

COMPANY APPLICATION NO. 584 OF 2011
IN THE HIGH COURT AT CALCUTTA
ORIGINAL JURISDICTION.

In the Matter of :

Companies Act, 1956 ;

-And-

In the Matter of

Sections 391(1), 393 and 394 of the said Act ;

- And -

In the Matter of : **JAGATI COKES PRIVATE LIMITED**, a Company duly incorporated under the Companies Act, 1956, having its registered Office at Room No.G-11, White Tower, 115, College Street, Kolkata-700 012, within the aforesaid jurisdiction.

-And-

In the Matter of :

LORDS CHEMICALS LIMITED, a Company duly incorporated under the Companies Act, 1956, having its registered office at No.48-A, Park Street, 5th Floor, Kolkata-700 016, within the aforesaid jurisdiction.

- And -

1. **JAGATI COKES PRIVATE LIMITED.**
2. **LORDS CHEMICALS LIMITED.**

..... APPLICANTS.

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For LORDS CHEMICALS LIMITED


Managing Director

NOTICE CONVENING MEETING

To
All the Equity Shareholders
Lords Chemicals Limited,

TAKE NOTICE that by an order made on the 20th day of June, 2011 the Hon'ble High Court at Calcutta, has been pleased to direct that a meeting of the equity shareholders of the abovenamed Applicant No.2 viz. Lords Chemicals Limited be held at No. 48-A, Park Street, 5th Floor, Kolkata-700 016, on Saturday the 6th day of August, 2011 at 1.00 P.M. for the purpose of considering and if thought fit, approving with or without modification, the Scheme of Amalgamation proposed to be made between the said Applicants and their respective Shareholders.

TAKE FURTHER NOTICE that in pursuance of the said order a meeting of the equity shareholders of the Applicant No.2 will be held at No. 48-A, Park Street, 5th Floor, Kolkata-700 016, on Saturday the 6th day of August, 2011 at 1.00 P.M, when you are requested to attend at the said meeting.

TAKE FURTHER NOTICE that you may attend and vote at the said meeting either 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 Applicant No.2 not later than 48 hours before the meeting.

The Hon'ble Court has appointed Ms. Jhuma C. Bakshi, Advocate, failing him Mr. P. N. Datta, Sr. Advocate, to be the Chairman of the meeting of the Equity Shareholders of the Applicant No.2.

A copy of each of the said Scheme of Amalgamation the Statement under Section 393 of the said Act and a Form of Proxy are enclosed herewith.

Dated this 29th day of June, 2011.

For LORDS CHEMICALS LIMITED


Managing Director

CHAIRMAN APPOINTED FOR THE MEETING

Note : All alterations made in the form of Proxy should be initialled.

Drawn by : *Sanchai Chakraborty*
Ms. Sanchari Chakraborty, Advocate
for the applicants.

Settled by : *Banerji 29/6/11*
Ms. Mousumi Banerjee,
Assistant Registrar (Companies)
High Court,
Calcutta.

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For LORDS CHEMICALS LIMITED

[Signature]
Managing Director

COMPANY APPLICATION NO. 584 OF 2011
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In the Matter of :

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Sections 391(1), 393 and 394 of the said Act ;

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In the Matter of :-

JAGATI COKES PRIVATE LIMITED, a Company duly incorporated under the Companies Act, 1956, having its registered Office at Room No.G-11, White Tower, 115, College Street, Kolkata-700 012, within the aforesaid jurisdiction.

-And-

In the Matter of:

LORDS CHEMICALS LIMITED, a Company duly incorporated under the Companies Act, 1956, having its registered office at No.48-A, Park Street, 5th Floor, Kolkata-700 016, within the aforesaid jurisdiction.

