

**BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA  
CORAM : PRASHANT SARAN, WHOLE TIME MEMBER**

**ORDER**

**Under sections 11(1), 11(2)(j), 11(4) and 11B of the Securities and Exchange Board of India Act, 1992 read with section 12A of the Securities Contracts (Regulation) Act, 1956 in the matter of non-compliance with the requirement of minimum public shareholding by listed companies**

**In respect of Thacker & Company Limited**

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1. Securities and Exchange Board of India (hereinafter referred to as "SEBI") had passed an *interim order* dated June 04, 2013 (hereinafter referred to as "*the interim order*") with respect to 105 listed companies who did not comply with the Minimum Public Shareholding ("MPS") norms as stipulated under rules 19(2)(b) and 19A of the Securities Contracts (Regulation) Rules, 1957 (hereinafter referred to as "SCRR") within the due date i.e., June 03, 2013. The *interim order* was passed without prejudice to the right of SEBI to take any other action, against the non-compliant companies, their promoters and/or directors or issuing such directions in accordance with law. The *interim order* was to be treated as a show cause notice by those companies for action contemplated in *paragraph 18* thereof.

2. Thacker & Company Limited (hereinafter referred to as "the Company") is one such company against whom the *interim order* was passed. As on the date of the *interim order*, the public shareholders held 10.99% in the Company. The equity shares of the Company are listed on the Bombay Stock Exchange Limited ("BSE").

3. The Company filed its reply to the *interim order* vide letter dated June 24, 2013. An opportunity of personal hearing was afforded to the Company on July 31, 2013, when Mr. Rajen Gada (Chartered Accountant), Mr. Arun Jatia (Director of the Company) along with Mr. S.K. Bansal and Mr. A.K.Gupta appeared and made submissions. In the personal hearing, the authorized representatives submitted the written submissions dated July 31, 2013 and reiterated the submissions made therein.

4. I have perused the reply, the written submissions, the oral submissions made in the hearing and other material on record. The Company has submitted that it is a very old company incorporated on April 16, 1878 and is listed on BSE with an issued capital of ₹.7,87,650 comprising of 78,765 equity shares of ₹.10/- each. It was submitted that in order to achieve compliance with the MPS requirement, the Company/its promoters proposed to undertake an Offer for Sale ("OFS") of shares. As the shares were in physical mode, the Company had to dematerialise the same by first entering into an agreement with the depositories. For this purpose, a capital confirmation letter from BSE was required. The Company had requested BSE vide letter dated October 09, 2012 for issue of the capital confirmation letter. According to the Company, it took some time for it to sort the issues with BSE regarding the difference in the capital

registered with the BSE and the capital as registered with itself. The Company submitted that the same was the cause for the delay in coming with an OFS. The stock exchange issued the capital confirmation letter on May 20, 2013. The Company submitted that it had in the meanwhile engaged a Broker for undertaking dilution of the promoters' stake through the OFS. The Company had stated that on receipt of the said letter, it applied to CDSL and NSDL on May 24, 2013 for obtaining the 'ISIN No.'. The ISIN was obtained on June 18, 2013 and thereafter the shares were converted into dematerialised mode on June 20, 2013.

5. The Company has further submitted that pursuant to the conversion of shares into demat mode, three of its promoters (*Pudumjee Investment & Finance Co. Ltd, Shyam M. Jatia Jt. Vandana Jatia and Suma Commercial Pvt. Ltd.*) had sold an aggregate of 11,037 shares (constituting 14.01% of the total paid-up share capital) through the OFS on June 24, 2013. According to the Company, it has, consequent to the sale of shares in the said OFS, complied with the MPS requirement as the public shareholders presently hold 25%. The representatives therefore requested SEBI to condone the delay and to withdraw the restrictions imposed vide the *interim order*.

6. I have considered the submissions. Though the Company was under a three year notice to increase its public shareholding to the minimum level of 25% as stipulated under the SCRR, it was non-compliant with the MPS requirement as on June 03, 2013. The Company had achieved compliance only on June 24, 2013. Therefore, the Company is warned for its conduct in not achieving compliance with the MPS norms on or before the due date and is advise to ensure compliance with all the applicable laws and regulations administered by SEBI, in letter and spirit. Considering the reasons as submitted for the delay and the fact that this company is now compliant with the MPS requirement, I am of the opinion that action as contemplated in *paragraph* 18 of the *interim order* need not be taken against the Company, its directors, promoters and promoter group.

7. In view of the foregoing, I, in exercise of the powers conferred upon me under section 19 of the Securities and Exchange Board of India Act, 1992 read with sections 11(1), 11(2)(j), 11(4) and 11B thereof and section 12A of the Securities Contracts (Regulation) Act, 1956, hereby revoke the directions issued vide the *interim order* dated June 04, 2013 against the company, Thacker & Company Limited, its directors, promoters and promoter group, with immediate effect.

8. Copy of this Order shall be served on the stock exchanges and depositories for their information and action that may deem fit and necessary in this case.

**PRASHANT SARAN**  
**WHOLE TIME MEMBER**  
**SECURITIES AND EXCHANGE BOARD OF INDIA**

**Date : August 22, 2013**  
**Place : Mumbai**