WTM/KCV/CFD/14/2026-27

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 DIRECT AND INDIRECT ACQUISITION OF SHARES AND VOTING RIGHTS IN –

TARGET COMPANY	PROPOSED ACQUIRERS
Emmbi Industries Limited	**Rinku Appalwar Business Trust**
	Makrand Appalwar Business Trust

Background

1. Emmbi Industries Limited (hereinafter referred to as the "**Target Company**"), a company incorporated on November 29, 1994 under the provisions of the Companies Act, 1956, has its registered office at 99/2/1 & 9, Madhuban Industrial Estate, Madhuban Dam Road, Rakholi Village, Union Territory of Dadra & Nagar Haveli, Silvassa- 396230. The equity shares of the Target Company are listed on the BSE Ltd. and the National Stock Exchange of India Limited.

2. An Application dated May 05, 2026 along with email dated September 02, 2026, and other communications dated June 23, 2026, August 13, 2026, September 18, 2026, (hereinafter referred to as "**Application**") seeking exemption from applicability of provisions of regulations 3(2), 4 read with regulation 5 of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (hereinafter referred to as the "**SAST Regulations, 2011**") was received by SEBI from Mrs. Rinku Appalwar and Mr. Makrand Appalwar, in their capacity as the trustees of the Rinku Appalwar Business Trust (hereinafter referred to as "**Rinku Trust**" or "**Acquirer Trust 1**") and Makrand Appalwar Business Trust (hereinafter referred to as "**Makrand Trust**" or "**Acquirer Trust 2**") (collectively referred to as the

"**Acquirer Trusts**") respectively, in the matter of proposed direct and indirect acquisition of shares and voting rights in the Target Company by the Acquirer Trusts.

Details of the proposed acquisition:

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

(a) The issued and paid-up share capital of the Target Company is INR 19,24,02,500/- divided into 1,92,40,250 equity shares of INR 10/- each. The shareholding pattern of the Target Company, as on March 31, 2026, is as under:

Table 1

Shareholding in the Target Company			
S. No.	**Name**	**No. of shares**	**% shareholding**
Promoters and Promoter Group			
1.	Makrand Moreshwar Appalwar	38,39,550	19.96
2.	Rinku Makrand Appalwar	23,67,746	12.31
3.	Maithili Rinku Makrand Appalwar	10,67,350	5.55
4.	Mitravinda Moreshwar Appalwar	2,42,157	1.26
5.	Avinash R Laddha	1,85,000	0.96
6.	Kitec (Industries) Private Limited	16,85,000	8.76
7.	Emmbi Laboratories Private Limited	16,63,100	8.64
8.	Maithili Agrotech Private Limited	10,61,200	5.52
Total Promoter Shareholding (A)		**1,21,11,103**	**62.95**
B.	**Public shareholding**	**71,29,147**	**37.05**
C.	**Non Promoter-Non Public (shares held by Employee Trust)**	**-**	**-**
Total Shareholding (A+B+C)		**1,92,40,250**	**100.00**

(b) Emmbi Laboratories Private Limited (hereinafter referred to as "**ELPL**") and Maithili Agrotech Private Limited (hereinafter referred to as "**MAPL**") are part of the Promoter and Promoter group of the Target Company.

(c) ELPL holds 8.64% shares in the Target Company and its shareholding pattern is as follows:

Table 2

S. No.	Name	No. of Shares	% shareholding
1.	Makrand Moreshwar Appalwar	740	74.00
2.	Rinku Makrand Appalwar	160	16.00
3.	Maithili Rinku Makrand Appalwar	100	10.00
	Total	**1,000**	**100.00**

(d) Mr. Makrand Moreshwar Appalwar holds 3,40,000 (52.31%) and Maithili Agrotech Private Limited holds 3,10,000 (47.69%) of redeemable preference shares of ELPL, which carry voting rights.