- And -

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1. **JAGATI COKES PRIVATE LIMITED.**

2. **LORDS CHEMICALS LIMITED.**

For LORDS CHEMICALS LIMITED

1

..... APPLICANTS


Managing Director

**EXPLANATORY STATEMENT UNDER SECTION 393 OF THE
COMPANIES ACT, 1956**

1. Pursuant to an Order dated 20th June, 2011 passed by the Hon'ble High Court at Calcutta in the above, separate meetings have been directed to be convened of the equity shareholders of the applicants for the purpose of considering and if thought fit, approving with or without modifications the Scheme of Amalgamation made between **JAGATI COKES PRIVATE LIMITED AND LORDS CHEMICALS LIMITED.**

2. For the sake of convenience **JAGATI COKES PRIVATE LIMITED** (hereinafter referred to the Transferor Company) and **LORDS CHEMICALS LIMITED** (hereinafter referred to the Transferee Company).

3. The Transferor Company was incorporated under the Companies Act, 1956 on 28th day of May, 2004 and has its Registered Office at Room No.G-11, White Tower, 115, College Street, Kolkata-700 012. The Company is engaged in the business of manufacturing low ash met coke and other related activities.

4. The Transferee Company was incorporated under the Companies Act, 1956 on 29th day of May, 1992 and has its Registered Office at 5th Floor, 48-A, Park Street, Kolkata-700 016. The shares of the company are listed with the Bombay Stock Exchange. The Company is engaged in the business of manufacturing of chrome chemicals and other related activities.

5. The applicants are desirous of framing a Scheme of Amalgamation whereby and whereunder all the properties, assets and liabilities of the Transferor Company would be transferred to and vested in the Transferee Company.

6. The benefits and/or effect of the said scheme would be inter alia as follows:-

a) The Transferor and the Transferee Companies are Group Companies. The proposed amalgamation would result in business synergy and consolidation of these companies.

b) The Transferor Company is engaged in the manufacturing of low ash met coke and other related activities. The Transferee Company is engaged in the manufacturing of chrome chemicals and other related activities. The proposed amalgamation would enable pooling of physical, financial and human resource of these Companies for the most beneficial utilization of these factors in the combined entity.

c) The proposed amalgamation will result in usual economies of scale, including elimination of duplicate work, reduction in overheads, better and more productive utilization of human and other resource and enhancement of overall business efficiency. It will enable these Companies to combine their managerial and operating strength, to build a wider capital and financial base and to promote and secure overall growth of their businesses.

d) The proposed amalgamation would enhance the shareholders' value of the Transferor and the Transferee Companies.

e) The said Scheme of Amalgamation will have beneficial impact on the Transferor and the Transferee Companies, their shareholders, employees and other stakeholders and all concerned.

7. The Scheme of Amalgamation as proposed, envisages that all the assets, rights, properties, etc. of the Transferor Company as specified in the Scheme shall stand transferred or be deemed to be transferred to Transferee Company as provided therein and further that all debts, liabilities and obligations of Transferor Company shall without any further act, or deed stand transferred or be deemed to be transferred to Transferee Company from the 'Appointed Date' i.e. 1st day of April, 2010.

8. Some of the other salient features of the proposed Scheme are as under:-

- a. All assets and liabilities including Income Tax and all other statutory liabilities, if any, of the Transferor Company will be transferred to and vest in the Transferee Company.
- b. All the employees of the Transferor Company in service on the Effective Date, if any, shall become the employees of the Transferee Company on and from such date without any break or interruption in service and upon terms and conditions not less favorable than those subsisting in the Transferor Company on the said date.
- c. Appointed Date for amalgamation will be 1st April, 2010 or such other date, as the Hon'ble High Court(s) may approve.
- d. Share Exchange Ratio for the amalgamation will be 1 (one) Equity Share of Rs. 10 each of the Transferee Company, credited as fully paid up, for every 1 (one) Equity Share of Rs. 10 each held in the Transferor Company - Jagati Cokes Pvt Ltd.

