



MSP STEEL & POWER LIMITED

Registered Office: 1, Crooked Lane, Kolkata – 700 069 (West Bengal)

COMPANY APPLICATION NO. 62 OF 2012

IN THE HIGH COURT AT CALCUTTA

ORIGINAL JURISDICTION

In the matter of :

The Companies Act, 1956;

And

In the matter of :

An application under sections 391(1) to 393 of the said Act;

~ And ~

In the matter of :

MSP STEEL & POWER LIMITED, an existing Company under the provisions of the Companies Act, 1956, having its registered office at 1, Crooked Lane, Kolkata 700 069, within the aforesaid jurisdiction;

And

In the matter of :

MSP CEMENT LIMITED, a Company incorporated under the provisions of the Companies Act, 1956, having its registered office at 16/S, Block- A, New Alipore, Kolkata 700 053, within the aforesaid jurisdiction;

And

In the matter of :

1. MSP STEEL & POWER LIMITED;

AND

2. MSP CEMENT LIMITED;

... APPLICANTS

NOTICE CONVENING MEETING

To,
The Equity Shareholders of MSP STEEL & POWER LIMITED,
The Preference Shareholders of MSP STEEL & POWER LIMITED,
The Equity Shareholders of MSP CEMENT LIMITED,

TAKE NOTICE THAT by an Order made on the 11th day of April, 2012, the Hon'ble High Court of Calcutta has directed that separate meeting of the Equity Shareholders of **MSP STEEL & POWER LIMITED** be held at Rotary Sadan, 94/2, Chowringhee Road, Kolkata-700 020, Preference Shareholders of **MSP STEEL & POWER LIMITED** and Equity Shareholders of MSP Cement Limited be held at Room No. 19, 4, K.S. Roy Road, Kolkata – 700001 on 17th day of May, 2012, at the respective times mentioned herein below for purpose of considering and, if thought fit, approving with or without modification(s), the Scheme of Arrangement and De- Merger embodied in the Scheme of Arrangement and De- Merger of Cement Division /Undertaking of MSP STEEL & POWER LIMITED to MSP CEMENT LIMITED and their respective shareholders:-

- (a) Equity Shareholders of MSP STEEL & POWER LIMITED at 11.30 A.M.,
- (b) Preference Shareholders of MSP STEEL & POWER LIMITED at 4.00 P.M.
- (c) Equity Shareholders of MSP CEMENT LIMITED at 4.15 P.M.

TAKE FURTHER NOTICE that in pursuance of the said Order, separate meetings of : Equity Shareholders of MSP STEEL & POWER LIMITED will be convened and held at Rotary Sadan, 94/2, Chowringhee Road, Kolkata-700 020 on 17th day of May, 2012 at 11.30 A.M, when the concerned shareholders are requested to attend.

TAKE FURTHER NOTICE that in pursuance of the said Order, separate meetings of : Preference Shareholders of MSP STEEL & POWER LIMITED will be convened and held at No. 19, 4, K.S. Roy Road, Kolkata – 700001 on 17th day of May, 2012 at 4.00 P.M, when the concerned shareholders are requested to attend.

TAKE FURTHER NOTICE that in pursuance of the said Order, separate meetings of : Equity Shareholders of MSP CEMENT LIMITED will be convened and held at Room No. 19, 4, K.S. Roy Road, Kolkata – 700001 on 17th day of May, 2012 at 4.15 P.M, when the concerned shareholders are requested to attend.

TAKE FURTHER NOTICE that you may attend and vote at the said meeting or meetings as the case may be, in person or by proxy, provided that a proxy in the prescribed form, duly signed by you, is deposited at the Registered Office of the respective applicant companies as aforesaid, not later than 48 hours before the said respective meeting.

The Hon'ble High Court has appointed :

- a) Mr Bhaskar Sen, Advocate to be the Chairman of the said meeting of the Equity Shareholders of MSP STEEL & POWER LIMITED.
- b) Mr Amitava Deb, Advocate to be the Chairman of the said meeting of the Preference Shareholders of MSP STEEL & POWER LIMITED
- c) Mr Amitava Deb, Advocate to be the Chairman of the said meeting of the Equity Shareholders of MSP CEMENT LIMITED

A copy each of the said Scheme of Arrangement and De-Merger, the Statement under Section 393 of the Companies Act, 1956, a form of Proxy and attendance slip is enclosed.

Dated this 17th day of April, 2012

Drawn by :

Sd/-

Arun Kumar Mishra

Advocate for the

Applicants Companies,

R. No. 19, 4, K. S.Roy Road,

Kolkata - 700 001

1. Sd/- Bhaskar Sen

2. Sd/- Amitava Deb

Chairman/Chairperson appointed for the meeting

Sd/-

Mousumi Banerjee

Assistant Registrar (Company)

High Court, O. S. Calcutta

N.B. All alteration made in the form of Proxy should be initialed.

STATEMENT UNDER SECTION 393 OF THE COMPANIES ACT, 1956

1. The accompanying notice has been sent for convening separate meetings of the shareholders of the aforesaid respective Applicant Companies for the purposes of considering and if thought fit, approving with or without modifications, the proposed Scheme of Arrangement and De-Merger of Cement Division /Undertaking of MSP STEEL & POWER LIMITED (hereinafter referred 'MSP Steel' or 'the Transferor Company') to MSP CEMENT LIMITED (hereinafter referred 'MSP Cement' or 'the Transferee Company') and their respective members) is proposed under the provisions of Section 391 to 394 of the Companies Act, 1956. Pursuant to an Order dated April 11, 2012 passed by the Hon'ble High Court of Calcutta, in the Company Application referred to hereinabove, the Hon'ble High Court of Calcutta has directed to hold separate meeting of Equity Shareholders & Preference Shareholder of the Transferor Company and Equity Shareholders of Transferee Company. Notice of the said meeting together with the copy of the Scheme of the Arrangement and De-Merger and Proxy form are sent herewith. This statement explaining the terms of the Scheme of the Arrangement and De-Merger is being furnished as required u/s 393 of the Companies Act, 1956.
2. The proposed scheme envisages-
 - a The transfer of only Cement division/undertaking of Demerged Company MSP Steel to MSP Cement.
 - b The Resulting company/ Transferee company/ MSP Cement will issue shares to transferor company(MSP Steel).
 - c The remaing undertaking to continue with the transferor company/ MSP Steel.
3. (i) The Transferor Company viz MSP Steel was incorporated on 18th day of November 1968 under the provisions of the Companies Act, 1956, under the name and style of 'Adhunik Rollers Private Limited'. Subsequently, the name was changed to 'MSP STEEL & POWER PRIVATE LIMITED' with effect from the 17th day of March 2003. On 9th September, 2003 the company was converted to Public Limited company i.e MSP Steel & Power Limited, in the office of the Registrar of Companies, West Bengal
 (ii) The Registered Office of the MSP Steel is situated at 1, Crooked Lane, Kolkata- 700069 in the state of West Bengal.
 (iii) The share capital of the Transferor Company as on March 31, 2011 is as under:

