



भारतीय प्रतिभूति
और विनिमय बोर्ड
Securities and Exchange
Board of India

DEPUTY GENERAL MANAGER
CORPORATION FINANCE DEPARTMENT

SEBI/HO/CFD/DCR 2/OW/P/2018/12085/1
April 20, 2018

Goldcrest Corporation Ltd.
3rd Floor, Devidas Mansion,
Mereweather Road, Colaba,
Mumbai – 400 039
Maharashtra
manish@goldcrestgoup.com

Kind attention: Mr. /Ms. Anupa Tanna Shah (Managing Director)

Dear Sir,

Sub: Request for informal guidance by way of "Interpretive Letter" under the SEBI (Informal Guidance) Scheme, 2003 in relation to SEBI (Delisting of Equity Shares) Regulations, 2009 in the matter of Goldcrest Corporation Ltd.

1. This has reference to your letter dated March 12, 2018 and subsequent correspondence vide e-mail dated April 03, 2018 on the captioned subject.
2. In your letter under reference, you have, *inter alia*, represented as under:
 - a. *Goldcrest Corporation Ltd. (GCL) (formerly known as Goldcrest Finance (India) Ltd.) was incorporated on February 25, 1983 under the provisions of The Companies Act, 1956. The company engaged in the business of maintaining and operating a tech park and other ancillary businesses. GCL is a listed entity and equity shares of GCL are listed BSE Limited (BSE).*
 - b. *Bhor Industries Ltd. (BIL) is a company that was erstwhile listed on National Stock Exchange of India Limited (NSE) and BSE. Pursuant to circular no. NSE/CML/34323 dated March 06, 2017 of NSE and notice no. 2017/0821-27 dated August 21, 2017 of BSE the promoters of BIL were required to undertake an exit offer to the public shareholders of BIL under the compulsory delisting route. Subsequently the promoters of BIL undertook the*

सेबी भवन, प्लॉट सं. सी 4-ए, "जी" ब्लॉक, बांद्रा कुर्ला कॉम्प्लेक्स, बांद्रा (पूर्व), मुंबई - 400 051.
दूरभाष : 2644 9950 / 4045 9950 (आई.वी.आर.एस.), 2644 9000 / 4045 9000 फैक्स : 2644 9019 से 2644 9022 वेब : www.sebi.gov.in Page 1 of 5



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open offer in consultation with NSE and merchant bankers and have provided an exit opportunity to the public shareholders. Accordingly, the equity shares of BIL was compulsorily delisted from the respective stock exchanges.

- c. *In accordance with regulation 24 of delisting regulations, BIL its whole time directors its promoters and the companies which are promoted by any of them were prohibited from accessing the securities market or seeking listing for any equity shares for a period of ten years from the date of such delisting. BIL was a jointly promoted entity by three family groups and Mr. Tushar Tanna as one of the directors of BIL represented the interest of one of the family groups. Due to various business reasons, the business of BIL was discontinued and BIL was also in the past referred to Board of Industrial and Financial Reconstruction. Mr. Tushar Tanna is also a promoter of GCL, which is an independent listed entity without the involvement of other two family groups.*
- d. *It is further pertinent to note that shareholding ownership of Mr. Tushar Tanna in GCL has significantly reduced over past years and Mr. Tushar Tanna currently owns only 0.01% representing 418 shares in GCL. Prior to July 2007, Mr. Tushar Tanna owned 14.60% representing 8,86,400 shares in GCL. Mr. Tushar Tanna is also no longer director on the board of GCL, but due to his earlier capacity as a promoter of GCL, the restrictions under regulation 24 of the delisting regulations were also applicable to GCL. In addition, it is pertinent to note that the directors in BIL and the composition of the BOD is completely unrelated to that of GCL.*
- e. *GCL is a listed entity in its own right and has 25.11% public shareholding. GCL is a well-managed company being in compliance with securities and other laws. Further, approximately 29% of the paid up equity share capital of GCL, forming a part of the promoter and promoter group category, is held by Goldcrest Securities and Commodities Private Ltd. ("GSCPL"), a company incorporated under the provisions of Companies Act, 1956. The entire shareholding of GSCPL is held by the promoters of GCL. As a part of corporate restructuring and other bonafide reasons, GSCPL is proposing to merge into GCL, such that upon merger of GSCPL into GCL, as consideration of merger, GCL will issue its equity shares to the shareholders of GSCPL ("Merger"). For clarity, the existing equity ownership of GSCPL into GCL shall be cancelled on merger and fresh equity shares of GCL shall be issued by GCL in exchange of the cancellation. It is important to note that the total shareholding of promoters and promoter group of GCL shall remain*



