



WTM/KCV/CFD/12/2026-27

**SECURITIES AND EXCHANGE BOARD OF INDIA
ORDER**

UNDER SECTION 11(1) AND SECTION 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 ACQUISITION OF SHARES AND VOTING RIGHTS IN –

TARGET COMPANY	PROPOSED ACQUIRER
S Chand and Company Limited	DKJ Ownership Trust

Background

1. S Chand and Company Limited ("**Target Company**"), is a company incorporated on September 09, 1970 under provisions of the Companies Act, 1956, and having its registered office at A-27, 2nd Floor, Mohan Co-operative Industrial Estate, New Delhi - 110044. The equity shares of the Target Company are listed on the National Stock Exchange of India Ltd ("**NSE**") and BSE Limited ("**BSE**").
2. An application dated June 17, 2026 ("**Application**") seeking exemption from applicability of provisions of regulation 3(1) read with regulation 4 of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("**SAST Regulations, 2011**") was received by the Securities and Exchange Board of India ("**SEBI**") from Mrs. Neerja Jhunjhnuwala, in her capacity as the trustee of the DKJ Ownership Trust ("**Acquirer Trust**" or "**Proposed Acquirer**") in the matter of proposed direct acquisition of shares and voting rights in the Target Company by the Acquirer Trust.



Details of the proposed acquisition:

3. The Acquirer Trust vide the Application has submitted the following:

(a) The issued and paid-up share capital of the Target Company is INR 17,63,60,960/- divided into 3,52,72,192 equity shares of INR 5/- each. The shareholding pattern of the Target Company, for the quarter ended June 2026 is as under:

Shareholding pattern of the Target Company			
Sr. No.	Name	No. of shares	% shareholding
Promoters and Promoter Group			
1	Neerja Jhunjhnuwala	80,00,845	22.68
2	Dinesh Kumar Jhunjhnuwala	3,86,854	1.10
3	Gaurav Kumar Jhunjhnuwala	59,500	0.17
4	Himanshu Gupta	59,94,038	16.99
5	Savita Gupta	12,18,617	3.45
6	Ankita Gupta	9,14,073	2.59
7	DKJ Ownership Trust	-	-
Total Promoter Shareholding (A)		1,65,73,927	46.99
Public shareholding (B)		1,86,98,265	53.01
Total Shareholding (A+B)		3,52,72,192	100.00

(b) DKJ Ownership Trust, settled under the provisions of the Indian Trusts Act, 1882 vide registered trust deed dated April 08, 2025 is an irrevocable, discretionary, private trust. The details of the Settlers, Trustees and Beneficiaries of the Acquirer Trust are tabulated below:

Particulars	Person	Relationship with Transferor
Settlor	Mrs. Neerja Jhunjhnuwala	Self and Promoter of the Target company
Trustees	Mr. Dinesh Kumar Jhunjhnuwala	Spouse of the Transferor and Promoter of the Target company
	Mrs. Neerja Jhunjhnuwala	Self and Promoter of the Target company



Beneficiaries	Mr. Dinesh Kumar Jhunjhnuwala	Spouse of the transferor and Promoter of the Target company
	Mr. Gaurav Kumar Jhunjhnuwala	Son of the transferor and Promoter of Target company
	Ms. Nandita Sureka	Daughter of the Transferor
	Lineal Descendants of Mr. Dinesh Kumar Jhunjhnuwala, Mr. Gaurav Kumar Jhunjhnuwala and Ms. Nandita Sureka	Lineal descendant of Transferor
	Neerja Jhunjhnuwala	Self and Promoter of the Target company
	Spouse of Mr. Gaurav Kumar Jhunjhnuwala	Daughter in law of the transferor and Immediate relative of Promoter

- (c) The Acquirer Trust proposes to acquire interest in the Target Company directly from the promoter of the Target Company.
- (d) The direct acquisition of shares and voting rights in the Target Company by the Acquirer Trust is proposed to take place in the following manner:

