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**भारतीय प्रतिभूति
और विनिमय बोर्ड**

**Securities and Exchange
Board of India**

29840
CFD/DIL/AKD/SK/OW/ ~ /2014
October 14, 2014

Shri. Kamlesh Patel
Manager,
National Stock Exchange of India Ltd.
Exchange Plaza, Plot No. C/1, "G" Block,
BKC, Bandra (E)
Mumbai - 400 051

Dear Sir,

**Sub: Draft Scheme of Arrangement of between Uttam Value Steels Ltd. and
Lloyds Steels Industries Ltd.**

1. This has reference to your letter No. NSE/LIST/246108-V dated July 28, 2014 whereby NSE has forwarded the application of Draft Scheme of Arrangement between Uttam Value Steels Ltd. and Lloyds Steels Industries Ltd. in accordance with SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 read with SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013 (hereinafter referred to as 'the Circulars') for comments on the draft Scheme of Arrangement.
2. It is noted that the Designated Stock Exchange viz., NSE has accorded its 'no-objection' to the draft Scheme vide letter dated September 08, 2014. The company viz. Uttam Value Steels Ltd. is also listed on BSE and BSE has accorded its 'no-objection' to the draft Scheme vide letter dated October 13, 2014
3. The matter has been examined by SEBI in the light of the provisions of the Circulars. Accordingly, SEBI's comments on the draft Scheme are as under:
 - a. As undertaken by the company vide letter dated September 25, 2014 the amended clause No. 12.1.1 and 12.1.3 shall replace the existing clause. Accordingly any Reserve created out of revaluation of fixed assets/or unrealised profit shall not be utilized for adjusting the accumulated losses.
 - b. 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 July 17, 2014 in term of para 7 of the SEBI Circular CIR/CFD/DIL/8/2013 dated May 21, 2013.



अनुवर्ती:
Continuation :

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- c. The company shall also disclose in the scheme regarding provision for shares of the transferee entity issued in lieu of the locked-in shares of the transferor entity shall be subjected to the lock-in for the remaining period as confirmed vide letter dated September 03, 2014 in terms of SEBI circular CIR/CFD/DIL/5/2013 dated February 04, 2013.
- d. The stock exchange may ensure compliance with the said Circulars.
- e. The company shall duly comply with various provisions of the Circulars.
4. Please note that the submission of documents/information in accordance with the Circulars, to SEBI should not in any way be deemed or construed that the same has been cleared or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of any scheme or for the correctness of the statements made or opinions expressed in the documents submitted.

Yours faithfully,


Surman kumar

CC: Mr. Hitesh Desai
Dy. General Manager,
Bombay Stock Exchange Ltd.
Floor 25, PJ Towers , Dalal Street,
Mumbai - 400 001

Ref: NSE/LIST/576

October 20, 2014

The Sr. General Manager & Company Secretary,
Uttam Value Steels Limited
4th Floor, Uttam House,
69, P.D'Mello Road,
Mumbai- 400009

Kind Attn: Mr. Ram Gaud

Dear Sir,

Sub.: Observation letter for Draft Scheme of Arrangement between Uttam Value Steels Limited and Lloyds Steels Industries Limited

This has reference to Scheme of Arrangement between Uttam Value Steels Limited and Lloyds Steels Industries Limited submitted to NSE vide your letter dated July 14, 2014.

Based on our letter reference no Ref: NSE/LIST/249902-S 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 October 14, 2014 has given following comments on the draft scheme of Amalgamation:

- a. As undertaken by the Company vide letter dated September 25, 2014 the amended clause No. 12.1.1 and 12.1.3 shall replace the existing clause. Accordingly any reserve created out of revaluation of Fixed assets/ or unrealized profit shall not be utilized for adjusting the accumulated losses.
- b. 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 July 17, 2014 in term of para 7 of the SEBI Circular CRF/CFD/DIL/8/2013 dated May 21, 2013.
- c. The Company shall also disclose in the scheme regarding provision for shares of the transferee entity issued in lieu of the locked in shares of the transferor entity shall be subjected to the lock in for the remaining period as confirmed vide letter dated September 03,2014 in terms of SEBI Circular CIR/CFD/DIL/5/2013 dated February 04, 2013.
- d. The company shall duly comply with the 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 Lloyds Steels Industries 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, Lloyds Steels Industries 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 Lloyds Steels Industries Limited is at the discretion of the Exchange.

The listing of Lloyds Steels Industries 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 Lloyds Steels Industries 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 Lloyds Steels Industries 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 Lloyds Steels Industries 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 Lloyds Steels Industries 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 October 20, 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

October 14, 2014

The Company Secretary
Uttam Value Steels Ltd
4th Floor, Uttam House,
69, P.D'mello Road,
Mumbai – 400 009
Maharashtra.

Dear Sir / Madam,

Sub: Observation letter regarding the Scheme of Arrangement between Uttam Value Steels Ltd & Lloyds Steels Industries Ltd.

We are in receipt of Scheme of Arrangement between Uttam Value Steels Ltd & Lloyds Steels Industries Ltd.

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 October 14, 2014 given the following comment(s) on the draft scheme of arrangement:

- ***As undertaken by the company vide letter dated September 25, 2014 the amended clause No. 12.1.1 & 12.1.3 shall replace the existing clause. Accordingly any Reserve created out of revaluation of fixed assets/or unrealized profit shall not be utilized for adjusting the accumulated losses.***
- ***The company shall disclose in the scheme regarding the provision for voting by public shareholders through postal ballot & e-voting as confirmed vide letter dated July 17, 2014 in term of para 7 of the SEBI Circular CIR/CFD/DIL/8/2013.***
- ***The company shall also disclose in the scheme regarding provision for shares of the transferee entity issued in lieu of the locked – in shares of the transferor entity shall be subjected to the lock – in for the remaining period as confirmed vide letter dated September 03, 2014 in terms of SEBI Circular CIR/CFD/DIL/5/2013 dated February 04, 2013.***
- ***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.

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:

- g. Copy of the High Court approved Scheme;
- h. Result of voting by shareholders for approving the Scheme;
- i. Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme;
- j. Status of compliance with the Observation Letter/s of the stock exchanges;
- k. The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
- l. Complaints Report as per Annexure II of this Circular.

Yours faithfully,



Nitin Pujari
Manager



Bhuvana Sriram
Dy. Manager