Authorized:	Amount (in rupees)
8,20,00,000 Equity Shares of Re. 10/- each	820,000,000
1,50,00,000 Preference Shares of Re. 10/- each	<u>150,000,000</u>
Total	<u>970,000,000</u>
 Issued, Subscribed and Paid-up:	
5,81,00,000 Equity Shares of Re. 10/- each	581,000,000
75,40,000 Preference Shares of Re. 10/- each	<u>754,00,000</u>
Total	<u>656,400,000</u>

The Equity Shares of the MSP Steel are listed on Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

(iv) The main objects specified in the Memorandum of Association of the MSP Steel are as follows:

(a) To carry on in India and/or elsewhere either directly or by means of subsidiary companies all or any of the business of Pig Iron and Steel manufacturers, refiners, founders, rollers, re rollers, mechanical, electrical and general engineers and contractors, tool makers, brass founders, metal workers, manufactures of Iron and Steel castings. machinists, smiths, wood workers, builders, painters, metallurgists, gas and electrical manufacturers and engineers. plate-makers, sheet makers, wire-drawers, galvanizers, enamellers, electroplaters; manufacturers of tin-containers, aluminum products, G.I buckets, and to sell import export, manufacture, repair, convert, let on hire and deal in machinery, raw-materials, by-products, scrap, implements, tools, utensils and materials and conveniences of all kinds and generally to carry on the said business.

(b) To carry on or any of the business of manufacturers, exporters, importers, buyers, sellers, dealers, indentors, distributors, platers, hires, traders, processors, rollers, re-rollers, drawers, makers, extruders, fabricators, founders, forgers, smelters, of and in all kinds of ferrous and non-ferrous metals, Iron, steel, alloy steels, Sponge Iron, Special and stainless steel, bright steel bar and shafting (ferrous and non-ferrous), structural and sheet metal fabrication, foundry work of all kinds, ferrous and non-ferrous castings of all kinds, ingots, billets; rods, twisted bars, flats, squares, wire and wire ropes and all kinds of wire products, slabs plates, rounds, sheets, coils, strips, sleepers, pipes, tubes, pipe and tube fittings, rails, channels, angles, beams trusses, structurals, bolts and nuts, rivets, utensils of all metals, ropes, circles, buckles; tools, implements, plants, machineries, Industrial components, and all light and heavy sorted sections and all other types of rolls, engineering goods and other products of iron, steel, brass, copper, stainless steel, aluminiums, gunmetal, lead, cast Iron, scrap, and any other ferrous and non ferrous metals, alloys of any specification or description and to act as exporter or merchant exporter, or Importer in all goods described herein and in all other metallic substances.

(C) The Company do carry on the business by setting up a Thermal Power Plant.

- i) to generate. Accumulate, transmit, distribute and supply electricity for the purpose of captive consumption for being used 'in other manufacturing process(s), heat, light and for all other purposes for which electrical energy can be employed, and supply of surplus electrical energy to external entities as well, and to manufacture and/or procure all apparatus and things required for or capable of being used in connection with the generation, accumulation, transmission, distribution, supply and employment of electricity, including in the term 'electricity' all power that can be derived therefore, or may be incidentally hereafter discovered in dealing with electricity

- ii) to acquire Concessions, or licenses granted by and to enter into contracts with government of India or Government of any State in India, or any Municipal or Local Authority, Company or Person, for the Construction and maintenance of any electrical Installations, for the production, transmission or use of any electric power for aforementioned purposes.
- iii) to construct, lay-down, establish, fix, and carry out all necessary buildings, works, machineries, mains, cables, wires, lines, accumulators, lamps and other appliances to generate, accumulate, transmit, distribute, supply and employ electricity.
- iv) to process, make marketable use, sell and dispose off ash or any other materials produced as a result of the generation of electricity and to prepare, manufacture, sell and deal in Clay products capable of being produced from such ash or such other material.

(D) To carry on In India or elsewhere the business of prospecting, exploring, operating and working on mines, quarries and to win, set, crush, smelt, manufacture; process excavate; dig, break, acquire, develop, exercise, turf to account, survey, produce, prepare, remove, undertake, barter, convert, finish, load; unload, handle, transport, buy, sell, Import. export, supply, and to act as agent, broker, adatia, stockist, distributor, consultants, constructor, manager, operator or otherwise to deal in all sorts, present and future ore, minerals, deposits, goods, Substances, and materials, including sands, stones, soils, chalk, clay, china clay, bentonite, boryles, calcite, and coal, lignite, rock phosphate, brimstone, brine, bauxite, limestone, precious, and other stones, gold, sliver diamonds, Iron, aluminum, titanium, vanadium brass and other allied materials, by-products, mixtures, blends, residues & substances and to do all incidental acts and things necessary for the attainment of objects under these presents.

e) To search, survey, discover and find out and to acquire by concession, grant, purchase, barter, lease, licence, degrees, and tenders the allotment or otherwise of land or water area from Government, semi-government, Local authorities, private bodies, Corporations and other persons such rights, powers, and privileges whatsoever for obtaining mines, open cast mines, quarries, deposits, for accomplishment of above objects.

f) To set up, operate & carry on the business of Coal Beneficiation, processings, calibrating, sizing, segregating, upgradation, screening, washing, In all sorts of present & future ores, Including Iron-ore, minerals', deposits, their by-products, mixtures, blends, residues, and substances, and to do all acts/things incidental to and necessary for the attainment of objects.

g) To act as merchants or agents for the sale or purchase of all or any of the products or by products of any and every stich business or for the materials used in the production or manufacture thereof in connection with all or any of the above objects in (a), (b), (c), (d), (e) or (f) above.

(v) The summary of the Audited Financial Statements of the Transferor company/ MSP Steel for three years ended 31st March, 2011, 31st March, 2010 & 31st March, 2009 is enclosed at Annexure-A

4. (i) The **Transferee Company / MSP Cement** was incorporated on 2nd June 2008 under the provisions of the Companies Act, 1956 under the name and style of 'MSP Cement Limited' in the office of the Registrar of Companies, West Bengal

(ii) The Registered Office of MSP Cement is situated at 16/S, Block-A, New Alipore, Kolkata- 700053 in the state of West Bengal.

(iii) The share capital of MSP Cement as on March 31, 2011 is as under:

Authorized:	Amount (in Rupees)
10,00,000 Equity Shares of Re. 10/- each	<u>100,00,000</u>
TOTAL	<u>100,00,000</u>
Issued, Subscribed and Paid-up:	Amount (in Rupees)
50,000 Equity Shares of Re. 10/- each	<u>5,00,000</u>
TOTAL	<u>5,00,000</u>

The Equity shares of MSP Cement are not listed on any Stock Exchange.