Transferor	Existing holding		Proposed transfer to Acquirer Trust	
	No. of Shares	% of holding	No. of Shares	% of holding
Neerja Jhunjhnuwala	80,00,845	22.68	70,00,000	19.85

- (e) Pursuant to the proposed acquisition of shares and voting rights by the Acquirer Trust, the Acquirer Trust shall directly acquire 19.85% shareholding/control over the Target Company.
- (f) There would be no alteration in the total equity share capital of the Target Company as a result of the proposed acquisition. The shareholding pattern of



the Target Company, before and after the proposed acquisition, will be as under:

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)						
Neerja Jhunjhnuwala	80,00,845	22.68	(70,00,000)	(19.85)	10,00,845	2.84
Dinesh Kumar Jhunjhnuwala	3,86,854	1.10	NIL	NIL	3,86,854	1.10
Gaurav Kumar Jhunjhnuwala	59,500	0.17	NIL	NIL	59,500	0.17
Himanshu Gupta	59,94,038	16.99	NIL	NIL	59,94,038	16.99
Savita Gupta	12,18,617	3.45	NIL	NIL	12,18,617	3.45
Ankita Gupta	9,14,073	2.59	NIL	NIL	9,14,073	2.59
Promoter Holding	1,65,73,927	46.99	(70,00,000)	(19.85)	95,73,927	27.14
Acquirer Trust						
DKJ Ownership Trust	0	0	70,00,000	19.85	70,00,000	19.85
Public						
Public shareholding	1,86,98,265	53.01	0	0	1,86,98,265	53.01
TOTAL	3,52,72,192	100	0	0	3,52,72,192	100

(g) The abovementioned direct acquisition of shares and voting rights by the Acquirer Trust in the Target Company would attract applicability of provisions of regulation 3(1) and regulation 4 of the SAST Regulations, 2011.

Grounds for seeking exemption

- Vide the Application, the Acquirer Trust has, *inter alia*, stated the following grounds for seeking exemption from applicability of provisions of regulations 3 and 4 of the SAST Regulations, 2011:



- a. The proposed Direct Acquisition is being carried out to ensure continued interest of the Promoters in the Target Company, to streamline the Promoter and Promoter Group holdings in the company, smooth succession planning and to avoid the effects of any future family conflicts on the Target Company.
- b. The proposed Direct Acquisition for which exemption is sought will take place pursuant to a private family arrangement, which is intended to streamline Promoter and Promoter Group shareholding in the Target Company and consolidate it to the DKJ Ownership Trust. It is a non-commercial transaction which will not prejudice the interest of the public shareholders of the Target Company in any manner.
- c. Pursuant to the proposed Direct Acquisition, no outsider will acquire shares, directly or indirectly, of the Target Company as the acquisition takes place between the individuals that are part of the Promoter and Promoter Group and the Acquirer Trust being a family trust.
- d. As Mr. Dinesh Kumar Jhunjhnuwala and Mrs. Neerja Jhunjhnuwala are the Trustees of the DKJ Ownership Trust, there will be no change in control of the Target Company after the Proposed Direct Acquisition.
- e. The Settlor, Trustee, and Beneficiaries of Acquirer Trust are all relatives and/or part of the 'Promoter and Promoter Group' of the Company and shall always, as per the provisions of the Trust Deed, be them and their lineal descendants.
- f. Under the provisions of the Trust Deed, the beneficiaries of the Acquirer Trust are not entitled and can't claim to have any right to transfer their beneficial ownership interest in the Trust's property to any person.
- g. There is no change in the ultimate beneficial ownership of the persons who exercise voting rights over the Target Company since all the beneficiaries are either Promoters and/or part of the Promoter Group and their Lineal Descendants, all of them falling within the definition of "immediate relatives" as defined in the SAST Regulations.