(e) MAPL holds 5.52% shares in the Target Company and its shareholding pattern is as follows:

Table 3

S. No.	Name	No. of Shares	% shareholding
1.	Makrand Moreshwar Appalwar	2,05,000	47.67
2.	Rinku Makrand Appalwar	2,25,000	52.33
	Total	**4,30,000**	**100.00**

(f) Rinku Trust, settled under the provisions of the Indian Trusts Act, 1882 vide registered trust deed dated April 28, 2023 is an irrevocable, discretionary, private trust. The details of the Settlors, Trustees and Beneficiaries of Rinku Trust are tabulated below:

Table 4

Rinku Appalwar Business Trust		
Particulars	**Person**	**Relationship with Settlor/ Transferor**
Settlor/ Transferor	Mrs. Rinku Makrand Appalwar	Self and Promoter/Promoter Group of the Target Company
Trustee(s)	Mrs. Rinku Makrand Appalwar	Self and Promoter/Promoter Group of the Target Company
	Mr. Makrand Moreshwar Appalwar	Spouse of the Settlor and Promoter/Promoter Group of the Target Company
Beneficiaries	Mr. Makrand Moreshwar Appalwar	Spouse of the Settlor and Promoter/Promoter Group of the Target Company

Rinku Appalwar Business Trust		
Particulars	**Person**	**Relationship with Settlor/ Transferor**
	Ms. Maithili Rinku Makrand Appalwar	Daughter of the Settlor and Promoter/Promoter Group of the Target Company
	Lineal Descendants of Ms. Maithili Rinku Makrand Appalwar	Lineal Descendants of Promoter of the Target Company.

(g) Makrand Trust, settled under the provisions of the Indian Trusts Act, 1882 vide registered trust deed dated April 28, 2023 is an irrevocable, discretionary, private trust. The details of the Settlors, Trustees and Beneficiaries of Makrand Trust are tabulated below:

Table 5

Makrand Appalwar Business Trust		
Particulars	**Person**	**Relationship with Settlor/ Transferor**
Settlor/ Transferor	Mr. Makrand Moreshwar Appalwar	Self and Promoter of the Target Company
Trustee(s)	Mr. Makrand Moreshwar Appalwar	Self and Promoter/Promoter Group of the Target Company
	Mrs. Rinku Makrand Appalwar	Spouse of the Settlor and Promoter/Promoter Group of the Target Company
Beneficiaries	Mrs. Rinku Makrand Appalwar	Spouse of the Settlor and Promoter/Promoter Group of the Target Company
	Ms. Maithili Rinku Makrand Appalwar	Daughter of the Settlor and Promoter/Promoter Group of the Target Company
	Lineal Descendants of Ms. Maithili Rinku Makrand Appalwar	Lineal Descendants of Promoter/Promoter Group of the Target Company.

(h) The Acquirer Trusts propose to acquire interest in the Target Company directly and indirectly from the promoters of the Target Company.

Acquisition by Rinku Trust

(i) Rinku Trust proposes to directly acquire 23,67,746 equity shares, representing 12.31% of the equity share capital of the Target Company held by Mrs. Rinku Makrand Appalwar.

(j) Rinku Trust proposes to acquire 160 equity shares of ELPL representing 16% of the equity share capital of ELPL, held by Mrs. Rinku Makrand Appalwar.

(k) Rinku Trust also proposes to acquire 2,25,000 equity shares, representing 52.33% of the equity share capital of MAPL, held by Mrs. Rinku Makrand Appalwar, thereby indirectly acquiring control over 5.52% of the equity shares of the Target Company.

(l) Thus, pursuant to the proposed acquisitions, shareholding of Rinku Trust, along with persons acting in concert would lead to an open offer trigger under regulations 3(2) and 4 read with regulation 5 of the SAST Regulations.

Acquisition by Makrand Trust

(m) Makrand Trust proposes to directly acquire 38,39,550 equity shares, representing 19.96% of the equity share capital of the Target Company, held by Mr. Makrand Moreshwar Appalwar.

(n) Makrand Trust proposes to acquire 740 equity shares of ELPL representing 74% of the equity share capital of ELPL, held by Mr. Makrand Moreshwar Appalwar, thereby indirectly acquiring control over 8.64% of the equity shares of the Target Company. Makrand Trust also proposes to acquire 3,40,000 preference shares of ELPL, representing 52.31% of preference shares of ELPL held by Mr. Makrand Moreshwar Appalwar.

(o) Further, Makrand Trust proposes to acquire 2,05,000 equity shares, representing 47.67% of the equity share capital of MAPL, held by Mr. Makrand Moreshwar Appalwar.