(iv) The main objects specified in the Memorandum of Association of MSP Cement are, inter alia, as follows:

- (1)To Produce, manufacture, treat, process, prepare, refine, import, export, purchase, sell and generally to deal in either as principals or as agents wither solely or in partnership with other, all types and kinds of Cement ordinary, white, coloured Portland, pozzolan, alumina, blast furnace, silica and all other varieties of cement lime and limestone clinker and/or by products thereof, as also cement products of any or all description such as pipes, poles, slabs, asbestos, sheets, blocks, tiles, garden wares, plaster of Paris, lime, pipes, building materials and otherwise and articles, things, compounds and preparations connected with the aforesaid products and in connection therewith to purchase, take on lease or otherwise acquire any mining rights, mines and lands in India or elsewhere believed to contain metallic, or mineral, saline or chemical substances, kiselghur, French chalk, China Clay, bentonite and other clays, boryles, calcite and such other filler materials, earths or other ingredients including coal, lignite, rock phosphate, brimstone, brine bauxite, rare earths which may seen suitable or useful or for the Company's objects and any interest therein and to work mines or quarries and to find, win, get, work, crush, smelt, manufacture or otherwise deal with limestone, chalk, clay, ores, metals, minerals, oils, precious and other stones, or deposits or products etc.

- (2) To carry on all or any of the business as manufacturers and sellers of dealers and workers in cements of all kinds of lime, plasters, whiting, clay, gravel, sand, minerals, earth, coke, fuel, gypsum, coal, jute, hessian cloth, gunny bags, paper bags, artificial stone and all builders requisite made out of cement and cement products and convenience of all kinds.
- (3) To carry on the business of purchasing, selling, importing, exporting, producing, trading, manufacturing or otherwise dealing in all aspect of planning, investing, research, designs and preparation of preliminary, feasibility, and define Project reports, construction, generation,

operation and maintenance, renovation, and modernization of power stations and Projects, Transmission, distribution, sale of Thermal/Hydro power and power generated through Non conventional Renewable energy Sources, power development including backward integration and to develop and deal in fuels (e.g. coal, LNG, syngas, orimulsion, lignite, coal- bed methane etc.) In all its aspect and for that purpose to set up, promote, operate, and carry on the business of coal mining, coal washeries, liquefied natural gas for supply of fuel and also to undertake the business of other allied/ancillary industries including those for utilization of steam generated at power stations, coal ash and other by products and install, operate and manage all necessary plants, establishments and works relating to the establishment of cement plants.

- (v) The summary of the Audited Financial Statements of the Transferor company/ MSP Cement for three years ended 31st March, 2011, 31st March, 2010 & 31st March, 2009 is enclosed at Annexure-A
5. The Transferor Company, MSP Steel is a listed public limited company. MSP STEEL & POWER LIMITED is a well-established Company having various divisions mainly Steel Division and Cement Division. In order to focus on the operations and objective of the undertakings effectively, MSP STEEL & POWER LIMITED proposes to reorganize and demerger of, its Cement division to MSP CEMENT LIMITED. The turnover of MSP Steel during the financial year i.e 2010-11 was Rs. 51789.50 lacs and it has made Net Profit of Rs. 5021.10 lacs.
6. The Transferee Company, MSP CEMENT LIMITED is the 100% wholly owned subsidiary company of MSP STEEL & POWER LIMITED & is unlisted public limited company and formed for carrying out the objects set out in the objects clause stated in para 4 (iv) above.
7. (i) For the optimum growth and development of the said divisions of MSP STEEL & POWER LIMITED, it is considered desirable and expedient to reorganise and reconstruct MSP STEEL & POWER LIMITED by demerger of Cement Business of MSP STEEL & POWER LIMITED to the MSP CEMENT LIMITED. The demerger will enable the said Companies to carry on their respective business more efficiently with greater potential for expansion of such businesses & would be able to concentrate on its core business activities & thereby benefit its shareholders.
- (ii) The transfer and vesting of the Demerged undertaking in the Resulting Company shall be in the larger interest of the companies, their shareholders, creditors and employees and the public in general. The restructuring would also result in enhancement of shareholders value; enable growth opportunities for both companies by focusing in their core area of operations.
- (iii) The proposed demerger will increase the ability to compete in international and domestic market and would thereby create enhanced value for Shareholders and allow a focused strategy in operations, which would be in the best interest of its shareholders and all other connected with MSP STEEL & POWER LIMITED. The Demerger will also provide scope for independent collaboration and expansion without committing the existing organization in its entirety.
- (iv) The Board of Directors of both the companies resolved at the respective Board Meetings that subject to such approvals of shareholders of both the companies, and subject to the sanctions of the appropriate courts, as may be required in law, and subject to such consents and permissions of the Central Government and other authorities as may be necessary the Scheme of Arrangement and De- Merger be made between the transferor company and the transferee company on the broad basis referred to in the Scheme of Arrangement and De- Merger.
8. The valuation of the business undertaking proposed to be demerged has been carried out by an Independent valuer as per their report submitted to the company. The valuer has arrived at the valuation by applying weights to the commonly used and accepted methods for determining the fair value of the business to be demerged of the Transferor Company, namely fair and reasonable market value of tangible assets and net present value of intangible assets.
9. The Board of Directors of the Transferee company and the Transferor company have, based on and relying upon the aforesaid expert advice and on the basis of their independent evaluation and judgment, come to the conclusion that the proposed consideration is fair and reasonable to the Transferor company and Transferee company and have accepted the same.
10. Pursuant to the requirements of the Securities and Exchange Board of India (SEBI) and the Listing Agreement, the Transferor company sought approval from the stock exchanges where its share are listed. Both Bombay Stock Exchange Limited and National Stock Exchange of India Limited have by their letter dated 04.01.2012 & 16.12.2011 respectively granted their no objection under clause 24(f) of the Listing agreement to the said scheme.

11. SALIENT FEATURES OF THE SCHEME

1. DEFINITIONS

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meanings:

A. "ACT" means The Companies Act, 1956 or any statutory modification or reenactment or amendment thereof for the time being in force.

B. "APPOINTED/TRANSFER DATE" means the 1st day of April, 2011.

C. 'Demerged Company' or 'Transferor Company' or "MSP STEEL" means MSP STEEL & POWER LIMITED, a Company incorporated under the provisions of the Companies Act, 1956, having its registered office at 1, Crooked Lane , Kolkata 700 069 in the State of West Bengal.

