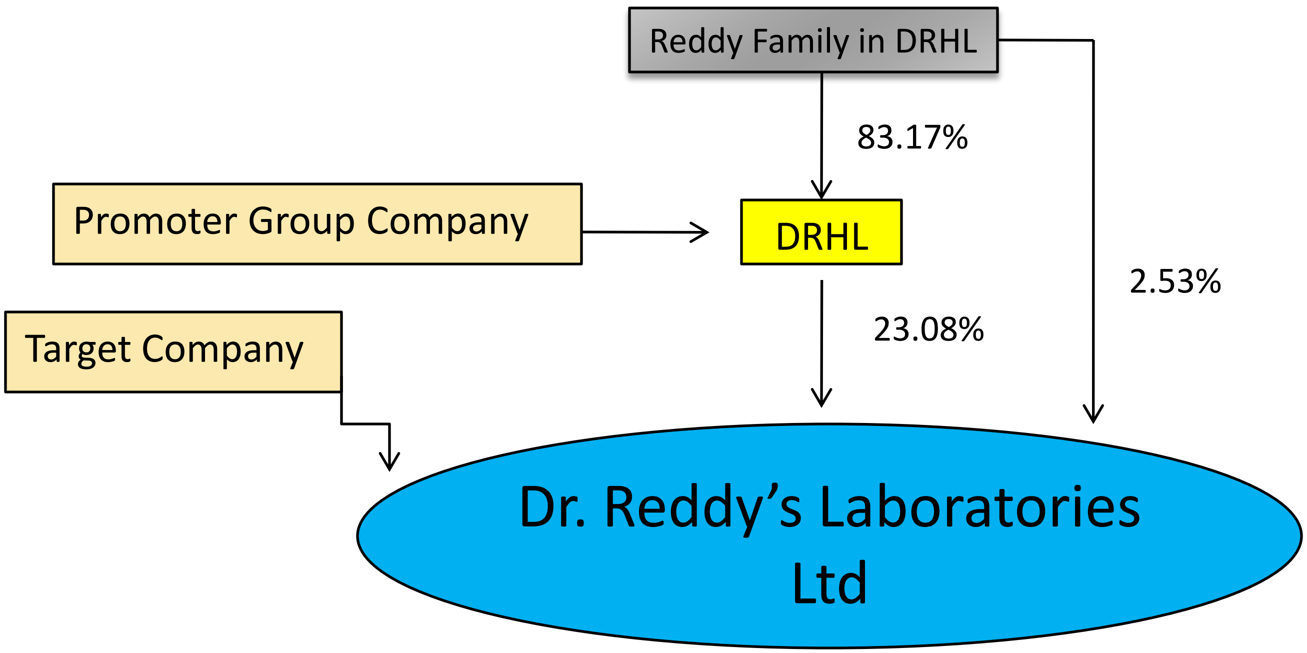
CASE LAW of

Dr. REDDY’S LABORATORIES LTD

Promoter Holding in %



Reddy Family consisting of the promoters held 83.17 %equity shares of DRHL.

Dr. Reddy’s Holdings Limited (DRHL), one of the promoters, was holding 23.08 % in Target Company

Brief:

Exemption by SEBI to acquire the Shares of Target Company from complying with the requirements of regulation 3(1) of SEBI Take Over Code, 2011 (Open Offer)

Gift:

Shareholding in DRHL by Promoter Family for 83.17% proposed to Gift to Private Family Trust

Issue:

Shareholding in DRHL by Promoter Family for 83.17% proposed to Gift to Private Family Trust

The Trust would, therefore, indirectly acquire 23.08% in the Target Company and together with the PACs would be collectively holding 25.61% in the Target Company, which would trigger Regulation 3(1) of the Takeover Regulations.

Points by Acquirer:

- Family arrangement with non-commercial objectives
- None of the public shareholders get prejudiced
- Its merely an internal reorganisation within Family
- No change in Shareholding pattern by promoter group
- No change in control or management

SEBI Order:

- In its order, SEBI noted that the Trustees of the APS Trust are also the promoters of the Target Company;
- The proposed transfer of shares of DRHL resulting in indirect acquisition of shares of the Target Company would take place between two entities namely Trustees of the Trust and promoter-transferors of the Target Company who comprise of the same set of individuals, namely members of Dr. Reddy's Family.
- There would be no change in the promoter group shareholding, management or control of the Target Company pursuant to the proposed acquisition.
- Therefore, agreeing with the recommendations of the Takeover Panel, it was considered to be a fit case for granting exemption from the requirements of Regulation 3(1) of the Takeover Regulations.

Thank You