For LORDS CHEMICALS LIMITED


Managing Director

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9. Scheme of Amalgamation of transferor companies with the transferee company will be effected into the following manner:

a. With effect from the commencement of business on 1st April, 2010, i.e., the Appointed Date, subject to the provisions of the Scheme in relation to the modalities of transfer and vesting, the undertaking and entire business and all immovable properties (including agricultural land, industrial land, residential land and all other land and plots) where so ever situated and incapable of passing by physical delivery as also all other assets, capital work-in-progress, current assets, investments, deposits, bookings and advances against residential and commercial plots and buildings, powers, authorities, awards, allotments, approvals and consents, licenses, registrations, contracts, agreements, engagements, arrangement, rights, intellectual property rights, titles, interests, benefits and advantages of whatsoever nature belonging to or in the ownership, power, possession, control of or vested in or granted in favour of or enjoyed by the Transferor Companies, including but without being limited to, licenses granted by various government authorities for development of real estate projects, lease deeds, lease agreements, conveyance deed, registry, sale agreements, purchase agreements, memorandum of understanding (MOU), joint development agreement, joint venture agreements, award on successful bidding and/or auction, earnest money, deposits, approval/NOC given by various government and other competent authorities like environmental clearances, approval for land use change (CLU), completion certificate, approval/NOC from fire department, approval/ NOC for water, electricity and sewerage, clearance by airport authority, approval/NOC from irrigation department, approval/NOC from forest department, approval/NOC from under ground water authority, approval/NOC from national highway authority, approval/NOC from high tension department, all permits and licenses like liquor license, license to run restaurant, lift/escalator license, liberties, easements, advantages, benefits, privileges, leases, tenancy rights, ownership, intellectual property rights including trade marks, brands, copy rights; quota rights, subsidies, capital subsidies, concessions, exemptions, sales tax exemptions, concessions/ obligations under EPCG/Advance/DEPB licenses, approvals, clearances, authorizations, certification, quality certification, utilities, electricity connections, electronics and computer link ups, services of all types, reserves, provisions, funds. benefit of all agreements and all other interests arising to the Transferor Company (hereinafter collectively referred to as the said assets") shall, without any further act or deed or without

payment of any, duty or other charges, be transferred to and vested in the Transferee Company pursuant to the provisions of Section 394 of the Act, for all the estate, right, title and interest of the Transferor Company therein so as to become the property of the Transferee Company but, subject to mortgages, charges and encumbrances, if any, then affecting the undertaking of the Transferor Company without such charges in any way extending to the undertaking of the Transferee Company.

- b.** Notwithstanding what is provided herein above, it is expressly provided that in respect to such of the said assets as are movable in nature or are otherwise capable of being transferred by physical delivery or by endorsement and delivery, the same shall be so transferred, with effect from the appointed date, by the Transferor Company to the Transferee Company after the Scheme is duly sanctioned and given effect to without requiring any order of the Court or any deed or instrument of conveyance for the same or without the payment of any duty or other charges and shall become the property of the Transferee Company accordingly.
- c.** On and from the Appointed Date, all liabilities, provisions, duties and obligations including Income Tax and other statutory liabilities, if any, of every kind, nature and description of the Transferor Company whether provided for or not in the books of accounts of the Transferor Company shall devolve and shall stand transferred or be deemed to be transferred without any further act or deed, to the Transferee Company with effect from the Appointed Date and shall be the liabilities, provisions, duties and obligations of the Transferee Company.
- d.** Similarly, on and from the Appointed Date, all the taxes and duties including advance tax, tax deducted at source, tax collected at source, credit of MAT, self assessment tax paid by or on behalf of the Transferor Company immediately before the amalgamation shall become or be deemed to be the property of the Transferee Company by virtue of the amalgamation.
- e.** Without prejudice to the generality of the provisions contained in aforesaid clauses, upon the Scheme becoming effective, the Transferee Company shall file such forms as may be required or necessary with the Registrar of Companies with respect to the charges and mortgages created or to be created.

For LORDS CHEMICALS LIMITED



Managing Director

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10. The Scheme shall be effective from the last of the dates on which certified copies of the High Court(s) order under Sections 391 and 394 of the Act are filed in the office(s) of the concerned Registrar of Companies. Such date is called as the Effective Date. Though this Scheme shall become effective from the Effective Date, the provisions of the Scheme, so far as they relate to the merger of the Transferor Company and the Transferee Company, shall be applicable and come into operation from the Appointed Date.

