



# VC CORPORATE ADVISORS PVT LTD.

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Date: March 28, 2019

VCC/03/19/23

To  
The General Manager  
Corporate Finance Department  
Division of Corporate Restructuring  
The Securities and Exchange Board of India  
SEBI Bhavan, Plot No. C-4 A, G Block,  
Bandra Kurla Complex, Bandra (E)  
Mumbai – 400 051

Dear Sir/ Ma'am,

RE: REQUEST FOR INFORMAL GUIDANCE BY WAY OF AN INTERPRETIVE LETTER UNDER SEBI INFORMAL GUIDANCE SCHEME, 2003 IN CONNECTION WITH SEBI (ISSUE OF CAPITAL & DISCLOSURE REQUIREMENTS) REGULATION, 2018 (SEBI (ICDR) 2018).

## FACTS OF THE CASE

1. We refer to the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018 which were notified w.e.f 11<sup>th</sup> November 2018 and with applicability of SEBI ICDR Regulations 2018, the provisions of erstwhile SEBI ICDR Regulations 2009 stands rescinded.



2. Regulation 2(1)(dd) of SEBI (ICDR) 2018 defines “listed issuer” means an issuer whose equity shares are listed on a recognized stock exchange *having nationwide trading terminals*.
3. Regulation 2(1)(ggg) defines “Stock Exchange” means any recognized stock exchange *having nationwide trading terminals* chosen by the issuer on which securities of an issuer are listed or proposed to be listed for the purpose of a particular issue of specified securities under these regulations, other than an SME exchange.
4. Regulation 3 of the SEBI (ICDR) 2018 *inter-alia* specifies about applicability of the regulations for various corporate actions in the nature of further issue and specifies that such corporate actions as allowed and applicable under the SEBI (ICDR) 2018 pertains to Listed Issuer viz, entities defined under regulation 2(1)(dd).
5. Further as per our understanding of the aforesaid definition of listed issuer under SEBI ICDR 2018, this definition does not include the Companies which are exclusively listed on a Recognized Regional Stock Exchange such as the Calcutta Stock Exchange Limited.
6. Some of our clients are having their equity shares exclusively listed at the Calcutta Stock Exchange Ltd, i.e., a Recognized Regional Stock Exchange not having nationwide trading terminals, and are willing to issue further shares through Preferential Issue/Bonus Issue. However as per the interpretation of the aforesaid definition since they are not listed on a stock exchange having nationwide trading terminals, they are not covered under the definition of Listed Issuer under the SEBI ICDR 2018 and treated as to be outside the ambit of the SEBI ICDR, 2018.
7. However other SEBI regulations, for instance SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 as amended (‘SEBI (LODR) Regulations’) continue to define listed entity as Company listed at recognised stock exchange without mentioning the requirement of being particularly listed at nationwide stock exchange. The definition of listed entity under SEBI (LODR) Regulations is as under:



*Regulation 2(1) (p) "listed entity" means an entity which has listed, on a recognised stock exchange(s), the designated securities issued by it or designated securities issued under schemes managed by it, in accordance with the listing agreement entered into between the entity and the recognised stock exchange(s);*

The definition of Target Company under Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ('SEBI (SAST) Regulations 2011')

*Regulation 2(1)(z) "target company" means a company and includes a body corporate or corporation established under a Central legislation, State legislation or Provincial legislation for the time being in force, whose shares are listed on a stock exchange;*

#### QUERY

1. In reference to the definition of Listed Issuer as stated in the SEBI (ICDR) Regulations, 2018, are the provisions of the SEBI ICDR Regulations 2018 are not applicable to such companies listed solely at the Calcutta Stock Exchange Limited.
2. If the answer to query no. 1 is negative, then which SEBI regulations / procedure and rules should be followed / complied by the Company for effecting various corporate action viz preferential issue, bonus issue etc and getting listing and trading approval of the same from Calcutta Stock Exchange Limited.
3. If the answer to the query no. 1 is negative, then whether the provisions of other SEBI Regulations viz, SEBI (LODR) Regulations 2015, SEBI (SAST) Regulations 2011 etc. continue to be applicable to Companies listed solely at Calcutta Stock Exchange Limited being listed for the purpose of one set of SEBI Regulations and not considered as listed for the purpose of other SEBI Regulations. ✓

In accordance with paragraph 6 of the SEBI (Informal Guidance) Scheme, 2003, we enclose a demand draft dated January 10, 2019 bearing no. 023683 of Rs. 25,000 (Rupees



Twenty Five Thousand Only) drawn on IDBI Bank Ltd, payable at Mumbai. Further, all material facts, circumstances and legal provisions that in our opinion are relevant for the purposes of determination of this request, are stated herein.

We would appreciate receiving your opinion at your earliest convenience. For further assistance or clarifications we request that you contact us at the address detailed below:

**Attention: MR. ANUP KUMAR SHARMA**

**C/o: VC CORPORATE ADVISORS PRIVATE LIMITED**

**Tel No: 033 - 22253940**

**Mobile no: 9831315376**

**Email id: anup@vccorporate.com**

Thanking You,

**FOR VC CORPORATE ADVISORS PRIVATE LIMITED**

**ANUP KUMAR SHARMA**

**VICE PRESIDENT**

