

SECURITIES AND EXCHANGE BOARD OF INDIA

ORDER

UNDER SECTIONS 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	PROPOSED ACQUIRERS
Balrampur Chini Mills Limited	1. Saraogi Family Trust
	2. Saraogi Trust

Background –

1. Balrampur Chini Mills Limited (hereinafter referred to as the “**Target Company**”) is a company incorporated under the Companies Act, 1956 on July 14, 1975 and has its registered office at 234/3A, FMC Fortuna, 2nd Floor, A.J.C. Bose Road, Kolkata, West Bengal - 700020. 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 15, 2025 (subsequently revised on March 17, 2025) along with emails dated February 27, 2025 and March 18, 2025 (hereinafter collectively referred to as “**Application**”) seeking exemption from the applicability of Regulations 3 and 4 of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (“**Takeover Regulations, 2011**”) was received by SEBI from Mr. Vivek Saraogi and Ms. Stuti Dhanuka, in their capacity as the trustees of the Saraogi Family Trust and Saraogi Trust respectively (hereinafter collectively referred to as “**Acquirer Trusts**” or “**Proposed Acquirers**” or

“Applicants”), in respect of the proposed direct acquisitions of shares and voting rights in the Target Company by the Acquirer Trusts.

Details of the proposed acquisitions:

3. The Acquirer Trusts vide the Application have submitted the following:

(a) The issued, subscribed and paid-up equity share capital of the Target Company is Rs. 20,19,02,371/- divided into 20,19,02,371 equity shares having a face value of Re. 1/- each. The shareholding pattern of the Target Company, as on December 31, 2024 is as under:

Shareholding in the Target Company			
Sr. No	Name	No. of Shares	% shareholding
A.	Promoter/Promoter Group		
1.	Mr. Vivek Saraogi	6,21,09,536	30.76
2.	Vivek Saraogi HUF	1,47,482	0.07
3.	Mrs. Sumedha Saraogi	53,76,618	2.67
4.	Ms. Avantika Saraogi	31,87,007	1.58
5.	Ms. Stuti Dhanuka	-	-
6.	Udaipur Cotton Mills Co. Ltd.	56,89,433	2.82
7.	Meenakshi Mercantiles Ltd	64,84,233	3.21
8.	Novel Suppliers Pvt. Ltd	35,51,444	1.76
Total Promoter Shareholding		8,65,45,753	42.87
B.	Public shareholding	11,53,56,618	57.13
C.	Non Promoter-Non Public (shares held by Employee Trust)	-	-
Total Shareholding		20,19,02,371	100

(b) The Promoter and Promoter Group of the Target Company collectively hold 8,65,45,753 equity shares in the Target Company, amounting to 42.87% of the total paid-up equity capital and voting rights in the Target Company. Mr. Vivek Saraogi, who is part of the Promoter and Promoter Group of the Target Company, currently holds 6,21,09,536 equity shares

in the Target Company, amounting to 30.76% of the total paid-up equity capital and voting rights in the Target Company.

- (c) Saraogi Family Trust, settled vide trust deed dated September 11, 2023 (amended and restated vide deeds dated July 26, 2024 and January 10, 2025) is an irrevocable, discretionary, private trust. Further, the Saraogi Trust, settled vide trust deed dated January 18, 2024 (amended and restated vide deeds dated July 26, 2024 and January 10, 2025) is also an irrevocable, discretionary, private trust. The Acquirer Trusts are settled under the provisions of the Indian Trusts Act, 1882. The details of the Settlers, Trustees and Beneficiaries of the aforementioned Acquirer Trusts are tabulated below:

Saraogi Family Trust		
Status	Name	Relationship with settlor
Settlor	Mr. Vivek Saraogi	Self and promoter
Trustees	Mr. Vivek Saraogi	Self and promoter
	Mrs. Sumedha Saraogi	Spouse and promoter
	Ms. Avantika Saraogi	Daughter and promoter
Beneficiaries	Mrs. Sumedha Saraogi	Spouse and promoter
	Ms. Avantika Saraogi	Daughter and promoter
	Lineal descendants of Ms. Avantika Saraogi	Daughter (promoter) and her lineal descendants

Saraogi Trust		
Status	Name	Relationship with settlor
Settlor	Mr. Vivek Saraogi	Self and promoter
Trustee	Ms. Stuti Dhanuka	Sister and promoter
Beneficiaries	Ms. Stuti Dhanuka	Sister and promoter
	Ms. Avantika Saraogi	Daughter and promoter
	Lineal descendants of Ms. Avantika Saraogi	Daughter (promoter) and her lineal descendants