(p) Thus, pursuant to the proposed acquisition, shareholding of Makrand Trust, along with persons acting in concert would lead to an open offer trigger under regulations 3(2) and 4 read with regulation 5 of the SAST Regulations. The shareholding pattern of ELPL before and after the proposed transactions, will be as follows:

Table 6

Name	Pre-acquisition	Post-acquisition
Makrand Moreshwar Appalwar	740 (74%)	-

Name	Pre-acquisition	Post-acquisition
Rinku Makrand Appalwar	160 (16%)	-
Maithili Rinku Makrand Appalwar	100 (10%)	100 (10%)
Rinku Trust	-	160 (16%)
Makrand Trust	-	740 (74%)
Total	**1,000**	**1,000**

(q) Makrand Trust will hold 3,40,000 (52.31%) (held by Mr. Makrand Appalwar prior to the proposed transaction) and Maithili Agrotech Private Limited holds 3,10,000 (47.69%) of redeemable preference shares of ELPL, which carry voting rights. The shareholding pattern of MAPL before and after the proposed transactions, will be as follows:

Table 7

Name	Pre-acquisition	Post-acquisition
Makrand Moreshwar Appalwar	2,05,000 (47.67%)	-
Rinku Makrand Appalwar	2,25,000 (52.33%)	-
Rinku Trust	-	2,25,000 (52.33%)
Makrand Trust	-	2,05,000 (47.67%)
Total	**4,30,000**	**4,30,000**

(r) As the Acquirer Trusts only comprise of the family members of the Appalwar family as its trustees and beneficiaries, the ultimate shareholding and beneficial interest in the Target Company shall continue to remain with the current promoter and promoter group of the Target Company, pursuant to the proposed transactions.

(s) The members of the Promoter and Promoter Group of the Target Company are acting in concert with the Acquirer Trusts. The Transferors have been disclosed as part of the promoter and promoter group of the Target Company for the last 3 years.

(t) There would be no alteration in the 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 acquisition, will be as under:

Table 8

Particulars	Shareholding before the proposed acquisition		Proposed Transaction		Shareholding after the proposed acquisition	
	No. of Shares	% of shares	No. of Shares	% of shares	No. of Shares	% of shares
Promoters and Promoter Group (other than Acquirer Trusts)						
Makrand Moreshwar Appalwar	38,39,550	19.96	(38,39,550)	(19.96)	-	-
Rinku Appalwar Appalwar	23,67,746	12.31	(23,67,746)	(12.31)	-	-
Maithili Appalwar	10,67,350	5.55	-	-	10,67,350	5.55
Mitravinda Moreshwar Appalwar	2,42,157	1.26	-	-	2,42,157	1.26
Avinash R Laddha	1,85,000	0.96	-	-	1,85,000	0.96
Kitec Industries (India) Pvt Ltd	16,85,000	8.76	-	-	16,85,000	8.76
Emmbi Laboratories Pvt Ltd	16,63,100	8.64	-	-	16,63,100	8.64
Maithili Agrotech Pvt Ltd	10,61,200	5.52	-	-	10,61,200	5.52
Acquirer Trusts						
Rinku Trust	-	-	23,67,746	12.31	23,67,746	12.31
Makrand Trust	-	-	38,39,550	19.96	38,39,550	19.96
Public						
Public shareholding	71,29,147	37.05	-	-	71,29,147	37.05
Non-promoter & Non-public						
Non-promoter & Non-public	-	-	**-**	**-**	-	-
TOTAL	**1,92,40,250**	**100.00**	**-**	**-**	**1,92,40,250**	**100.00**

(u) While the Proposed Acquisition triggers the provisions of regulation 5 read with regulations 3, 4, the provisions of regulation 5(2) of the SAST Regulations are satisfied basis the valuation reports and hence, the Proposed Acquisition shall be deemed to be a direct acquisition of the Target Company as per regulation 5(2) of the SAST Regulations.

(v) The abovementioned direct and indirect acquisition of shares and voting rights by the Acquirer Trusts in the Target Company would attract the applicability of provisions of regulations 3, 4 and 5 of the SAST

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,* stated the following grounds for seeking exemption from applicability of provisions of regulations 3, 4 and 5 of the SAST Regulations, 2011:
   (a) The Proposed Acquisition is mainly for purposes of succession planning with the objective being that the shares are settled in the Rinku Trust as well as the Makrand Trust for the benefit of the Promoter family.
   (b) The Proposed Acquisition does not in any manner result in any change in the ownership or control of the Target Company as the Trusts are in substance, only a mirror image of the Promoters' holdings.
   (c) Further, the trustees and beneficiaries of the Trusts are Promoters or their immediate relatives or lineal descendants; accordingly, the same is in compliance with the guidelines stated in Chapter 8 of the Master Circular No. SEBI/HO/CFD/PoD-1/P/CIR/2023/31 dated February 16, 2023 (hereinafter referred to as the "**Master Circular**").
   (d) Further, certain conditions and undertakings have been specified in the Master Circular which are included in the trust deed of the trust seeking exemption for their proposed acquisitions under regulation 11 of the SAST Regulations. Each of the Acquirer Trusts satisfies all of these conditions and guidelines, namely:
      (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 Acquirer Trusts 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 Acquisition (except for holding on account of inheritance).

