

SECURITIES AND EXCHANGE BOARD OF INDIA

ORDER

UNDER SECTION 11(1) AND 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	SANDHAR TECHNOLOGIES LIMITED
PROPOSED ACQUIRER	1. HAZELNUT FAMILY TRUST
	2. CREAM & COOKIES FAMILY TRUST

Background -

1. Sandhar Technologies Limited (hereinafter referred to as "*Target Company*") was incorporated on October 19, 1987 under the provisions of the Companies Act, 1956. The Target Company's registered office is at B-6/20, L.S.C., Safdarjung Enclave, New Delhi, Delhi, 110029. The equity shares of the Target Company are listed on BSE Ltd. ("**BSE**") and National Stock Exchange of India Ltd. ("**NSE**").
2. An Application dated January 13, 2025 along with emails dated February 06, 2025 and March 07, 2025 (hereinafter collectively referred to as "*Application*") seeking exemption from the applicability of Regulation 3(2) and Regulation 5 read with Regulation 4 of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (hereinafter referred to as "*Takeover Regulations, 2011*") was received by SEBI from Jayant Davar, in his capacity as the trustee of the Hazelnut Family Trust ("*Acquirer Trust 1*") and Cream & Cookies Family Trust ("*Acquirer Trust 2*") (*hereinafter collectively referred to as "Applicants/ Proposed Acquirers/ Acquirers/ Acquirer Trusts"*), in respect of the proposed transfer of shares and voting rights to the Acquirer Trusts:
 - (i) Directly, in the Target Company;

(ii) Indirectly, in the Target Company, through transfer of shares in Sanjeevni Impex Private Limited ("SIPL"), YSG Estates Private Limited ("YEPL"), Jubin Finance And Investment Ltd ("JFIL") and Sandhar Estates Private Limited ("SEPL"), which are shareholders of the Target Company and are part of the Promoter Group of the Target Company.

3. The Acquirers vide the Application have, *inter alia*, submitted the following:

- (a) The issued, subscribed and paid-up Equity Share Capital of the Target Company is Rs. 60,19,07,080/- divided into 6,01,90,708 equity shares of Rs. 10/- each. The Target Company has a promoter and promoter group shareholding of 70.38% and public shareholding of 29.62%.
- (b) The shareholding pattern of the Target Company, as on January 10, 2025, is as follows:

S. No.	Name of shareholder	No. of shares	Percentage of Shareholding (%)
Promoter and Promoter group			
1.	Jayant Davar	3,30,56,928	54.92
2.	Monica Davar	26,22,930	4.36
3.	Neel Jay Davar	15,55,995	2.59
4.	Poonam Juneja	62,265	0.10
5.	Santosh Davar	Nil	Nil
6.	SIPL	16,84,738	2.80
7.	YEPL	16,62,032	2.76
8.	Sandhar Infosystems LLP	7,93,569	1.32
9.	JFIL	5,73,508	0.95
10.	SEPL	3,50,280	0.58
Total (A)		4,23,62,245	70.38
Public Shareholding (B)		1,78,28,463	29.62
Total Shareholding (A+B)		6,01,90,708	100.00

- (c) The shareholding of Monica Davar and Jayant Davar in certain promoter group companies, viz., SIPL, YEPL, JFIL, SEPL, as on December 31, 2024, is as follows:

Particulars	SIPL	YEPL	SEPL	JFIL
Jayant Davar	9,500 shares (95%)	25,200 shares (72%)	12,30,000 shares (62.12%)	199 shares (0.065%)
Monica Davar	500 shares (5%)	9,800 shares (28%)	7,50,000 shares (37.88%)	100 shares (0.032%)
Neel Jay Davar	NA	NA	NA	100 shares (0.032%)
Santosh Davar				1 share (0.0001%)
SIPL				100 shares (0.032%)
YEPL				100 shares (0.032%)
SEPL				3,07,500 shares (99.81%)
Total	10,000 shares (100%)	30,000 shares (100%)	19,80,000 shares (100%)	3,08,100 shares (100%)

- (d) The details of Acquirer Trust 1, viz., Hazelnut Family Trust, an irrevocable and discretionary private family trust settled vide Trust Deed dated April 25, 2024 and governed by the provisions of the Indian Trusts Act, 1882, are as follows:

Status	Particulars	Relationship with Settlor
Settlor	Monica Davar	Self
Trustees	Monica Davar	Self

	Jayant Davar	Husband of Monica Davar
Beneficiaries	Jayant Davar	Husband of Monica Davar
	Neel Jay Davar	Son of Jayant Davar and Monica Davar
	Lineal descendants of Jayant Davar	

- (e) The details of Acquirer Trust 2, viz., Cream & Cookies Family Trust, an irrevocable and discretionary private family trust settled vide Trust Deed dated April 25, 2024 and governed by the provisions of the Indian Trusts Act, 1882, are as follows:

Status	Particulars	Relationship with Settlor
Settlor	Jayant Davar	Self
Trustees	Jayant Davar	Self
	Monica Davar	Wife of Jayant Davar
Beneficiaries	Monica Davar	Wife of Jayant Davar
	Neel Jay Davar	Son of Jayant Davar and Monica Davar
	Lineal descendants of Jayant Davar	

- (f) As on the date of Application, the Acquirer Trusts do not hold any shares of the Target Company.
- (g) Monica Davar intends to transfer 26,22,930 equity shares (4.36% shareholding) of the Target Company to Acquirer Trust 1 by way of gift.
- (h) Jayant Davar intends to transfer 26,22,930 equity shares (4.36% shareholding) of the Target Company to Acquirer Trust 2 by way of gift.
- (i) Monica Davar and Jayant Davar also propose to transfer their entire shareholding in SIPL, YEPL, SEPL and JFIL to the Acquirer Trusts by way of gift.