- (d) The Acquirer Trusts propose to acquire direct interest in the Target Company from Mr. Vivek Saraogi, the promoter of the Target Company. Pursuant to the proposed acquisition of shares and voting rights, the Acquirer Trusts shall directly have control over the Target Company.
- (e) The direct acquisitions of equity shares and voting rights in the Target Company by the Acquirer Trusts are proposed to take place in the following manner:

SR. NO.	TRANSFEROR	ACQUIRER	NO OF SHARES	% SHAREHOLDING
1.	Mr. Vivek Saraogi	Saraogi Family Trust	5,24,48,387	25.98%
		Saraogi Trust	42,84,531	2.12%
TOTAL			5,67,32,918	28.10%

- (f) Pursuant to the proposed direct acquisitions of shares and voting rights by Acquirer Trusts, the Acquirer Trusts along with other Promoters and members of the Promoter Group shall directly acquire control over the Target Company.
- (g) There shall be no alteration in total equity share capital of the Target Company as a result of the proposed acquisitions. The shareholding pattern of the Target Company before and after the proposed acquisitions shall be as under:

Particulars	Shareholding before the proposed acquisitions		Proposed transactions		Shareholding after the proposed acquisitions	
	Number of shares	% of shares	Number of shares	% of shares	Number of shares	% of shares
Promoters & Promoter Group (other than Acquirers)						
Mr. Vivek Saraogi	6,21,09,536	30.76	(5,67,32,918)	(28.10)	53,76,618	2.66

Vivek Saraogi HUF	1,47,482	0.07	-	-	1,47,482	0.07
Mrs. Sumedha Saraogi	53,76,618	2.67	-	-	53,76,618	2.67
Ms. Avantika Saraogi	31,87,007	1.58	-	-	31,87,007	1.58
Ms. Stuti Dhanuka	-	-	-	-	-	-
Udaipur Cotton Mills Co. Ltd.	56,89,433	2.82	-	-	56,89,433	2.82
Meenakshi Mercantiles Ltd	64,84,233	3.21	-	-	64,84,233	3.21
Novel Suppliers Pvt. Ltd	35,51,444	1.76	-	-	35,51,444	1.76
Total (A)	8,65,45,753	42.87	(5,67,32,918)	(28.10)	2,98,12,835	14.77
Promoters & Promoter Group – Acquirer Trusts and PAC						
Saraogi Family Trust	-	-	5,24,48,387	25.98	5,24,48,387	25.98
Saraogi Trust	-	-	42,84,531	2.12	42,84,531	2.12
Total (B)	-	-	5,67,32,918	28.10	5,67,32,918	28.10
Total (A+B)	8,65,45,753	42.87	-	-	8,65,45,753	42.87
Public						
Public shareholding (C)	11,53,56,618	57.13	-	-	11,53,56,618	57.13

Non-promoter & Non-public (as on December 31, 2024)						
Non-Promoter Non-Public (D)	-	-	-	-	-	-
Total A+B+C+D	20,19,02,371	100	-	-	20,19,02,371	100

- (h) The abovementioned direct acquisitions of shares and voting rights by the Acquirer Trusts in the Target Company would attract the applicability of the provisions of Regulations 3 and 4 of the Takeover Regulations, 2011. Vide the Application, the Acquirer Trusts have sought exemption from SEBI in respect of the same.

Grounds for seeking exemption -

4. Vide the Application, the Acquirer Trusts have, *inter alia*, provided the following grounds for seeking exemption from the applicability of Regulations 3 and 4 of the Takeover Regulations, 2011:
 - (a) The proposed acquisitions are intended to streamline succession and welfare of the Family Members and their lineal descendants, being members of the promoter group of the Target Company.
 - (b) Post the proposed transactions, (i) Saraogi Family Trust would be the legal owner of 5,24,48,387 equity shares amounting to 25.98% of the total equity share capital of the Target Company, and (ii) Saraogi Trust would be the legal owner of 42,84,531 equity shares amounting to 2.12% of the total equity share capital of the Target Company. The Acquirers shall hold the said equity shares of the Target Company for the benefit of the beneficiaries of the Acquirer Trusts. The trustees and the beneficiaries of the Acquirer Trusts are promoters and members of the promoter group of the Target Company or their lineal descendants. Therefore, the current promoters and promoter group would continue to exercise control over the Target Company pursuant to the proposed transactions.
 - (c) The proposed transactions are only in the nature of a transfer of equity shares within the promoters and promoter group of the Target Company,

with no change in the overall promoter and promoter group shareholding in the Target Company. Pursuant to the proposed transactions, the promoters and promoter group will continue to hold an aggregate equity share capital of the Target Company, as they hold on the date of filing the application. Further, the public shareholders shall continue to hold an aggregate of the total equity share capital of the Target Company, as they hold on the date of filing the application. The proposed transactions are non-commercial transactions and therefore will not affect or prejudice the interests of the public shareholders of the Target Company in any manner.