D. "DEMERGED UNDERTAKING" means only the undertakings, businesses, licenses, grants, approvals, assets, activities, and operations of the Cement Division of the Demerged Company MSP STEEL comprising of:

(a) All properties and assets, moveable and immovable, real and personal, corporeal and incorporeal, in possession, or in reversion, present and contingent of whatsoever nature, tangible or intangible wheresoever situated, pertaining to the Cement Division of the Demerged Company as on the Transfer Date inclusive of such properties and assets of DEMERGED UNDERTAKING along with all land (freehold & leasehold), buildings, constructions, electrical installations, vehicles, equipment, furniture, inventories, cash and bank balances, investments, deposits, loans and advances as shown in and at values appearing in the books of account of MSP STEEL pertaining to the DEMERGED UNDERTAKING and all other interests or rights in or arising out of or relating to the DEMERGED UNDERTAKING together with all respective rights, powers, interests, charges, privileges, Pollution Certificate/Clearances, Forest Clearances, right/benefit of Mining Licenses application pending, right/benefit of Railway Siding application pending benefits including Excise Modvat, CENVAT Credit, Exemptions under Income Tax Act, entitlements, liberties, easements and advantages to which MSP STEEL is entitled to in respect of the DEMERGED UNDERTAKING of whatsoever kind, nature or description held, applied for or as may be obtained thereafter together with the benefit of all respective contracts and engagements and all respective books, papers, documents and records relating to the DEMERGED UNDERTAKING;

(b) Without prejudice to the generality of the foregoing, it is clarified that all consents, permissions, approvals, authorizations, permits, licenses including in particular the Mining Licenses ,Pollution Certificates for Cement Business, certificates, granted by any authorities relating to Cement Business of the Demerged Company and issued to or executed in favour of the Demerged Company and/or all pending applications for Mining Leases, Railway Siding Water procurement, Forest Clearance, Pollution Clearances including but not limited to those described in schedule "I" annexed to this scheme shall stand transferred to the Resulting Company as if the same were originally granted or issued to or executed in favour of the Resulting Company. Without prejudice to the generality of the above, all incentives and benefits pertaining to the Cement Business including income tax and any other direct or indirect taxes, benefits for which the Demerged Company is entitled to in terms of the various statues and/or schemes of Union and State governments shall be available to vest in the Resulting Company.

(c) All the permanent employees on the payroll of MSP STEEL engaged in or in relation to the DEMERGED UNDERTAKING.

E. "THE EFFECTIVE DATE" means the later of the following dates or such other dates as the High Court at Calcutta may direct, namely;

(i) the date on which the last of all the consents, approvals, permissions, resolutions, sanctions and orders as are hereinafter referred to have been obtained or passed;

(ii) the date on which certified copy of the order of the High Court at Calcutta under Section 391, 392 and 394 of the Act are filed with the Registrar of Companies, West Bengal.

F. "REMAINING UNDERTAKING" or Residual Company is the term used to refer to and means all the undertaking, businesses, activities and operations of the Demerged Company as would remain with and includes all the undertaking, properties and liabilities including Contingent Liabilities which are not agreed to be transferred/vested in the Resulting Company immediately after the transfer and vesting of Demerged Undertaking in the Resulting Company.

G. 'Resulting Company' or 'Transferee Company' or 'MSP CEMENT' means MSP CEMENT LIMITED, a Company incorporated under the provisions of the Companies Act, 1956, having its registered office at 1, Crooked Lane , Kolkata 700 069 in the State of West Bengal.

H. "THE SCHEME" and/or "DEMERGER" means the Scheme of Arrangement and/or Scheme of Demerger in its present form or with any modification(s) approved or imposed or directed by the High Court at Calcutta.

2. Transfer of Demerged Undertaking

2.1 Transfer of assets/liabilities

With effect from the Transfer Date, the DEMERGED UNDERTAKING of MSP STEEL shall, pursuant to Section 394(2) of the Act and without any further act, deed, matter or thing, be demerged/transferred to and vest in or be deemed to have been transferred to and vested in MSP CEMENT LIMITED on a going concern basis for all the estate and interest of MSP STEEL therein subject to existing charges, liens, lispendens, mortgages and encumbrances, if any affecting the same or any part thereof.

2. All debts, liabilities, contingent liabilities, duties and obligations of MSP STEEL relating to the DEMERGED UNDERTAKING as on the close of business on the day immediately preceding the Transfer Date, and all other debts, liabilities, duties and obligations of MSP STEEL relating to the DEMERGED UNDERTAKING which may accrue or arise from the Transfer Date but which relate to the period up to the day immediately preceding the Transfer Date shall become the debts, liabilities, duties and obligations of MSP CEMENT LIMITED and MSP CEMENT LIMITED undertakes to meet, discharge and satisfy the same to the exclusion of MSP STEEL and to keep MSP STEEL indemnified at all times from and against all such debts, liabilities, duties and obligations and from and against all actions, demands and proceedings in respect thereof.

3. It is clarified that, upon the coming into effect of the Scheme, the following liabilities and obligations of MSP STEEL as on the Transfer Date and being a part of the DEMERGED UNDERTAKING shall, without any further act or deed be and shall stand transferred to MSP CEMENT LIMITED, and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in and shall be exercised by or against MSP CEMENT LIMITED as if it had entered into such loans or incurred such borrowings and MSP CEMENT LIMITED undertakes to meet, discharge and satisfy the same.

a) The liabilities which directly and specifically arose out of the activities or operations of the DEMERGED UNDERTAKING.

b) Specific loans or borrowings raised, if any, and incurred and utilized solely for the activities or operations of the DEMERGED UNDERTAKING.

4. It is clarified that all assets and liabilities of DEMERGED UNDERTAKING of MSP STEEL shall be transferred to MSP CEMENT LIMITED at book values appearing in the Books of Accounts of MSP STEEL which is set forth in the closing balance sheet of MSP STEEL without any revaluation as of the close of business hours on the date immediately preceding the Transfer Date.

Employees

5. Upon transfer of the DEMERGED UNDERTAKING to MSP CEMENT LIMITED taking place, as provided herein, MSP CEMENT LIMITED undertakes to engage, on and from the date on which this Scheme becomes operative, all permanent employees on the payroll of MSP STEEL engaged in the DEMERGED UNDERTAKING on the same terms and conditions on which they are engaged by MSP STEEL without any interruption of service as a result of the transfer of the DEMERGED UNDERTAKING to MSP CEMENT LIMITED. MSP CEMENT LIMITED agrees that the services of all such employees with MSP STEEL prior to the transfer of the DEMERGED UNDERTAKING to MSP CEMENT LIMITED shall be taken into account for the purposes of all benefits to which the said employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits.

6. All legal or other proceedings by or against MSP STEEL pending on the Transfer Date and relating to the DEMERGED UNDERTAKING shall be continued and enforced by or against MSP CEMENT LIMITED.