11. The proposed Scheme of Amalgamation is for the benefit of the Transferor Company and the Transferee Company and their respective shareholders. It is fair and reasonable and is not detrimental to the interest of the public.

12. In order to give effect to the Scheme under the provisions of law, inter alia, Shareholders of the Transferee Company are required to give their approval to the proposed Scheme. Accordingly, meeting of the Shareholders of the Transferee Company are being convened under the supervisions of the Hon'ble Calcutta High Court to seek their approval.

13. Accordingly, it is proposed to consider and, if thought fit, to pass, with or without modification(s), the following resolution with specific majority as provided under section 391(1) of the Companies Act, 1956:

***Resolved that** pursuant to the provisions of sections 391 and 394 of the Companies Act, 1956, and other applicable provisions, if any, and subject to the approval of the Hon'ble Calcutta High Court and other competent authorities, if any, the proposed Amalgamation of Jagati Cokes Pvt Ltd (the Transferor Company) with Lords Chemicals Ltd (the Transferee Company) be and is hereby approved.*

***Resolved further that** the terms and conditions of amalgamation as set out in the Scheme of Amalgamation placed before the meeting, which, inter-alia, include the following:*

***a.** All assets and liabilities including Income Tax and all other statutory liabilities, if any, of the Transferor Company will be transferred to and vest in the Transferee Company.*

***b.** All the employees of the Transferor Company in service on the Effective Date, if any, shall become the employees of the Transferee Company on and from such date without any break or interruption in service and upon terms and conditions not less favorable than those subsisting in the Transferor Company on the said date.*

***c.** Appointed Date for amalgamation will be 1st April, 2010 or such other date, as the Hon'ble High Court(s) may approve.*

d. Share Exchange Ratio for the amalgamation will be 1 (one) Equity Share of Rs. 10 each of the Transferee Company, credited as fully paid up, for every 1 (one) Equity Share of Rs. 10 each held in the Transferor Company - Jagati Cokes Pvt. Ltd. be and are hereby approved in specific.

***Resolved further that** subject to the approval of the Hon'ble Calcutta High Court and other competent authorities, if any, the draft Scheme of Amalgamation of Jagati Cokes Pvt. Ltd. with Lords Chemicals Ltd as placed in the meeting be and is hereby approved.*

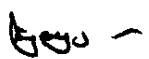
***Resolved further that** the Board of Directors of the Company be and is hereby authorized to agree to such conditions or modifications (including the appointed date and share exchange ratio) that may be imposed, required or suggested by the Hon'ble Calcutta High Court or any other authorities or that may otherwise be deemed fit or proper by the Board and to do all other acts, deeds or things which may be ancillary or incidental to the above mentioned matter or which may otherwise be required for the aforesaid Scheme of Amalgamation."*

14. All the directors of the Transferor Company and the Transferee Company are deemed to be interested to the extent of their share holding in, loan given to and remuneration drawn from, as the case may be, the respective Companies. The proposed Scheme of Amalgamation does not have any effect on their interest different from that of the interest of other shareholders, creditors and employees of these Companies.

a) The 'Appointed Date' with reference to the Scheme has been fixed as 1st April, 2010.

b) Upon the coming into effect of this Scheme and in consideration of the transfer and vesting of the undertaking of the transferor company in the transferee company in terms of the Scheme, the transferee Company shall, without any further application, act, instrument or deed, issue and allot to the equity shareholder of the Transferor Company, **JAGATI COKES PRIVATE LIMITED**, 1 Equity Shares of Rs. 10/- each credited as fully paid for every 20 Equity Share of Rs. 10/- each fully paid-up held by members whose name appear in the Register of Members of Jagati Cokes Private Limited on a date (Record Date) to be fixed by the Board of Directors of the Transferee Company more fully and particularly mentioned in the Clause 9 of the Scheme of Amalgamation annexed to this statement.

