



WTM/KV/CFD/01/2025-26

SECURITIES AND EXCHANGE BOARD OF INDIA

ORDER

UNDER SUB-SECTION (1) AND CLAUSE (h) OF SUB-SECTION (2) OF SECTION 11 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 READ WITH SUB-REGULATION (5) OF REGULATION 11 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	PROPOSED ACQUIRER
PATEL ENGINEERING LIMITED	MS. JANKY RUPEN PATEL (PAN NO. AGIPP8500A)

Background

1. Patel Engineering Limited ("**Target Company**") is a company incorporated under the Companies Act, 1913, having registered office at Patel Estate Road, Jogeshwari (West), Mumbai, Maharashtra, 400102, India. It was incorporated on April 02, 1949. 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 October 23, 2024 along with replies dated November 14, 2024 and March 20, 2025 ("**Application**") seeking exemption from the applicability of Regulations 3 and 5 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("**Takeover Regulations**,"



2011”) for a proposed indirect acquisition of shares in the Target Company was received from Ms. Janky Rupen Patel (“**Applicant**” or “**Proposed Acquirer**”).

3. The Applicant, vide the Application, *inter-alia* submitted as under:

(a) The issued, subscribed and paid-up equity share capital of the Target Company is INR 84,43,76,117/- divided into 84,43,76,117 equity shares of INR 1/- each. The promoters and promoter group entities collectively hold 36.11% of the paid-up share capital of the Target Company, 59.50% of the paid-up share capital of the Target Company is held by public shareholders and remaining 4.39% of the paid-up share capital of the Target Company is held by Non-Promoter Non-Public (Employee Trust).

(b) The shareholding pattern of the Target Company for the quarter ended September 30, 2024 is as follows:

S. No.	Name of shareholder	No. of shares	Percentage of Shareholding (%)
Promoter and Promoter group			
1.	Mr. Rupen Pravin Patel ¹	3,06,36,033	3.63
2.	Ms. Alina Rupen Patel	12,90,000	0.15
3.	Ms. Chandrika Pravin Patel ²	1,49,900	0.02
4.	Ms. Janky Rupen Patel	1,49,900	0.02
5.	Mr. Ryan Rupen Patel	90,000	0.01
6.	Praham India LLP	4,01,95,352	4.76
7.	Raahitya Construction Private Limited	23,24,06,527	27.52
Total (A)		30,49,17,712	36.11
8.	Public Shareholders (B)	50,23,64,165	59.50
9.	Non Promoter-Non Public (C)	3,70,94,240	4.39
Total Shareholding (A+B+C)		84,43,76,117	100.00

Notes: 1. Mr. Rupen Patel, one of the Promoter of the Company expired on July 5, 2024. Out of his total shareholding of 3,07,85,933 shares in the



Company, 1,49,900 shares by way of transmission was transferred to his nominee Ms. Janky Patel on September 13, 2024. The balance shareholding of 3,06,36,033 of late Mr. Rupen Patel, being pledged, shall be transmitted in due course to Ms. Janky Patel after completion of necessary formalities with the pledgees.

2. Ms. Chandrika Patel belonging to the Promoter Group expired on January 22, 2023. Her shareholding of 1,49,900 shares in the Company, being pledged, shall be transmitted to her nominee Mr. Ryan Patel (from Promoter Group) after completion of necessary formalities with pledgees.

(c) Mr. Rupen Pravin Patel, one of the Promoters of the Target Company demised on July 05, 2024. Upon his demise, his rights, title and interest in

- i. Praham India LLP (“**PI LLP**”) was equally transmitted/inherited/succeeded to his children viz., Ms. Alina Rupen Patel and Mr. Ryan Rupen Patel on September 13, 2024.
- ii. Raahitya Constructions Private Limited (“**RCPL**”) was transmitted to Ms. Janky Rupen Patel, Spouse of Mr. Rupen Pravin Patel and Promoter of the Target Company on September 13, 2024.

(d) The partners of PI LLP, one of the promoters of the Target Company along with the rights in profit/loss in PI LLP is as follows:

S. No.	Name of shareholder	Percentage of Shareholding (%)
1.	Ms. Alina Rupen Patel	50.00
2.	Mr. Ryan Rupen Patel	50.00
3.	Ms. Daksha Patel	0.00
Total		100.00



- (e) The shareholding pattern of RCPL, one of the promoters of the Target Company is as follows:

S. No.	Name of shareholder	No. of shares	Percentage of Shareholding (%)
1.	Ms. Janky Rupen Patel	3,76,054	32.70
2.	Prahaam India LLP	7,73,950	67.30
Total		11,50,004	100.00

Proposed Acquisition

- (f) Ms. Alina Rupen Patel and Mr. Ryan Rupen Patel, both forming part of the Promoter group of the Target Company, intend to transfer 99.98% of their rights, title and interest in PI LLP to their mother Ms. Janky Rupen Patel, by way of gift.
- (g) Pursuant to the aforesaid proposed transfer, partners of PI LLP along with their rights in Profit and Loss is as follows:

S. No.	Name of shareholder	Percentage of Shareholding (%)
1.	Ms. Janky Rupen Patel	99.98
2.	Ms. Alina Rupen Patel	0.01
3.	Mr. Ryan Rupen Patel	0.01
4.	Ms. Daksha Patel	0.00
Total		100.00

- (h) By virtue of aforesaid proposed transfer in PI LLP, Ms. Janky Rupen Patel, will hold majority shareholding in RCPL. Upon completion of the proposed transfer, the Proposed Acquirer would be able to indirectly exercise rights over shares constituting 32.28% of the share capital of the Target Company.