Conduct of Business

7. with effect from the Transfer Date and upto and including the Date on which this Scheme becomes operative:

(a) MSP STEEL undertakes to carry on the business of the DEMERGED UNDERTAKING in the ordinary course of business and MSP STEEL shall be deemed to have carried on and to be carrying on all business and activities relating to the DEMERGED UNDERTAKING for and on account of and in trust for MSP CEMENT LIMITED.

(b) All profits accruing to MSP STEEL or losses arising or incurred by it relating to the DEMERGED UNDERTAKING for the period falling on and after the Transfer Date shall, for all purposes, be treated as the profits or losses, as the case may be of MSP CEMENT LIMITED and MSP STEEL undertakes not to utilize the profits, if any relating to the DEMERGED UNDERTAKING for the purpose of declaring or paying any dividend in respect of the period falling after the Transfer Date.

(c) MSP STEEL shall be deemed to have held and stood possessed of the properties relating to the DEMERGED UNDERTAKING so to be transferred to MSP CEMENT LIMITED for and on account of and in trust for MSP CEMENT LIMITED.

(d) All rights, entitlements, permissions, licenses, registrations including those relating to tenancies, privileges, powers, pending application, pending approval facilities of every kind and description of whatsoever nature in relation to the DEMERGED UNDERTAKING of MSP STEEL to which MSP STEEL is a party or to the benefit of which MSP STEEL may be eligible and which are subsisting or having effect immediately before the transfer date, shall be and remain in full force and effect in favour of or against MSP CEMENT LIMITED as the case may be, and may be, enforced as fully and effectually as if, instead of MSP STEEL, MSP CEMENT LIMITED had been a party or beneficiary or oblige thereto.

(e) Any statutory licenses, permissions or approvals or licenses/benefit/approval of any application pending for any approval/licenses or consents required to carry on the business activities of the DEMERGED UNDERTAKING of MSP STEEL shall stand vested in MSP CEMENT LIMITED without further act or deed, and shall be appropriately mutated and/or endorse and/ or record the same by the statutory authorities concerned therewith in favour of MSP CEMENT LIMITED upon the vesting of the DEMERGED UNDERTAKING of MSP STEEL pursuant to this scheme. The benefit of all pending application, statutory and regulatory permissions and consents including the statutory licenses, permissions or approvals or consents required to carry on the business activities of the DEMERGED UNDERTAKING shall vest in and become available to MSP CEMENT LIMITED pursuant to the scheme

(f) It is expressly clarified that all taxes, duties, cess, application money, deposits etc payable by MSP STEEL relating to DEMERGED UNDERTAKING and all or any refund, Pollution Certificate, Mining Licenses application pending, Railway Siding application pending benefits including, Excise Modvat, CENVAT Credit, claims, exemptions under The Income Tax Act etc relating thereto shall be treated as the liability or refund, credits including CENVAT Credits, deposits or claims, exemptions as the case may be of MSP CEMENT LIMITED.

8. The transfer and vesting of the properties and liabilities of the DEMERGED UNDERTAKING under clauses 1 to 5 hereof and the continuance of the proceedings by or against MSP CEMENT LIMITED under clause 6 hereof shall not affect any transaction or proceeding already completed by MSP STEEL on and after the Transfer Date and prior to this Scheme becoming operative to the end and intent that MSP CEMENT LIMITED accepts all acts, deeds and things done and executed by and/or on behalf of MSP STEEL as acts deeds and things done and executed by and on behalf of MSP CEMENT LIMITED.

9 (a). Subject to other provisions of this Scheme all contracts, deeds, bonds, agreements, Insurance policies and other Instruments of whatsoever nature relating to the DEMERGED UNDERTAKING of MSP STEEL to which MSP STEEL is a party including Memorandum of Understanding with State of Chattisgarh subsisting or having effect even before this Scheme becomes operative shall be in full force and effect against or in favour of MSP CEMENT LIMITED, and may be enforced as fully and effectually as if, instead of MSP STEEL, MSP CEMENT LIMITED had at all material times, been a party thereto. Further, application for mining licenses made by MSP STEEL relating to captive consumption/use of undertaking after the effective date will be deemed as if the application was made by MSP CEMENT LIMITED and wherein all benefit/right/permission accruing out of the said application will automatically (i.e. without further act or deed) will be transferred to MSP CEMENT LIMITED.

(b). Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Demerged Undertaking occurs by virtue of this Scheme itself, the Resulting Company may at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which the Demerged Company is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Resulting Company shall be deemed to be authorized to execute any such writings on behalf of the Demerged Company and to execute any such writings on behalf of the Demerged Company and to carry out or perform all such formalities or compliances referred to the above on the part of the Demerged Company to be carried out or performed.

(c). For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licences, certificates, clearances, authorities, given by, issued to or executed in favour of the Demerged Company relation to the DEMERGED UNDERTAKING shall stand transferred to the Resulting Company in which the DEMERGED UNDERTAKING shall vest by way of the Demerger hereunder, as if the same were originally given by, issued to or executed in favour of the Resulting Company, and the Resulting Company shall be bound by the terms thereof, the obligation and duties there under, and the rights and benefits under the same shall be available to the Resulting Company. The Resulting Company shall make application to and obtain relevant approvals from the concerned Governmental Authorities as may be necessary in this behalf.

(d). It is clarified that if any assets (estate, rights, title, interest in or authorities relating to such assets) or any contract, deeds, bonds, agreements, schemes, arrangements, or other instruments of whatsoever nature in relation to the DEMERGED UNDERTAKING which the Demerged Company owns or to which the Demerged company is a party and which cannot be transferred to the Resulting Company for any reason whatsoever, the Demerged Company shall hold such asset or contract, deeds, bonds, agreements, schemes, arrangements, or other instruments of whatsoever nature in trust for the benefit of the Resulting Company, in so far as it is permissible so to do, till such time as the transfer is effected.

Consideration

10. Upon the Scheme becoming operative and the transfer and vesting of consideration of such transfer, MSP CEMENT LIMITED shall, without further application, issue and allot to MSP STEEL & POWER LIMITED, a 100% holding company of MSP CEMENT LIMITED, as on record date to be fixed in consultation with MSP STEEL, 5,30,698 (Five Lacs Thirty Thousand Six Hundred Ninety Eight) Equity Share of Rs.10/- in MSP CEMENT LIMITED to MSP STEEL & POWER LIMITED.

11. All the Equity Shares to be issued and allotted to MSP STEEL & POWER LIMITED under Clause 10 above shall be subject to the provisions of the Memorandum and Articles of Association of MSP CEMENT LIMITED. shall rank pari passu in all respects with the existing Equity Shares of MSP CEMENT LIMITED. All the Shares shall be issued to the MSP STEEL & POWER LIMITED in physical form.