- h. The trust is created as a mirror image of the promoter group with the Trustees being persons belonging to Promoter or Promoter Group and their “immediate relatives” as defined in the Code.
- i. The proposed acquisition is in the nature of a non-commercial transaction and will not prejudice the interest of the public shareholders of the Target Company. There will also be no change in the public shareholding of the Target Company.
- j. There is no new acquisition of shares by the Promoters and Promoters Group and the pre-acquisition and post-acquisition shareholding of the Promoters and Promoter Group in the Target Company would remain the same at 46.99%.
- k. Pursuant to the proposed Direct Acquisition, a part of the Target Company’s equity share capital held by Mrs. Neerja Jhunjhnuwala will be transferred to DKJ Ownership Trust, wherein the Promoters Mr. Dinesh Kumar Jhunjhnuwala and Mrs. Neerja Jhunjhnuwala are the Trustees in the respective Family Trust. Hence, there is no change in control of the Target Company.
- l. The Proposed Acquisition complies with all the conditions of exemption mentioned in Chapter 8 of the SEBI Master Circular No. SEBI/HO/CFD/PoD-1/P/CIR/2023/31 (**“Master Circular”**) dated February 16, 2023 which contains the following clauses:
 - (i) The Acquirer 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 Acquirer Trust.
 - (iii) The beneficial interest of the beneficiaries of the Acquirer 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 Acquirer Trust, the assets will be distributed only to the beneficiaries of the Acquirer 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 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 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 transferor under the SEBI Act, 1992 and the regulations framed thereunder will not change or get diluted due to transfers to the Acquirer Trust.
- (ix) 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 March 31 each year, under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (x) The Acquirer Trust shall get its 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 provisions of the Companies Act, 2013 and other applicable laws.
- (xii) The transferor is disclosed as promoter in the shareholding pattern of the Target company 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 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.

5. The Acquirer Trust has 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 Trust and other material available on record. Before I proceed further, I deem it fit to draw reference to provisions of regulation 3(1) and regulation 4 of the SAST Regulations, 2011, which provide 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.

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.”



7. Without reiterating the facts as stated above, I note the following:
- (a) The Application submitted is in respect of the proposed direct acquisition of shares and voting rights in the Target Company, i.e., **S Chand and Company Limited**. The proposed acquisition as detailed above, which is to be made by the Acquirer Trust, will lead to direct acquisition of shares and control of the Target Company and will attract the provisions of regulation 3(1) and regulation 4 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 Promoter Family. The proposed direct 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.
 - (c) The trustees and the beneficiaries of the Acquirer Trust 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 acquisition, as stipulated under Chapter 8 of the SEBI 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 Trust has confirmed that it is in compliance with the conditions outlined in Chapter 8 of the SEBI Master Circular, as mentioned at para 4(l) above.



8. Considering the aforementioned, I am of the view that exemption as sought for in the Application may be granted to the Acquirer Trust, 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 Acquirer, viz., **DKJ Ownership Trust**, from complying with requirements of regulation 3(1) and regulation 4 of the SAST Regulations, 2011 with respect to the proposed direct acquisition in the Target Company, viz., **S Chand and Company Limited**, by way of 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 Acquirer 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 Acquirer are true and correct.
 - (d) The Proposed Acquirer shall ensure compliance with statements, disclosures and undertakings made in the Application. The Proposed Acquirer shall also ensure compliance with provisions of Chapter 8 of the SEBI Master Circular No. SEBI/HO/CFD/PoD-1/P/CIR/2023/31 dated February 16, 2023.
 - (e) The Proposed Acquirer shall also ensure that the covenants in the Trust Deed are not contrary to the above conditions. In such case, the Trust Deed 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 Acquirer 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 June 17, 2026 read with other submissions, filed by **DKJ Ownership Trust**, is accordingly disposed of.

KAMLESH
CHANDRA
VARSHNEY

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CHANDRA VARSHNEY
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DATE: October 12, 2026

KAMLESH CHANDRA VARSHNEY

WHOLE TIME MEMBER

SECURITIES AND EXCHANGE BOARD OF INDIA