

Ref: NSE/LIST/242752-J

June 25, 2014

The Company Secretary,
Simbhaoli Sugars Limited
Simbhaoli, Hapur
Uttar Pradesh 245207

Kind Attn: Mr. Kamal Samtani

Dear Sir,

Sub.: Observation letter for Draft Scheme of Arrangement between Simbhaoli Sugars Limited with Simbhaoli Spirits Limited and their respective creditors and shareholders

This has reference to Draft Scheme of Arrangement between Simbhaoli Sugars Limited with Simbhaoli Spirits Limited and their respective creditors and shareholders submitted to NSE vide your letter dated March 31, 2014.

Based on our letter reference no Ref: NSE/LIST/240991-4 submitted to SEBI and pursuant to SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 04, 2013 and SEBI Circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013. SEBI has vide letter dated June 24, 2014 has given following comments on the draft scheme of Amalgamation:

- a) The company is advised to ensure that information submitted by the company vide letter dated May 20, 2014 with respect to the exchange ratio for Redeemable Preference Shares is uploaded on the website of the company.
- b) The company shall duly comply with various provisions of the Circulars.

Accordingly, we do hereby convey our 'No-Objection' with limited reference to those matters having a bearing on listing / delisting / continuous listing requirements within the provisions of the Listing Agreement, so as to enable the Company to file the Scheme with the Hon'ble High Court.

However, the listing of equity shares of Simbhaoli Spirits Limited on the National Stock Exchange India Limited shall be subject to SEBI granting relaxation under Rule 19(2)(b) of the Securities Contract (Regulation) Rules, 1957. Further, Simbhaoli Spirits Limited shall comply with SEBI Act, Rules, Regulations, directions of the SEBI and any other statutory authorities and Rules, Byelaws and Regulations of the Exchange.

The Company should also fulfill the Exchange's criteria for listing of such company and also comply with other applicable statutory requirements. However, the listing of shares of Simbhaoli Spirits Limited is at the discretion of the Exchange.

The listing of Simbhaoli Spirits Limited, pursuant to the Composite Scheme of Arrangement shall be subject to SEBI approval & Company satisfying the following conditions:

1. To submit the Information Memorandum containing all the information about Simbhaoli Spirits Limited and its group companies in line with the disclosure requirements applicable for public issues with NSE for making the same available to the public through website of the company.



2. To publish an advertisement in the newspapers containing all the information about Simbhaoli Spirits Limited in line with the details required as per SEBI circular no. SEBI/CFD/DIL/5/2013 dated February 4, 2013. The advertisement should draw a specific reference to the aforesaid Information Memorandum available on the website of the company as well as NSE.
3. To disclose all the material information about Simbhaoli Spirits Limited to NSE on the continuous basis so as to make the same public, in addition to the requirements, if any, specified in Listing Agreement for disclosures about the subsidiaries.
4. The following provision shall be incorporated in the scheme:
 - (a) “The shares allotted pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated stock exchange.”
 - (b) “There shall be no change in the shareholding pattern or control in Simbhaoli Spirits Limited between the record date and the listing which may affect the status of this approval.”

However, the Exchange reserves its right to withdraw this No-objection approval at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines / Regulations issued by statutory authorities.

The validity of this “Observation Letter” shall be six months from June 25, 2014, within which the scheme shall be submitted to the Hon’ble High Court. Further pursuant to the above SEBI circulars upon sanction of the Scheme by the Hon’ble High Court, you shall submit to NSE the following:

- a. Copy of Scheme as approved by the High Court;
- b. Result of voting by shareholders for approving the Scheme;
- c. Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme
- d. Status of compliance with the Observation Letter/s of the stock exchanges
- e. The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
- f. Complaints Report as per Annexure II of SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 04, 2013.

Yours faithfully,
For National Stock Exchange of India Limited

Kamlesh Patel
Manager

P.S. Checklist of all the further issues is available on website of the exchange at the following URL
http://www.nseindia.com/corporates/content/further_issues.htm