12. The transfer and vesting of the Demerged Undertaking of MSP STEEL, as aforesaid, shall be subject to the existing charges, mortgages and encumbrances, if any, over or in respect of any of the assets or any part thereof, provided however that such charges, mortgages and or encumbrances shall be confined only to the relative assets of MSP CEMENT or part thereof on or over which they are subsisting on transfer to and vesting of such assets in MSP CEMENT and no such charges, mortgages, and or encumbrances shall extend over or apply to any other asset(s) of MSP CEMENT. Any reference in any security documents or arrangements (to which MSP STEEL is a party) to any assets of MSP STEEL shall be so construed to the end and intent that such security shall not extend, nor be deemed to extend, to any of the other asset(s) of MSP CEMENT. Similarly, MSP CEMENT shall not be required to create any additional security over assets of Demerged Undertaking of MSP STEEL acquired by it under this Scheme for any loans, deposits or other financial assistance already availed/to be availed by it and the charges, mortgages, and/ or encumbrances in respect of such indebtedness of MSP CEMENT shall not extend or be deemed to extend or apply to the assets so acquired by MSP CEMENT.

13. For the purposes of this Scheme, a Statement of Account as on the date preceding the Transfer Date shall be drawn up in respect of the Assets and Liabilities of the UNDERTAKING to be vested in MSP CEMENT LIMITED as per this Scheme. Such Statement of Account shall be drawn up on the basis of accounts of MSP STEEL relating to the UNDERTAKING. The assets and liabilities shall be taken at their respective book values as appearing in the books of account of MSP STEEL without any revaluation and shall be incorporated in the books of account of MSP CEMENT LIMITED at the said values.

14. Even after this Scheme becomes operative, MSP CEMENT shall be entitled to operate all Bank Accounts and realise all monies and complete and enforce all pending contracts and transactions relating to the Demerged Undertaking in the name of MSP STEEL and in so far as may be necessary until the transfer of rights and obligations of the said Demerged Undertaking to MSP CEMENT under this Scheme is formally accepted by the parties concerned.

15. Approval of this Scheme by the shareholders of MSP STEEL and MSP CEMENT shall be deemed to be due compliance of the provisions of Section 81(1A) and the other relevant provisions of the Act for the issue and allotment of New Equity Shares issued by MSP CEMENT to MSP STEEL, as provided in this Scheme.

Remaining Undertaking With MSP Steel Or Demerged Company:-

The Remaining Undertaking's all assets, liabilities, Contingent Liabilities relating to Remaining Liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by MSP STEEL.

All legal, taxation or other proceedings whether civil or criminal (including before any statutory or quasi-judicial authority or tribunal) by or against MSP STEEL under any statute, whether pending on the Transfer date or which may be instituted at any time thereafter, and in cash relating to the REMAINING UNDERTAKING (including those relating to any property, right, power, liability or duties) of MSP STEEL in respect of the REMAINING UNDERTAKING shall be continued and enforced by or against MSP STEEL after the effective date. The RESULTING COMPANIES shall not be responsible or liable in relation to any such legal, taxation, electricity duty or contingent liabilities together with proceeding against MSP STEEL which relate to the REMAINING UNDERTAKING.

All assets and properties acquired by MSP STEEL in relation to the REMAINING UNDERTAKING on and after the Transfer Date shall belong to and continue to remain vested in MSP STEEL.

No change in the share capital of the demerged company

In view of the demerger and other related provisions of the scheme, and upon coming into effect of this scheme, the share capital of the demerged company shall remain unchanged; and there would not be any addition or deletion in the share capital of the demerged company.

Accounting Treatment

1. Accounting treatment in the books of MSP STEEL:

(i) Upon coming into effect of the Scheme, with effect from the Transfer Date, the accounts representing the assets and liabilities that relate to UNDERTAKING shall stand closed on transfer to MSP CEMENT LIMITED in accordance with the Scheme.

(ii) On the Scheme becoming effective, and upon receipt of consideration in the form of issue of 5,30,698 Equity Shares of Rs 10/- each by the Resulting Company to the Demerged Company, the Demerged Company shall transfer the entire value of its investment in assets and liabilities of cement division of the Demerged Company as proposed in the scheme and considering the nature and characteristics of the transaction i.e vesting of assets and liabilities under scheme of Arrangement / Demerger u/s 391 to 394 of the Companies Act, 1956 under a scheme approved by the H'ble High Court, the difference between the consideration received by the Demerged Company and the Net value of Book balance of assets and liabilities vested in the Resulting company is only Re 1/- , the same shall be charged off to Profit and Loss Account Balance in accordance with Accounting Standard 10. The cost of investment would be considered as the fair value of the assets given up, as prescribed under Accounting Standard 13. Expenses in relation to the demerger, to the extent borne by MSP Steel, will be charged off to Profit & Loss Account.

(2) Accounting treatment in the books of the RESULTING COMPANIES:

(i) Upon coming into effect of the Scheme and upon the arrangement/Demerger becoming effective, the RESULTING COMPANY shall record the respective assets and liabilities, those transferred and vested in it at their respective book values thereof as appearing in the books of accounts of MSP STEEL as on the date immediately preceding the Transfer Date.

(ii) The RESULTING COMPANY shall credit their respective Share Capital Account with the aggregate face value of the new equity shares issued by them to MSP STEEL pursuant to relevant clause of part II of the Scheme as the case may be.

(iii) The excess or deficit, if any after recording the aforesaid entries shall be treated as Goodwill / Capital Reserve in the Books of the RESULTING COMPANY, however the net difference of net Value of Book Balance of Assets and liabilities vested and consideration in the form of Issue of Shares, involved is only Re 1/- , the same shall be adjusted against Profit and Loss Account Balance.

The features set out above being only the salient features of the Scheme; the Members are requested to read the entire text of the Scheme to get fully acquainted with the provisions thereof.

11A. The aggregate assets of the Transferor Company and the Transferee Company are more than their aggregate liabilities.