For LORDS CHEMICALS LIMITED



Managing Director

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- c) All legal proceedings and actions by or against Transferor Company pending and/or arising on or after the appointed date as referred to in the scheme shall be continued and enforced by or against Transferee Company.
- d) All contracts, obligations etc. of Transferor Company as on the Appointed Date shall also be taken over by Transferee Company.
- e) Services of all the employees of Transferor Company are to be transferred to Transferee Company as provided in the Scheme.
- f) Reserves and the balance of Profit and Loss Account appeared in the audited accounts for the year ended 31st March, 2010 and in the unaudited balance sheet as on 10th March, 2011 of the Transferor Company shall also be taken over by the Transferee Company.
- g) Other consequential provisions for the purpose of giving effect to the Scheme have also been made.

15. The Creditors of Transferor Company are not sought to be affected by the proposed Scheme.

16. All the directors of the Transferor Company and the Transferee Company are deemed to be interested to the extent of their share holding in, loan given to and remuneration drawn from, as the case may be, the respective Companies. The proposed Scheme of Amalgamation does not have any effect on their interest different from that of the interest of other shareholders, creditors and employees of these Companies.

17. No investigation proceedings under Sections 235 to 251 of the Act are pending against the Transferor Company and the Transferee Company.

18. Pre-Scheme paid up share capital of the Transferee Company is Rs. 5,60,00,000 whereas the Post Scheme paid up Capital of the Transferee Company will be Rs. 12,53,00,000.

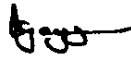
19. The Pre and Post Scheme Shareholding Pattern of the Transferee Company- **Lords Chemicals Ltd** is given below:

Category Code	Particulars	Pre-Scheme		Post-Scheme (after cancellation of cross holding & capital Reguction)	
		No. of Shares	% of Shares	No. of Shares	% of Shares
(A)	Shareholding of Promoter and Promoter Group				
(1)	Indian				
(a)	Individuals/Hindu Undivided Family	973600	17.39	7903600	63.08
(b)	Central Government/State Government(s)	—	—	—	—
(c)	Bodies Corporate	1380800	24.65	1380800	11.02
(d)	Financial Institutions / Bank	—	—	—	—
(e)	Any Other (Specify)	—	—	—	—
	Sub Total (A) (1)	2354400	42.04	9284400	74.10
(2)	Foreign				
(a)	Individual (Non-Resident Individuals/Foreign Individuals)	—	—	—	—
(b)	Bodies Corporate	—	—	—	—
(c)	Institutions	—	—	—	—
(d)	Any Other (Specify)	—	—	—	—
	Sub Total (A) (2)	—	—	—	—
	Total Shareholding of Promoter and Promoter Group (A) = (A) (1) + (A) (2)	2354400	42.04	9284400	74.10
(B)	Public Shareholding				
(1)	Institutions				
(a)	Mutual Funds/UTI	—	—	—	—
(b)	Financial Institutions / Banks	—	—	—	—
(c)	Central Government/State Government(s)	—	—	—	—
(d)	Venture Capital Funds	—	—	—	—
(e)	Insurance Companies	—	—	—	—
(f)	Foreign Institutional Investors	—	—	—	—
(g)	Foreign Venture Capital Investors	—	—	—	—
(h)	Any Other (specify)	—	—	—	—
	Sub Total (B)(1)	—	—	—	—
(2)	Non-institutions				
(a)	Bodies Corporate	1316738	23.51	1316738	10.51
(b)	Individuals -	1886677	33.69	1886677	15.06
(c)	Any Other (Specify)				
(c-i)	NRI/OCBs	400	0.01	400	0.00
(c-ii)	Clearing Member/Clearing Corporate	41785	0.75	41785	0.33
	Sub Total (B)(2)	3245600	57.96	3245600	25.90
	Total Public Shareholding (B) = (B)(1) + (B)(2)	3245600	57.96	3245600	25.90
	TOTAL (A) + (B)	5600000	100	12530000	100
(C)	Shares held by Custodians and against which Depository Receipts have been issued	—	—	—	—
	GRANDTOTAL (A) + (B) + (C)	5600000	100%	12530000	100

For LORDS CHEMICALS LIMITED

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Managing Director

20. However it may be noted that the above mentioned pre and post Scheme Capital Structure and Shareholding Pattern, etc., may change due to rounding off of fractional shares and change in cross holding, etc.