- (i) All the Partners and shareholders of PI LLP and RCPL, respectively, also form part of the Promoter and Promoter group of Target Company.
- (j) Pursuant to the proposed transfer, there will be no direct change in the shareholding of the Target Company and the shareholding of PI LLP, RCPL and other promoter and promoter group of the target company will remain same.
- (k) The shareholding of the Target Company before and after the proposed transfer is as follows:

Particulars	Before the proposed transfer		Proposed transfer		After the proposed transfer	
	No. of Shares	% of holding	No. of Shares	% of holding	No. of Shares	% of holding
Promoter and Promoter Group (other than Acquirer)						
Rupen Pravin Patel	3,06,36,033	3.63	-	-	3,06,36,033	3.63
Alina Rupen Patel	12,90,000	0.15	-	-	12,90,000	0.15
Chandrika Pravin Patel	1,49,900	0.02	-	-	1,49,900	0.02
Janky Rupen Patel	1,49,900	0.02	-	-	1,49,900	0.02
Ryan Rupen Patel	90,000	0.01	-	-	90,000	0.01
Raahitya Construction Private Limited	23,24,06,527	27.52	-	-	23,24,06,527	27.52
Praham India LLP	4,01,95,352	4.76	-	-	4,01,95,532	4.76
Total (A)	30,49,17,712	36.11	-	-	30,49,17,712	36.11



Particulars	Before the proposed transfer		Proposed transfer		After the proposed transfer	
	No. of Shares	% of holding	No. of Shares	% of holding	No. of Shares	% of holding
Public (B)	50,23,64,165	59.50	-	-	50,23,64,165	59.50
Non Promoter Non Public (C)	3,70,94,240	4.39	-	-	3,70,94,240	4.39
Total (A+B+C)	84,43,76,117	100.00	-	-	84,43,76,117	100.00

(l) The abovementioned indirect acquisition of shares and voting rights in RCPL due to inter se transfer of rights, title and interest in PI LLP, would attract the applicability of the provisions of regulation 5 and sub-regulation (1) of regulation 3 of the Takeover Regulations, 2011. Vide the Application, the Proposed Acquirer has sought exemption from Securities and Exchange Board of India (SEBI) in respect of the same.

4. The Applicant/Proposed Acquirer has, *inter-alia*, provided the following grounds for seeking exemption:

(a) *Mr. Rupen Pravin Patel, promoter of the Company, expired on July 5, 2024. Prior to his demise, Mr. Rupen Pravin Patel was one of the partners of Praham India LLP. Upon the demise of Mr. Rupen Pravin Patel, his right, title and interest, in the Praham India LLP was equally transmitted/ inherited/ succeeded to his children Ms. Alina Rupen Patel and Mr. Ryan Rupen Patel.*

(b) *Ms. Alina Rupen Patel, aged 21 years and Mr. Ryan Rupen Patel, aged 19 years, being the children of late Mr. Rupen Patel and Ms. Janky Patel, are students and out of their natural love and affection towards their mother intend to gift 99.98% of their right, title and interest in Praham India LLP to their mother.*



- (c) *No Equity Shares of the Target Company are proposed to be directly acquired by the Acquirer. The proposed acquisition is that of indirectly acquiring the Equity Shares of the Target Company.*
- (d) *There will be no change of control or change in the shareholding pattern of the Target Company pursuant to the proposed acquisition since the proposed acquisition is between persons forming part of the promoter and promoter group of the Target Company.*
- (e) *Direct transfers and acquisitions of the shares of the Target Company are as it is exempted between immediate relatives pursuant the provisions of clause (a) of sub-regulation (1) of Regulation 10 of the Takeover Regulations, 2011. The acquirer i.e. Janky Patel is mother of the transferors i.e. Ms. Alina Rupen Patel and Mr. Ryan Rupen Patel and thus the transferors and acquirer are immediate relatives.*
- (f) *SEBI has pursuant to its informal guidance in the matter of Vidli Restaurants Limited by its letter number SEBI/HO/CFD/PoD-2/OW/P/2023/25677/1 dated June 23, 2023, seems to have guided that automatic exemption under clause (a) of sub-regulation (1) of Regulation 10 of the Takeover Regulations, 2011 is not available for indirect acquisition of shares of a target company. It is also suggested that in cases of indirect acquisition of shares of a target company, SEBI is empowered to grant exemption from the obligation to make an open offer for acquiring shares under the Takeover Regulations, 2011.*
- (g) *If Ms. Janky Patel were to directly acquire shares of the Target Company from Ms. Alina Rupen Patei and Mr. Ryan Rupen Patel, she would have been eligible for automatic exemption available under sub-clause (i) of clause (a) of sub-regulation (1) of Regulation 10 of the Takeover Regulation, 2011 as such acquisition would have qualified as an inter-se transfer between immediate relatives.*