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constant at 74.89% with no or minimal change on account of merger. Further, the public holding will also remain unchanged pre and post-merger.

f. Further, an overall capital allocation endeavor, GCL may intend to undertake a buyback through a tender offer route of its equity shares in compliance with SEBI Buyback Regulations, 1998 and other applicable laws.

3. In view of the above, you have sought informal guidance from SEBI on the following issues:

a. *Considering the provisions of regulation 24 of Delisting Regulations read with SEBI circular no. SEBI/HO/CFD/DCR/CIR/P/2016/81 dated September 07, 2016 ("SEBI Circular), Whether issuance of equity shares by GCL and seeking listing of such new equity shares in lieu of the cancelled shares, pursuant to merger of GSCPL with GCL, with no change in promoter and promoter group shareholding and no change in public shareholding, would be prohibited under the restrictions under regulation 24 of the Delisting Regulations?*

b. *Whether a proposal of buying back of equity shares of GCL through a tender offer route would amount to accessing the securities market and thus hit by the embargo under regulation 24 of the Delisting Regulations?*

4. We have considered the submissions made by you and without necessarily agreeing with your analysis, our views on the queries are as under:

(i) Regulation 24 of the Delisting Regulations reads as under:

Consequences of compulsory delisting

24. *Where a company has been compulsorily delisted under this Chapter, the company, its whole time directors, its promoters and the companies which are promoted by any of them shall not directly or indirectly access the securities market or seek listing for any equity shares for a period of ten years from the date of such delisting.*



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- (ii) Regulation 24 provides clearly provides that where a company compulsorily delisted under this chapter, the company, its whole time directors, its promoters and the companies which are promoted by any of them shall not directly and indirectly access the securities market or seek listing for any equity shares for a period of ten years from the date of such delisting.
- (iii) In the instant case, BIL was compulsorily delisted from the both stock exchanges having nationwide terminals viz. BSE & NSE, and consequently, the consequences of regulation 24 of the Delisting Regulations, 2009 would follows i.e. the company, its whole time directors, its promoters and the companies which are promoted by any of them shall not directly and indirectly access the securities market or seek listing for any equity shares for a period of ten years from the date of such delisting.
- (iv) As Mr. Tushar Tanna is the promoter of both the companies "BIL" and "GCL" the consequences of Regulation 24 of Delisting Regulations, would be applicable on "GCL" also and accordingly, "GCL" would not be able to, directly and indirectly, access the securities market or seek listing for any equity shares for a period of ten years from the date of such delisting.
- (v) However, as issuance of shares to GSCPL pursuant to the merger and buying back of shares of the company would not fall into the ambit of "accessing of capital market" and would fall under buying, selling or dealing in securities, the said transactions would not be prohibited due to the bar on GCL under Regulation 24 of the Delisting Regulations.
5. Vide your aforesaid letter, you have requested for confidentiality in respect of your application. Accordingly, it has been decided that the no-action letter issued to you in this matter will not be made public for a period of 90 days from the date of issuance of this letter.
6. The above position is based on the information furnished in your letter under reference. Different facts or conditions might lead to a different result. Further, this letter does not express a decision of the Board on the questions referred.
7. You may also note that the above views are expressed only with respect to the clarification sought in your letter under reference with respect to the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009




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and do not affect the applicability of any other law or requirements of any other SEBI Regulations, Guidelines and Circulars administered by SEBI or of the laws administered by any other authority.

Yours faithfully,


Rajesh Gujjar