

CIN NO:U67120MH2005PLC155188

DCS/AMAL/CS/24(f)/124/2014-15

July 18, 2014

The Company Secretary  
**Steel Exchange India Limited**  
Flat No: 303,  
My Home Laxminivas Apartments,  
Greenlands, Ameerpet,  
Hyderabad- 500016

Dear Sir / Madam,

**Sub: Draft Scheme of Amalgamation between Simhadri Power Limited (SPL) and Steel Exchange India Limited (SEIL).**

We are in receipt of draft Scheme of Amalgamation between Simhadri Power Limited with Steel Exchange India Limited.

The Exchange has noted the confirmation given by the Company stating that the scheme does not in any way violate or override or circumscribe the provisions of the SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, the Companies Act, 1956, the rules, regulations and guidelines made under these Acts, and the provisions of the Listing Agreement or the requirements of BSE Limited (BSE).

As required under SEBI Circular No.CIR/CFD/DIL/5/2013 dated February 4, 2013 & SEBI Circular No.CIR/CFD/DIL/8/2013 dated May 21, 2013; SEBI has vide its letter dated July 15, 2014 given the following comment(s) on the draft scheme of amalgamation:

- The company shall disclose in the scheme regarding provision for voting by public shareholders through postal ballot and e-voting as confirmed vide letter dated January 23, 2014 in terms of para 7 of the SEBI circular CIR/CFD/DIL/8/2013 dated May 21, 2013.
- The company shall ensure that various developments/changes proposed to the draft scheme vide their letter dated June 12 & 13, 2014 and July 03, 2014 including changes in pre scheme shareholding of SPL and post scheme shareholding pattern of SEIL are uploaded on the websites of the stock exchanges.
- The company shall make necessary amendments in the scheme of Arrangement to give effect to various submissions given vide letter dated June 12 & 13, 2014 regarding issuance of redeemable preference shares to the two promoter of SPL, terms of preference shares, etc.
- The company shall also make necessary amendments in the scheme to give effect to various undertaking given vide letter dated July 03, 2014 regarding lock-in of equity shares of SPL issued to shareholders of SPL, non convertibility of redeemable preference shares issued to two promoters of SPL, etc.
- *The company shall duly comply with various provisions of the Circulars.*

Accordingly, we hereby convey Exchange's 'No-objection' with limited reference to those matters having bearing on listing/ delisting/ continuous listing requirements within the provisions of the Listing Agreement, so as to enable you to file the scheme with the Hon'ble High Court.

Further, you are also advised to bring the contents of this letter to the notice of your shareholders, all relevant authorities as deemed fit, and also mention the same in your application for approval of the scheme of arrangement submitted to the Hon'ble High Court.



CIN NO:U67120MH2005PLC155188

The Exchange reserves its right to withdraw its 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.

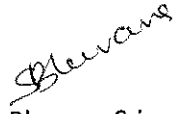
Further pursuant to the above SEBI circulars upon sanction of the Scheme by the Hon'ble High Court, the listed company shall submit to the stock exchange the following:

- a. Copy of the High Court approved Scheme;
- 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 this Circular.

Yours faithfully,



Nitin Pujari  
Manager



Bhuvana Sriram  
Dy. Manager