21. In terms of the provisions of the Listing Agreement, Bombay Stock Exchange has already given their no-objection/approval to the proposed Scheme of Amalgamation.

22. M/s Khandelia & Sharma, Chartered Accountants have prepared the Report on Valuation of Shares and Share Exchange Ratio for the purpose of the proposed Amalgamation.

23. Both the Companies in the Scheme have also obtained Fairness Opinion on Report on Valuation of Shares and Share Exchange Ratio from SEBI registered Merchant Bankers- VC Corporate Advisors Pvt Ltd, Kolkata. A copy of the Fairness Opinion will be placed in the meeting. Extract of the Fairness Opinion is reproduced below:

23.1 We have reviewed the methodology used by the valuer for arriving at the fair valuation of the equity shares of Companies and also reviewed the working and underlying assumptions adopted to arrive at the values, for the purpose of recommending a fair exchange ratio as per the Valuation report submitted by the valuer, dated 11th April, 2011.

23.2 On the basis of the forgoing, in our opinion, the valuation carried out by the valuer, recommending the Share Exchange Ratio of 1 (one) Equity Share of Rs. 10 each fully paid up of Lords Chemicals Limited for every 1 (one) Equity Share of Rs. 10 each fully paid up of Jagati Cokes Private Limited is fair and proper.

24. A copy of the Scheme of Amalgamation and the Explanatory Statement may be obtained from the registered office of the Transferee Company or from the office of their Legal Counsel-Mr Rajeev K Goel, Advocate, 138-A, Pocket-F, Mayur Vihar-II, Delhi-110 091, Phone: 98103 38733; and Victor Moses & Co., Solicitors & Advocates, Temple Chambers (Ground Floor), 6, Old Post Office Street, Kolkata-700 001, Phone:033-2248 1296.

25. The Scheme is specifically conditional upon and subject to:-

- a) The Scheme being approved by the respective requisite majority shareholders of the Companies abovenamed and thereafter being sanctioned by the Hon'ble High Court at Calcutta.
- b) The certified copies of orders of the Hon'ble High Court at Calcutta being filed with the Registrar of Companies, West Bengal by the companies.

26. The assets of the Applicants are sufficient to meet the liabilities and proposed Amalgamation will not adversely affect the rights of any creditors of the Applicants.
27. This statement may also be treated as an Explanatory Statement under Section 173 of the Companies Act, 1956.
28. Inspection of the following documents may be had at the Registered Office of the respective companies on any working day (except Saturday) prior to the date of the meeting during office hours and at the said meeting:
- i) Order dated 20th June, 2011 of this Hon'ble Court convening the meeting;
 - ii) Scheme of Amalgamation of the Applicants.
 - iii) Memorandum and Articles of Association of the Applicants.
 - iv) Balance Sheet and Profit and Loss Account of the Applicants as on 31st March, 2010 and as on 10th March, 2011.
 - v) Statement of interest of Directors giving details of their share holdings in the Transferor Company and the Transferee Company.
 - vi) Copy of Report on Valuation of Shares and Share Exchange Ratio of M/ s Khandelia & Sharma, Chartered Accountants.
 - vii) Copy of the Fairness Opinion of VC Corporate Advisors Pvt Ltd, Kolkata, a SEBI registered Merchant Bankers.
 - viii) Copy of the no-objection/approval letter of Bombay Stock Exchange for the proposed Scheme of Amalgamation. *Mousumi Banerjee*

CHAIRMEN APPOINTED FOR THE MEETINGS

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Drawn by : *Sanchari Chakroborty*

Ms. Sanchari Chakroborty, Advocate,
for the applicants.