(xiii) There is no layering in terms of trustees / beneficiaries in case of the Acquirer Trusts.

(xiv) The Trust deed agreements 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.

5. The Acquirer Trusts have also provided undertakings regarding compliance with the criteria stipulated in guidelines stated in Chapter 8 of the Master Circular.

Consideration

6. 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 provisions of regulations 3(2), 4, and 5 of the SAST Regulations, 2011, which provide as under:

*"**Substantial acquisition of shares or voting rights**.*

***3(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.

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.*

5(2) *Notwithstanding anything contained in these regulations, in the case of an indirect acquisition attracting the provisions of sub-regulation (1) where,—*

(a) the proportionate net asset value of the target company as a percentage of the consolidated net asset value of the entity or business being acquired;

(b) the proportionate sales turnover of the target company as a percentage of the consolidated sales turnover of the entity or business being acquired; or

(c) the proportionate market capitalisation of the target company as a percentage of the enterprise value for the entity or business being acquired;

is in excess of eighty per cent, on the basis of the most recent audited annual financial statements, such indirect acquisition shall be regarded as a direct acquisition of the target company for all purposes of these regulations including without limitation, the obligations relating to timing, pricing and other compliance requirements for the open offer."

7. Without reiterating the facts as stated above, I note the following:

(a) The Application submitted is in respect of the proposed direct and indirect acquisition of shares and voting rights in the Target Company, *i.e.*, **Emmbi Industries Limited**. The proposed acquisition as detailed above, which is to be made by the Acquirer Trusts, will lead to direct and indirect acquisition of shares and control of the Target Company and will attract the provisions of regulations 3(2) and 4 read with regulation 5 of the SAST Regulations, 2011.

(b) The proposed acquisition is in furtherance of an internal reorganization within the Promoter Family and is intended to streamline succession and promote welfare of the Promoter Family. The proposed acquisitions 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.

(c) The trustees and the beneficiaries of each of the Acquirer Trusts are either individual promoters, or their immediate family relatives or lineal descendants.

(d) There will be no change in control of the Target Company pursuant to the proposed acquisitions, as stipulated under Chapter 8 of the Master Circular.

(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.

(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 Master Circular as mentioned at sub-para (d) of para 4 above.

8. Considering the aforementioned, I am of the view that exemption as sought for in the Application may be granted to the Acquirer Trusts, subject to certain conditions as ordered herein below.

ORDER

9. I, in exercise of 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 SAST Regulations, 2011, hereby grant exemption to the Proposed Acquirers, *viz.*, **Rinku Appalwar Business Trust and Makrand Appalwar Business Trust**, from complying with the requirements of regulations 3(2), 4 and 5 of the SAST Regulations, 2011 with respect to the proposed acquisition in the Target Company, *viz.*, **Emmbi Industries Limited**, by way of the proposed transaction as mentioned in the Application.

10. 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 SAST 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 statements, disclosures and undertakings made in the Application. The Proposed Acquirers shall also ensure compliance with provisions of Chapter 8 of the Master Circular.

(e) The Proposed Acquirers shall also ensure that the covenants in the respective Trust Deeds are not contrary to the above conditions. In such case, the Trust Deeds shall be suitably modified and expeditiously reported to SEBI.

11. The exemption granted above is limited to requirements of making open offer under the SAST 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.

12. 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 Proposed Acquirers shall complete the implementation of the Proposed Acquisition within such period, failing which the granted exemption shall lapse and cease to exist.

13. The Application dated May 05, 2026 read with other submissions, filed by **Rinku Appalwar Business Trust and Makrand Appalwar Business Trust,** is accordingly disposed of.

KAMLESH CHANDRA VARSHNEY

Digitally signed by KAMLESH CHANDRA VARSHNEY
Date: 2026.11.03 16:46:48 +05'30'

PLACE: MUMBAI
DATE: NOVEMBER 03, 2026

KAMLESH CHANDRA VARSHNEY
WHOLE TIME MEMBER
SECURITIES AND EXCHANGE BOARD OF INDIA