- (d) The proposed transactions shall not have any adverse impact on the Target Company or the wider securities market in India and are not expected to cause any appreciable adverse effect on the price of the shares of the Target Company.
- (e) The Trusts have also provided undertakings regarding compliance with the conditions stipulated in Chapter 8 of SEBI Master Circular No. SEBI/HO/CFD/PoD-1/P/CIR/2023/31 dated February 16, 2023.

Consideration-

- 5. I have considered the Application submitted by the Acquirer Trusts and other material available on record. Before I proceed further, I deem it fit to draw reference to the provisions of Regulations 3(1) and 4 of the Takeover Regulations, 2011, which state 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.*

***Provided** that such acquirer shall not be entitled to acquire or enter into any agreement to acquire shares or voting rights exceeding such number of shares as would take the aggregate shareholding pursuant to the acquisition above the maximum permissible non-public shareholding.*

Acquisition of control.

4. Irrespective of acquisition or holding of shares or voting rights in a target company, no acquirer shall acquire, directly or indirectly, control over such target company unless the acquirer makes a public announcement of an open offer for acquiring shares of such target company in accordance with these regulations.”

6. Without reiterating the facts as stated above, I note the following:
- (a) The Application submitted is in respect of the proposed direct acquisitions of shares and voting rights in the Target Company, i.e., **Balrampur Chini Mills Limited**. The proposed acquisitions as detailed above, which are to be made by the Acquirer Trusts, will lead to direct acquisition of control of the Target Company by the Acquirer Trusts along with other Promoters and members of the Promoter Group and will attract the provisions of Regulations 3(1) and 4 of the Takeover Regulations, 2011.
 - (b) The proposed acquisitions are in furtherance of an internal reorganization within the Promoter Family and are intended to streamline succession and promote welfare of Promoter Family. The proposed direct acquisitions would be non-commercial transactions which would not affect or prejudice the interests of the public shareholders of the Target Company in any manner.
 - (c) The trustees and the beneficiaries of the Acquirer Trusts are either individual promoters, or their immediate relatives or lineal descendants.
 - (d) There shall be no change in control of the Target Company pursuant to the proposed acquisitions, as stipulated under the Chapter 8 of SEBI Master Circular No. SEBI/HO/CFD/PoD-1/P/CIR/2023/31 dated February 16, 2023.

- (e) The pre-acquisition and post-acquisition shareholding of the Promoters and Promoter Group in the Target Company will remain the same.
- (f) There will be no change in the public shareholding of the Target Company pursuant to the proposed acquisitions.
- (g) The Target Company shall continue to be in compliance with the Minimum Public Shareholding requirements under the Securities Contracts Regulation Rules, 1957 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (h) The Acquirer Trusts have confirmed that they are in compliance with the conditions outlined in Chapter 8 of the SEBI Master Circular No. SEBI/HO/CFD/PoD-1/P/CIR/2023/31 dated February 16, 2023 which contain the following clauses:
 - (i) The Acquirer Trusts are 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 Acquirer Trusts.
 - (iii) The beneficial interest of the beneficiaries of the Acquirer Trusts 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 Acquirer Trusts, 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 Acquirer Trusts 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 Acquirer Trusts.
- (ix) The Acquirer Trusts 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 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.
- (x) The Acquirer Trusts 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 acquisitions are 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 acquisitions.
- (xiii) There is no layering in terms of trustees / beneficiaries in case of the Acquirer Trusts.
- (xiv) The Trust Deeds do 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.

7. Considering the aforementioned, I am of the view that exemption as sought for in the Application may be granted to the Proposed 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 Sections 11(1) and 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., **Saraogi Family Trust** and **Saraogi Trust**, from complying with the

requirements of Regulations 3(1) and 4 of the Takeover Regulations, 2011 with respect to the proposed direct acquisitions in the Target Company, viz., **Balrampur Chini Mills Limited**, 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 acquisitions shall be in accordance with the relevant provisions of the Companies Act, 2013 and other applicable laws.
 - (b) On completion of the proposed acquisitions, the Proposed Acquirers shall file a report with SEBI within a period of 21 days from the date of such acquisitions, 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. The Proposed Acquirers shall also ensure compliance with the provisions of the SEBI Circular.
 - (e) The Proposed Acquirers shall also ensure that the covenants in the Trust Deeds are not contrary to the above conditions. 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 Acquisitions 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 Acquisitions within such period, failing which the granted exemption shall lapse and cease to exist.
12. The Application dated January 15, 2025 (subsequently revised on March 17, 2025) filed by **Saraogi Family Trust** and **Saraogi Trust** is accordingly disposed of.

PLACE: MUMBAI

DATE: APRIL 30, 2025

ASHWANI BHATIA

WHOLE TIME MEMBER

SECURITIES AND EXCHANGE BOARD OF INDIA