

National Stock Exchange Of India Limited

Ref: NSE/LIST/27267_II

September 15, 2021

The Company Secretary
Dhampur Sugar Mills Limited
Dhampur, Northern Rly.,
Dist. Bijnor, Uttar Pradesh - 246761

Kind Attn.: Ms. Aparna Goel

Dear Madam,

Sub: Observation Letter for Draft Scheme of Arrangement between Dhampur Sugar Mills Limited and Dhampur Bio Organics Limited and their respective Shareholders and Creditors

We are in receipt of the Draft Scheme of Arrangement between Dhampur Sugar Mills Limited (Demerged Company) and Dhampur Bio Organics Limited (Resulting Company) and their respective Shareholders and Creditors vide application dated June 11, 2021.

Based on our letter reference no Ref: NSE/LIST/27267 submitted to SEBI and pursuant to SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ('Circular'), kindly find following comments on the draft scheme:

- a. *The Company shall disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken, if any, against the Company, its promoters and directors, including but not limited to, the Show Cause Notice issued by SEBI to Mr. Nalin Kumar Gupta and Mr. Mukul Sharma, who are the directors of Dhampur Bio Organics Limited, before Hon'ble NCLT and shareholders, while seeking approval of the scheme.*
- b. *The Company shall ensure that additional information, if any, submitted by the Company after filing the Scheme with the Stock Exchange, from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges.*
- c. *The entities involved in the Scheme shall duly comply with various provisions of the Circular.*
- d. *The Company shall ensure that the information pertaining to all the Unlisted Companies involved in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval.*

- e. *The Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old.*
- f. *The Company shall ensure that the entire "Scheme" details along with the details of financials provided by the Company vide its letter dated September 01, 2021 shall be prominently disclosed in the notice sent to the Shareholders.*
- g. *The Company shall ensure that the new equity shares proposed to be issued by the Dhampur Bio Organics Limited as part of the "Scheme" shall mandatorily be in demat form only. Accordingly, the para 12.3 of Part II of the "Scheme" and other relevant paras shall be suitably amended before the "Scheme" is filed with Hon'ble NCLT and shareholders, while seeking approval.*
- h. *The Company shall ensure that the "Scheme" shall be acted upon subject to the applicant complying with the provision 31.1.2 of Part IV mentioned in the scheme document.*
- i. *The Company shall ensure that it is in compliance with Regulation 31A of the SEBI LODR Regulations, 2015 with regard to the proposed reclassification at para 23 of Part III of the "Scheme".*
- j. *The Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT.*
- k. *It is to be noted that the petitions are being filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under Section 230(5) of Companies Act, 2013 to SEBI again for its comments/ observations/ representations.*

It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/representations.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the Scheme, it shall disclose information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the Circular.

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our "No-objection" in terms of Regulation 94 of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

However, the Exchange reserves its rights to raise objections 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 Regulations, Guidelines / Regulations issued by statutory authorities.

The validity of this “Observation Letter” shall be six months from September 15, 2021 within which the scheme shall be submitted to NCLT.

**The Company shall ensure filing of compliance status report stating the compliance with each point of Observation Letter on draft scheme of arrangement on the following path:
NEAPS > Issue > Scheme of arrangement > Reg 37(1) of SEBI LODR, 2015> Seeking Observation letter to Compliance Status.**

Yours faithfully,
For National Stock Exchange of India Limited

Harshad Dharod
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL <https://www.nseindia.com/companies-listing/raising-capital-further-issues-main-sme-checklist>