12. There is no proceeding pending under section 235 to 251 of the Companies Act, 1956 against the Transferor Company or the Transferee Company.
13. The Scheme, inter-alia, envisage issuance of shares to the transferor company and no separate resolution by the Transferee Company under section 81(1A) of the Companies Act, 1956 will be passed.
14. The Scheme would not be prejudicial to the interest of the creditors (secured and unsecured) of the Transferor Company. The latest audited accounts for the year ended 31st March, 2011 of the Transferor Company indicate that it is in a solvent position and would be able to meet liabilities as they arise in the course of business. There is no likelihood that any secured or unsecured creditors of Transferor Company would lose or be prejudiced as a result of the Scheme being passed since no sacrifice or waiver is at all called for from them nor are their rights sought to be modified in any manner. Hence the Arrangement & Demerger will not cast any additional burden on the shareholders or creditors of Transferor Company nor will it affect the interest of any of its Shareholders or Creditors.
15. The Scheme, inter-alia, envisage issuance of shares to the Transferor Company itself and not the shareholders of the Transferor Company and the consideration is to be paid by the Transferee Company to the Transferor Company in form of issuance of shares. Hence, pre and post Arrangement Capital Structures and Shareholding Pattern of the Transferor and Transferee Company would remain same. However, pursuant to the provisions of the Listing Agreement with the Stock Exchanges, the pre arrangement capital structure and shareholding pattern of the Transferor Company are given herein below:

(i) Pre arrangement, capital structure of the Transferor Company i.e MSP Steel is given below:

Capital Structure

Transferor Company/ MSP Steel

Authorized:

Rs.820,000,000/- consisting of 8,20,00,000 Equity Shares of Re. 10/- each & Rs. 150,00,000 consisting of 1,50,00,000 Preference Shares of Re. 10/- each

Issued, Subscribed and Paid-up:

Rs. 581,000,000/- consisting of 5,81,00,000 Equity Shares of Re. 10/- each and Rs. 754,00,000 consisting of 75,40,000 Preference Shares of Re. 10/- each

(ii) The shareholding pattern of the Transferor Company i.e MSP Steel as on 31.03.2011 was as follows:

	CATEGORY		Category Wise Total Holding	
			No. of Shares Held	% Of Holding
A	PROMOTERS HOLDING			
1	PROMOTERS			
	-Indian Promoters		4,17,13,500	71.80%
		Sub Total:	4,17,13,500	71.80%
B	NON-PROMOTERS HOLDING			
2	INSTITUTIONAL INVESTORS			
a.	-Mutual Funds and UTI		0	0.00%
b.	-Banks, Financial Institutions, Insurance Companies(Central/State Govt. Institutions/ Non-Govt. Institutions)		3,12,470	0.54%
c.	FILs		3,70,128	0.64%
		Sub Total:	6,82,598	1.17%
3	OTHERS			
a.	Bodies Corporate		90,05,880	15.50%
b.	Indian Public		65,02,554	11.19%
c.	NRI's/OCBs		1,40,504	0.24%
d.	Any other			
	-CLEARING MEMBERS		54,964	0.09%
		Sub total:	1,63,86,500	28.20%
		Grand Total:	5,81,00,000	100.00%

16. There is common directorship on the Board of the Transferor Company and the Transferee Company i.e Mr. Puranmal Agrawal, Mr. Suresh Kumar Agrawal, Mr. Manish Agrawal & Mr. Saket Agrawal are the Director's of both the company. Save as aforesaid, none of the Directors of the Applicant Companies have any material interest in the said Scheme of Arrangement and Demerger.
17. The Directors of the Transferor and the Transferee Company may be deemed to be concerned and/or interested in the proposed scheme to extent of the shares that may be held by them or by the Companies /firms, institutions ,trusts of which the are directors, partners, members or trustees in the transferor company or transferee company. None of the Directors of the Transferor Company and/or Transferee Company have any material interest in the scheme except as shareholders to the extent which will appear from the register of director shareholding maintained by the Transferor Company and Transferee Company. The shares held by the directors of the transferor company and the transferee company, either individually or jointly are as follows:

(i) Directors of MSP Steel:- Shareholding in MSP Steel & MSP Cement:

Name of Director	Shares held in MSP Steel	Shares held in MSP Cement
Mr. Puranmal Agrawal	1,17,000	Nil
Mr. Suresh Kumar Agrawal	94,000	Nil
Mr. Manish Agrawal	3,04,000	Nil
Mr. Saket Agrawal	2,04,000	Nil
Mr. Amit Mehta	Nil	Nil
Mr. Navneet Jagatramka	Nil	Nil
Mr. Arvind Kumar Saraf	Nil	Nil
Mr. Pavan Kumar Gupta	Nil	Nil

(ii) Directors of MSP Cement:- Shareholding in MSP Steel & MSP Cement

Name of Director	Shares held in MSP Steel	Shares held in MSP Cement
Mr. Puranmal Agrawal	1,17,000	Nil
Mr. Suresh Kumar Agrawal	94,000	Nil
Mr. Manish Agrawal	3,04,000	Nil
Mr. Saket Agrawal	2,04,000	Nil

18. The details of name & profile of the directors of the Transferee Company/ MSP Cement are as:

Sl. No.	Name	Age	Educational Qualification	Experience
1	Puranmal Agrawal	59 yrs	B. Com	42 years
2	Suresh Kumar Agrawal	57 yrs	B.E Mechanical	36 years
3	Manish Agrawal	30 yrs	B. Com, MBA	7 years
4	Saket Agrawal	30 yrs	B. Com, MBA	7 years

19. In case a body corporate which is a member of the Transferee Company or Transferor company authorizes any person to act as its representative at this meeting of the member, a copy of the resolution of the Board of Directors or other Governing Body of such body corporate authorizing such person to act as its representative at the Meeting and certified to be a true copy by a Director, the Manager, the Secretary or authorized officer of such body corporate shall be lodged with the Transferor company at its Registered office not later than 48 hours before the meeting.

20. The following documents will remain open for inspection at the registered office of the Transferor company i.e MSP Steel & the Transferee Company/ MSP Cement on any working day between 10.30 A.M to 3 P.M. prior to the date of the meeting.
- a Certified copy of the order dated 11th day of April,2012 of the Hon'ble High Court of Calcutta passed in Company Application no. 62 of 2012 directing the convening of the meeting of the Equity Shareholders of the Transferor Company i.e MSP Steel.
 - b Copy of the Scheme of Arrangement & Dr- merger
 - c Memorandum & Articles of Association of the Transferor company i.e MSP Steel & the Transferee Company i.e MSP Cement
 - d Audited Accounts of the Transferor company i.e MSP Steel & of the Transferee Company i.e MSP Cement for the three previous financial years ended 31.03.2009, 31.03.2010 and 31.03.2011.
 - e Valuation Report in respect of exchange ratio of shares and of Merchant Banker in respect of fairness of the exchange ratio of shares.
 - f Register of Directors' Shareholding of the Transferor company i.e MSP Steel and copy of Register of Directors' Shareholding of the Transferee Company i.e MSP Cement.
 - g Copies of the letters dated 04.01.2012 and 16.12.2011 received from Bombay Stock Exchange Limited and National Stock Exchange of India Limited respectively.