- (j) The Acquirers have sought an exemption from making an open offer under Regulation 3(2) and Regulation 5 read with Regulation 4 of the Takeover Regulations, 2011.
- (k) The shareholding pattern of the Target Company before and after the proposed acquisition is produced below for reference:

Particulars	Before the proposed transactions		Proposed Transactions		After the proposed transactions	
	No. of Shares	% of holding	No. of Shares	% of holding	No. of Shares	% of holding
Promoter and Promoter group						
Jayant Davar	3,30,56,928	54.92	(26,22,930)	(4.36)	3,04,33,998	50.56
Monica Davar	26,22,930	4.36	(26,22,930)	(4.36)	Nil	Nil
Neel Jay Davar	15,55,995	2.59			15,55,995	2.59
Poonam Juneja	62,265	0.10			62,265	0.10
Santosh Davar	Nil	Nil			Nil	Nil
SIPL	16,84,738	2.80			16,84,738	2.80
YEPL	16,62,032	2.76			16,62,032	2.76
Sandhar Infosystems LLP	7,93,569	1.32			7,93,569	1.32
JFIL	5,73,508	0.95			5,73,508	0.95
SEPL	3,50,280	0.58			3,50,280	0.58
Acquirer Trusts and PAC						
Acquirer Trust 1	Nil	Nil	26,22,930	4.36	26,22,930	4.36
Acquirer Trust 2	Nil	Nil	26,22,930	4.36	26,22,930	4.36

Particulars	Before the proposed transactions		Proposed Transactions		After the proposed transactions	
	No. of Shares	% of holding	No. of Shares	% of holding	No. of Shares	% of holding
Public						
Public shareholding	1,78,28,463	29.62	Nil	Nil	1,78,28,463	29.62
Total Shareholding (A+B)	6,01,90,708	100.00	Nil	Nil	6,01,90,708	100

4. Further, vide the Application, the Applicants have, *inter alia*, provided the following grounds for seeking exemption:
- The proposed transactions are being undertaken as non-commercial transactions.
 - The proposed transactions shall not result in increase or decrease in holding of promoters or promoter group of the Target Company.
 - There shall be no change in control or management of Target Company pursuant to the proposed transactions.
 - There shall be no new acquisition of shares and the pre and post-acquisition shareholding of promoter and promoter group would remain the same.
 - The Target Company shall continue to be in compliance with minimum public shareholding norms.
 - The proposed acquisition shall not have any adverse impact on the Target Company or securities market in India.

CONSIDERATION

5. Before I proceed with my consideration, I find it appropriate to quote the relevant provisions of Takeover Regulations, 2011, which state as under:

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. (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.

6. I have considered the Application submitted by the Acquirers 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 and indirect acquisition of shares and voting rights in the Target Company.
 - (b) The proposed acquisition as detailed above, which is to be undertaken by the Acquirers, shall attract the provisions of Regulations 4 and 5(1) of the Takeover Regulations, 2011.
 - (c) The proposed direct and indirect acquisition would not affect or prejudice the interests of the public shareholders of the Target Company in any manner.
 - (d) There shall be no change in control of the Target Company pursuant to the proposed acquisition.
 - (e) The pre-acquisition and post-acquisition shareholding of the promoters and promoter group in the Target Company shall remain the same.
 - (f) The Acquirer Trusts have confirmed that they are in compliance with the following conditions outlined in Chapter 8 of the SEBI Master Circular No. SEBI/HO/CFD/PoD-1/P/CIR/2023/31 (hereinafter referred to as the “SEBI Master Circular”) dated February 16, 2023:

- 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 of the Trust.*
- 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 the 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, 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.*
- viii. *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.*
- ix. *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.*
- x. *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.*
- 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 the proposed acquisition.*
- xiii. *There is no layering in terms of trustees / beneficiaries in case of the Trust.*
- xiv. *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.*

(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.

7. Considering the aforementioned, I am of the view that exemption as sought for in the Application may be granted to the Acquirers, 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 Acquirers, viz., **Hazelnut Family Trust** and **Cream & Cookies Family Trust** from complying with the requirements of Regulations 4 and 5 (1) of the Takeover Regulations, 2011 with respect to the proposed direct and indirect acquisition in the Target Company by way of the proposed transactions 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 Acquirers 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 Acquirers are true and correct.
 - (d) The Proposed Acquirers shall ensure compliance with the statements, disclosures and undertakings made in the Application.
 - (e) The Proposed Acquirers shall also ensure compliance with the provisions of the SEBI Master Circular dated February 16, 2023.
 - (f) The Proposed Acquirers shall also ensure that the covenants in the Trust Deeds are not contrary to the above conditions and undertakings. In such case, the Trust Deeds 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 exemption granted above from making an open offer in respect of the proposed acquisition shall remain valid for a period of one (1) year from the date of this Order and the Applicants shall complete the implementation of the proposed acquisition within such period, failing which the granted exemption shall lapse and cease to exist.
12. The Application dated January 13, 2025 read with other submissions filed by **Hazelnut Family Trust** and **Cream & Cookies Family Trust** is accordingly disposed of.

Place: Mumbai

Date: April 30, 2025

ASHWANI BHATIA
WHOLE TIME MEMBER
SECURITIES AND EXCHANGE BOARD OF INDIA