(h) *However, there is no direct acquisition of the shares of the Target Company contemplated in the proposed acquisition.*

(i) *Prejudice, hardship and loss will be caused to Ms. Janky Patel and even to Ms. Alina Rupen Patel and Mr. Ryan Rupen Patel, if Ms. Janky Patel is required to make an 'open offer' for such indirect transfer. Whereas no harm, prejudice or loss will be caused to the public shareholders if exemption is granted by SEBI for the proposed acquisition.*

5. The Application along with the further submissions were forwarded to the Takeover Panel in terms of the proviso to sub-regulation (5) of Regulation 11 of the Takeover Regulations, 2011. The Application was deliberated by the Takeover Panel in its meeting held on June 12, 2025. After deliberations, the Takeover Panel has made the following observations –

“The Panel deliberated on the item and noted that the proposed transaction in the application was between immediate relative’s i.e. mother and children, who fall within the definition of immediate relative under Regulation 2(1)(I) of SEBI (SAST) Regulations, 2011. The Panel further observed that there is no ultimate change in control in the Target Company, as the applicant has been shown as promoter of Target Company in the shareholding patterns filed with stock exchanges for the last 3 years. Hence, the transfer of shares would not prejudice the interest of public shareholders.

In view of the above, the Panel recommended for granting exemption in the instant matter.”

CONSIDERATION

6. Before I proceed with my consideration, it would be appropriate to quote the relevant regulatory provision(s) of Takeover Regulations, 2011, for ease of reference:

“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.

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.”

7. I have considered the Application submitted by the Proposed Acquirer along with additional submissions, the recommendation of the Takeover Panel and other material available on record. Without reiterating the facts as stated above, I note the following:
- (a) The Application submitted is in respect of the proposed indirect acquisition of shares and voting rights in the Target Company. The proposed acquisition as detailed above, to be made by the Proposed Acquirer, will lead to indirect acquisition of shares of the Target Company and will attract the provisions of sub-regulation (1) of regulation 5 and sub-regulation (1) of regulation 3 of the Takeover Regulations, 2011.
 - (b) Pre-acquisition and Post-acquisition shareholding of the promoter and promoter group in the Target Company will remain the same.
 - (c) There will be no change in the public shareholding of the Target Company.
 - (d) There will be no change in control of the Target Company pursuant to the proposed acquisition.
 - (e) The proposed indirect acquisition would not affect or prejudice the interests of the public shareholders of the Target Company in any manner;
 - (f) The Target Company shall continue to be in compliance with the Minimum Public Shareholding requirements under the Securities Contracts (Regulation) Rules,



1957 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

8. I also note that if the aforesaid indirect acquisition of shares and voting rights in the Target Company were to be done directly, it would have been eligible for automatic exemption as specified under sub-clause (i) of clause (a) of sub-regulation (1) of regulation 10 of the Takeover Regulations, 2011.
9. Considering the above, I am of the view that exemption as sought for in the Application may be granted to the Proposed Acquirer, subject to certain conditions as ordered herein below.

ORDER

10. I, in exercise of the powers conferred upon me under section 19 read with sub-section (1), and clause (h) of sub-section (2), of section 11 of the Securities and Exchange Board of India Act, 1992 and sub-regulation (5) of regulation 11 of the Takeover Regulations, 2011, hereby grant exemption to the Proposed Acquirer, viz., **Ms. Janky Rupen Patel**, from complying with the requirements of regulation 5 and sub-regulation (1) of regulation 3 of the Takeover Regulations, 2011 with respect to the proposed indirect acquisition in the Target Company, viz., **Patel Engineering Limited**, by way of proposed acquisition as mentioned in the Application.
11. 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 circulars issued by SEBI.

12. 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 Takeover Regulations, 2011; compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, Listing Agreement / Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 or any other applicable Acts, Rules and Regulations.
13. The exemption granted vide this Order from making an open offer pursuant to the Proposed Acquisition shall remain valid for a period of one (1) year from the date of this Order and the Proposed Acquirer shall complete the implementation of the Proposed Acquisition within such period, failing which the granted exemption shall lapse and cease to exist.
14. The Application dated October 23, 2024 read with other submissions filed by Proposed Acquirer, is accordingly disposed of.

PLACE: MUMBAI

DATE: JULY 25, 2025

KAMLESH
CHANDRA
VARSHNEY

Digitally signed by KAMLESH
CHANDRA VARSHNEY
Date: 2025.07.25 13:24:36
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KAMLESH C. VARSHNEY

WHOLE TIME MEMBER

SECURITIES AND EXCHANGE BOARD OF INDIA