017	0	0.00
14	Rupesh Savla Family trust	0	0	10076908	31.49	213.35	26-09-2017 & 27-09-2017	10076908	31.49%
15	Rupesh Kantilal Savla	2516842	7.87	2516742	7.87	212	26-09-2017	100	0.00
16	Shital Rupesh Savla	5917537	18.49	2337071	7.30	212	26-09-2017	100	0.00
				3580366	11.19	-	27-09-2017		
						(Refer Note 2)			
17	Prabhabeen Kantilal Savla	611561	1.91	513900	1.61	212	26-09-2017	100	0.00
				97561	0.30	0	27-09-2017		


Shantilal Savla Family Trust

Trustee

						(Refer Note 2)			
18	Kantilal Velji Savla- HUF	967820	3.02	967820	3.02	212	26-09-2017	0	0.00
19	Kanvel Share Brokers LLP	63351	0.20	63351	0.20	223.28	27-09-2017	0	0.00
20	Rupesh Savla HUF	97	0.00	97	0.00	239.75	26-09-2017	0	0.00
21	Aarav Savla	97	0.00	0	0.00	-	-	97	0.00
22	Rita Keval Shah	1,47,561	0.46	0	0.00	-	-	1,47,561	0.46
23	Sanjay Karani	97	0.00	0	0.00	-	-	97	0.00

**Note 1:** The above shareholding pattern is considering acquisition of 35,68,474 shares by Shantilal Savla Family Trust and acquisition of 1,00,76,908 shares by Rupesh Savla Family Trust. Acquisition by Rupesh Savla Family Trust from members of the promoter group has also been made pursuant to order from SEBI dated 31st March 2017 (SEBI/WTM/SR/CFD-DCR/24/03/2017) and further letter dated 6th September 2017 (SEBI/HO/CFD/DCR1/OW/P/2017/21257/1) granting dispensation under Regulation 11 of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. Disclosure for acquisition by Rupesh Savla Family Trust has been made in separate Form.

**Note 2:** The shares have been transferred by way of gift in an off-market transaction.

**Shantilal Savla Family Trust**  
  
**Trustee**