For LORDS CHEMICALS LIMITED

Bojo
Managing Director

Settled by : *Banerjee 29/6/11*
Ms. Mousumi Banerjee,
Assistant Registrar (Companies)
High Court,
Calcutta.

**SCHEME OF AMALGAMATION
OF
JAGATI COKES PVT LTD
WITH
LORDS CHEMICALS LTD
AND THEIR RESPECTIVE SHAREHOLDERS AND
CREDITORS
UNDER SECTIONS 391 & 394 OF THE COMPANIES ACT,
1956**

1.1 DEFINITIONS

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

- a. **"The Act"** means the Companies Act, 1956 (1 of 1956) and the Rules made there under;
- b. **"The Appointed Date"** means commencement of business on 1st April, 2010 or such other date as the Hon'ble High Court(s) may direct.
- c. **"The Effective Date"** means the date on which the transfer and vesting of the entire undertakings of the Transferor Company shall take effect, i.e., the date as specified in Clause 5 of this Scheme.
- d. **"This Scheme" or "the Scheme"** means the present Scheme of Amalgamation framed under the provisions of sections 391 and 394 of the Companies Act, 1956, and other applicable provisions, if any, where under the Transferor Company is proposed to be amalgamated with the Transferee Company in the present form or with any modification(s) approved or imposed or directed by Members/Creditors of the respective Companies and/or by any competent authority and/or by the Hon'ble High Court(s).
- e. **"The Transferor Company"** means Jagati Cokes Pvt Ltd being a company incorporated under the provisions of the Companies Act, 1956, and having

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For LORDS CHEMICALS LIMITED


Managing Director

its registered office at Room No. G-11, White Tower, 115, College Street, Kolkata 700 012, West Bengal.

The Transferor Company was incorporated under the provisions of the Companies Act, 1956, as-a private limited company vide Certificate of Incorporation No. U 23109 AS 2004 PTC 007427 dated 28th May, 2004 issued by the Registrar of Companies, Shillong. The Registered Office of the Company was shifted from the state of Assam to the State of West Bengal as approved by the Hon'ble Company Law Board, Eastern Region Bench, Kolkata vide its order dated 21st June, 2007. The Registrar of Companies, West Bengal at Kolkata allotted a new company registration number U 23109 WB 2004 PTC 138905 to the Company.

- f. **"The Transferee Company"** means **Lords Chemicals Ltd** being a company incorporated under the provisions of the Companies Act, 1956, and having its registered office at 5th Floor, 48-A, Park Street, Kolkata 700 016, West Bengal.

The Transferee Company was incorporated under the provisions of the Companies Act, 1956, with the name and style as 'Lords Chemicals Pvt Ltd' vide Certificate of Incorporation No. 21-55558 dated 29th May, 1992 issued by the Registrar of Companies, West Bengal at Kolkata. The Company was converted into a public limited company and name of the Company was changed to **Lords Chemicals Ltd** vide Fresh Certificate of Incorporation dated 10th October, 1994 issued by the Registrar of Companies, West Bengal at Kolkata.

1.2 SHARE CAPITAL

- i. The present Authorised Share Capital of the Transferor Company is Rs. 7,00,00,000 divided into 70,00,000 Equity Shares of Rs. 10 each. The present Issued, Subscribed and Paid-up Share Capital of the Company is Rs. 6,93,00,000 divided into 69,30,000 Equity Shares of Rs. 10 each.
- ii. The present Authorised Share Capital of the Transferee Company is Rs. 6,00,00,000 divided into 60,00,000 Equity Shares of Rs. 10 each. The present Issued, Subscribed and Paid-up Share Capital of the Company is Rs. 5,60,00,000 divided into 56,00,000 Equity Shares of Rs. 10 each.

