

DCS/AMAL/LP/24(f)/024/2014-15

May 02, 2014

The Company Secretary  
**AksharChem (India) Limited**  
166/169, Kadi Kalol Road,  
Indrad Village Dist Mehsana ,  
Mehsana, Gujarat, 382721

Dear Sir / Madam,

**Sub: Observation letter regarding the Scheme of Arrangement involving demerger of CPC Green Division of Asahi Songwon Colors Limited into AksharChem (India) Limited.**

We are in receipt of draft Scheme of Arrangement involving demerger of CPC Green Division of Asahi Songwon Colors Limited into Aksharchem (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 April 30, 2014 given the following comment(s) on the draft scheme of arrangement:

- ***ACIL vide letter dated January 24,2014 and February 03,2014 submitted to BSE has confirmed that the company shall obtain shareholders approval in terms of SEBI circular dated May 21,2013.However,the scheme does not provide for the same.Hence,ACIL may be advised to ensure that the scheme provides for:***
  - 1. The requirement of shareholders approval and***
  - 2. ACIL shall proceed with the scheme only if the votes cast by the public shareholders in favour of the proposal are more that the number of votes cast by public shareholders against it.***

***In terms of SEBI circular dated May 21,2013 read with SEBI circular dated Feb 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.

Yours faithfully,



Bhuvana Sriram  
Deputy Manager



Lalit Phatak  
Asst. Manager