

MSEI/LIST/2020/397

March 11, 2020

Ms. Akansha Jain
The Company Secretary and Compliance Officer,
Dalmia Refractories Limited
Dalmiapuram, P.O., Kallakudi,
Tiruchirappalli,
Tamil Nadu - 621651

Dear Madam,

Sub.: Observation letter regarding the Draft Scheme of Amalgamation and Arrangement amongst Dalmia Refractories Limited ("DRL") and GSB Refractories India Private Limited ("GSB India") and Sri Dhandauthapani Mines & Minerals Limited ("SDMM") and Ascension Comercio Private Limited ("ACPL") and their respective shareholders and creditors filed under Regulation 37 of SEBI (LODR) Regulations, 2015.

This is in reference to the draft scheme of arrangement filed by Dalmia Refractories Limited ("Company"/ "DRL") in terms of SEBI Circular No. CFD/DIL/3/CIR/2017/21 dated March 10, 2017 ("Circular"); SEBI vide its letter dated March 03, 2020 has *inter alia* given the following comment(s) on the draft scheme of arrangement:

- *The Company shall ensure compliance with the Circular.*
- *The Company shall duly comply with various provisions of the Circular.*
- *The Company shall ensure that the financials of the companies involved in the Scheme is updated and are not more than 6 (six) months old.*
- *The instant scheme shall be conditional upon Scheme 1 viz., scheme of arrangement between the shareholders and creditors of Dalmia Cement (Bharat) Limited and Sri Dhandauthapani Mines and Minerals Limited becoming effective.*
- *The Company shall ensure that additional information and undertakings', if any, submitted by the Company, after filing the scheme with the stock exchange, and from the date of receipt of this letter is displayed on the website of the listed entity.*
- *The Company is advised that the observations of SEBI/ Stock Exchange 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.*
- *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*

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the Companies Act, 2013 and the rules framed thereunder, to SEBI again for its comments/ observation's/ representation's.

According, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To comply with various provisions of the said SEBI circulars.

Further, 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 the Companies Act, 2013 and the rules thereunder, to the Exchange for its comments/ observation's/ representation's.

In the light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/ de-listing/ continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with NCLT.

However, the listing of equity shares of Dalmia Bharat Refractories Limited ("DBRL" and formerly known as Sri Dhandauthapani Mines and Minerals Limited) shall be subject to SEBI granting relaxation under Rule 19(2)(b) of the Securities Contract (Regulation) Rules, 1957 and compliance with the requirement of SEBI Circular No. CFD/DIL/3/CIR/2017/21 dated March 10, 2017. Further, DBRL shall comply with SEBI Act, Rules, Regulations, directions of the SEBI and any other statutory authority and Rules, Byelaws, and Regulations of the Exchange.

DBRL shall fulfill the Exchanges' criteria for listing the securities of the aforesaid company and also comply with other applicable statutory requirements. However, the listing of shares of DBRL is at the discretion of the Metropolitan Stock Exchange of India Limited. In addition to the above, the listing of DBRL pursuant to the Scheme of Arrangement shall be subject to SEBI approval and the company satisfying the following conditions:

1. To submit the Information Memorandum containing all the information about Dalmia Bharat Refractories Limited in line with the disclosure requirements.
2. To publish an advertisement in the newspapers containing all the information pertaining to Dalmia Bharat Refractories Limited, in line with the details required as per the SEBI circular no. CFD/DIL/3/CIR/2017/21 dated March 10, 2017. The advertisement should draw a specific reference to the aforesaid Information Memorandum available on the website of the Dalmia Bharat Refractories Limited as well as MSE.
3. To disclose all the material information about Dalmia Bharat Refractories Limited on a continuous basis as per the applicable law so as to make the same public, in addition to the requirements if any, specified in SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Listing Agreement for disclosures about the subsidiaries, if any.

4. The following provisions shall be incorporated in the scheme:
- i. The shares allotted pursuant to the Scheme shall remain frozen in the depository (ies) system till listing/ trading permission is given by the designated stock exchange.
 - ii. There shall be no change in the shareholding pattern of Dalmia Bharat Refractories Limited between the record date and the listing which may affect the status of this Observation Letter.

Further, you are advised to bring the contents of this letter to the notice of the shareholders, all relevant authorities as deemed fit, and also in your application for approval of the scheme of Arrangement.

Pursuant to Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be 6 (Six) Months from the date of this Letter, within which the scheme shall be submitted to NCLT.

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.

Yours faithfully,

For and on behalf of
Metropolitan Stock Exchange of India Limited



 Hardik Bhuta
Assistant Vice President – Listing