Dated this 17th day of April 2012

Drawn by :

Sd/-

Arun Kumar Mishra

Advocate for the

Applicants Companies,

R. No. 19, 4, K. S.Roy Road,

Kolkata - 700 001

Sd/-

Mousumi Banerjee

Assistant Registrar (Company)

High Court, O. S. Calcutta

SUMMARY OF AUDITED FINANCIAL STATEMENTS OF MSP STEEL AND POWER LIMITED (MSP STEEL) AND MSP CEMENT LIMITED (MSP CEMENT) FOR THE LAST 3 YEARS						
						Annexure-A
						(Rs. in lacs)
Balance Sheet (As at)	MSP STEEL			MSP CEMENT		
	31-03-09	31-03-10	31-03-11	31-03-09	31-03-10	31-03-11
Particulars						
Sources of Funds						
Shareholders' Fund						
Share Capital	5,810.00	5,810.00	6,564.00	5.00	5.00	5.00
Share Application Money	Nil	Nil	Nil	Nil	3.00	3.00
Share Application Money towards Preference Shares	Nil	2,220.00	Nil	Nil	Nil	Nil
Reserves & Surplus	11,113.38	14,318.80	25,434.63	Nil	Nil	Nil
Loan Funds						
Secured Loans	24,944.24	42,474.42	64,048.35	Nil	Nil	Nil
Unsecured Loans	2,325.00	3,632.71	6,499.37	Nil	Nil	Nil
Deferred Tax Liability (Net)	1,582.95	1,985.79	3,337.34	Nil	Nil	Nil
TOTAL	45,775.57	70,441.72	105,883.69	5.00	8.00	8.00
Application of Funds:						
Fixed Assets	33,248.30	50,129.60	84,179.55	Nil	Nil	Nil
Investments	672.79	4,495.42	695.01	Nil	Nil	Nil
Net Current Assets	11,854.48	15,816.70	21,009.13	2.30	5.20	4.96
Miscellaneous Expenditure not written off	Nil	Nil	Nil	2.70	2.80	3.04
TOTAL	45,775.57	70,441.72	105,883.69	5.00	8.00	8.00
Profit & Loss Account	MSP STEEL			MSP CEMENT		
(for the year ended)	31-03-09	31-03-10	31-03-11	31-03-09	31-03-10	31-03-11
Particulars						
Income						
Sales (Net)	39,886.21	38,874.48	47,746.94	Nil	Nil	Nil
Other Income	1,500.68	710.90	3,598.09	Nil	Nil	Nil
Expenditure						
(Increase)/Decrease in Inventories	114.51	(794.52)	-3835.57	Nil	Nil	Nil
Excise Duty and Cess on Inventories	(103.48)	80.24	207.46	Nil	Nil	Nil
Raw Materials Consumed	28,708.98	23,091.14	31,657.18	Nil	Nil	Nil
Purchase of Trading Goods	374.55	3,817.19	3,491.33	Nil	Nil	Nil
Personnel Cost	743.34	1,193.84	1,533.72	Nil	Nil	Nil
Manufacturing, Selling & Administrative Expenses	3,886.90	5,046.17	7,285.67	Nil	Nil	Nil
Prior Period Expenses	61.32	30.63	15.72	Nil	Nil	Nil
Interest & Finance Charges	1,942.41	2,040.43	2,346.62	Nil	Nil	Nil
Depreciation	741.13	1,257.35	1,932.9	Nil	Nil	Nil
Profit before Taxes	4,917.23	3,822.91	6,710.00	Nil	Nil	Nil
Provision For Taxes:						
-Current Tax	195.82	212.29	337.36	Nil	Nil	Nil
-Prior year tax Expenses	61.31	2.36	Nil	Nil	Nil	Nil
-Deferred Tax charge	657.70	402.84	1,351.54	Nil	Nil	Nil
-Fringe benefit Tax	13.36	Nil	Nil	Nil	Nil	Nil
Net Profit/(Loss)	3,989.04	3,205.42	5,021.10	Nil	Nil	Nil
Note: Previous years figure have been regrouped wherever necessary to conform to the figures of year 2010-11						

MSP STEEL & POWER LIMITED
Registered Office: 1, Crooked Lane, Kolkata- 700069

Regd Folio /D. P. No. & Client ID No

No of shares held

ATTENDANCE SLIP

I/We hereby record my/our presence at the Meeting of the Equity Shareholders of the Company, convened under the direction passed by the Hon'ble High Court of Calcutta at West Bengal, and held on 17th day of May, 2012 at 11.30 A.M at Rotary Sadan, 94/2, Chowringhee Road, Kolkata-700 020

Name of the Shareholder (In Block Letters)
Signature of the Shareholder
Name of the Proxy (In Block Letters)
Signature of the Proxy

NOTE: Equity shareholders attending the Meeting in person or by Proxy are requested to complete the slip and hand it over at the venue of the meeting.

FORM OF PROXY

I/ We, the undersigned, Equity Shareholder(s) of the Applicant Company, holding _____ shares, hereby appoint Mr/ Ms. _____ and failing him/her _____ of _____ as my/our proxy, to act for me/us at the meeting of the Equity Shareholders of MSP Steel & Power Limited to be held on 17th day of May, 2012 at 11.30 A.M at Rotary Sadan, 94/2, Chowringhee Road, Kolkata-700 020 for the purpose of considering and, if thought fit, with or without modification(s), the arrangement embodied in the Scheme of Arrangement & De-merger (the Scheme) of MSP Steel & Power Limited ("Transferor Company") with MSP Cement Limited (the transferee company) and at such meeting, and any adjournment/ adjournments thereof, to vote, for me/us and in my/ our name(s) _____ (herein, if for insert 'FOR', if against insert 'AGAINST' and in the latter case strike out the words below after "Scheme of Arrangement & De-merger") the said Scheme of Arrangement & De-merger (either with or without modification as my Proxy may approve)
(Strike out what is not necessary)

Dated this _____ day of _____, 2012

Folio No./ DP ID (for Demat Holding) _____ Client ID _____ No. of shares _____

Name(s) _____

Address _____

Notes:

1. Proxy must be deposited at the Registered Office of the Applicant Company not later than 48 hours (forty eight hours) before the meeting. The proxy need not be a member of the Applicant Company.
2. In case of multiple proxies, the proxy later in time shall be accepted
3. All alterations made in the form of Proxy should be initialed.
4. In case a body corporate which is a member of the Transferor Company authorizes any person to act as its representative at this meeting of the members, a copy of the resolution of the Board of Directors or other Governing Body of such body corporate authorizing such person to act as its representative at the meeting and certified to be a true copy by a Director, the Manager, the Secretary or authorized officer of such body corporate shall be lodged with the Transferor company at its Registered office not later than 48 hours before the meeting.

Affix Re 1/
revenue
stamp

Signature

BOOK POST

If undelivered please return to:

MSP Steel & Power Limited

Corporate Office: 16/S, Block –A, New Alipore, Kolkata – 700 053