2. TRANSFER OF UNDERTAKING

- a. With effect from the commencement of business on 1st April, 2010, i.e.,

the Appointed Date, subject to the provisions of the Scheme in relation to the modalities of transfer and vesting, the undertaking and entire business and all immovable properties (including agricultural land, industrial land, residential land and all other land and plots) where so ever situated and incapable of passing by physical delivery as also all other assets, capital work-in-progress, current assets, investments, deposits, bookings and advances against residential and commercial plots and buildings, powers, authorities, awards, allotments, approvals and consents, licenses, registrations, contracts, agreements, engagements, arrangement, rights, intellectual property rights, titles, interests, benefits and advantages of whatsoever nature belonging to or in the ownership, power, possession, control of or vested in or granted in favour of or enjoyed by the Transferor Companies, including but without being limited to, licenses granted by various government authorities for development of real estate projects, lease deeds, lease agreements, conveyance deed, registry, sale agreements, purchase agreements, memorandum of understanding (MOU), joint development agreement, joint venture agreements, award on successful bidding and/or auction, earnest money, deposits, approval/ NOC given by various government and other competent authorities like environmental clearances, approval for land use change (CLU), completion certificate, approval/NOC from fire department, approval/NOC for water, electricity and sewerage, clearance by airport authority, approval/NOC from irrigation department, approval/NOC from forest department, approval/NOC from under ground water authority, approval/NOC from national highway authority, approval/ NOC from high tension department, all permits and licenses like liquor license, license to run restaurant, lift/escalator license, liberties, easements, advantages, benefits, privileges, leases, tenancy rights, ownership, intellectual property rights including trade marks, brands, copy rights; quota rights, subsidies, capital subsidies, concessions, exemptions, sales tax exemptions, concessions/ obligations under EPCG/Advance/ DEPB licenses, approvals, clearances, authorizations, certification, quality certification, utilities, electricity connections, electronics and computer link ups, services of all types, reserves, provisions, funds, benefit of all agreements and all other interests arising to the Transferor Company (hereinafter collectively referred to as "the said assets") shall, without any further act or deed or without payment of any duty or other charges, be

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transferred to and vested in the Transferee Company pursuant to the provisions of Section 394 of the Act, for all the estate, right, title and interest of the Transferor Company therein so as to become the property of the Transferee Company but, subject to mortgages, charges and encumbrances, if any, then affecting the undertaking of the Transferor Company without such charges in any way extending to the undertaking of the Transferee Company.

- b. Notwithstanding what is provided herein above, it is expressly provided that in respect to such of the said assets as are movable in nature or are otherwise capable of being transferred by physical delivery or by endorsement and delivery, the same shall be so transferred, with effect from the appointed date, by the Transferor Company to the Transferee Company after the Scheme is duly sanctioned and given effect to without requiring any order of the Court or any deed or instrument of conveyance for the same or without the payment of any duty or other charges and shall become the property of the Transferee Company accordingly.
- c. On and from the Appointed Date, all liabilities, provisions, duties and obligations including Income Tax and other statutory liabilities, if any, of every kind, nature and description of the Transferor Company whether provided for or not in the books of accounts of the Transferor Company shall devolve and shall stand transferred or be deemed to be transferred without any further act or deed, to the Transferee Company with effect from the Appointed Date and shall be the liabilities, provisions, duties and obligations of the Transferee Company.
- d. Similarly, on and from the Appointed Date, all the taxes and duties including advance tax, tax deducted at source, tax collected at source, credit of MAT, self assessment tax paid by or on behalf of the Transferor Company immediately before the amalgamation shall become or be deemed to be the property of the Transferee Company by virtue of the amalgamation.
- e. Without prejudice to the generality of the provisions contained in aforesaid clauses, upon the Scheme becoming effective, the Transferee Company shall file such forms as may be required or necessary with the Registrar of Companies with respect to the charges and mortgages created or to be created.

3. **CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS**


- a. Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements and other instruments of whatsoever nature, to which the Transferor Company is a party, subsisting or having effect immediately before or after the Effective date, shall remain in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectually, as if instead of the Transferor Company, the Transferee Company had been a party thereto.
- b. The transfer of the said assets and liabilities of the Transferor Company to the Transferee Company and the continuance of all the contracts or legal proceedings by or against the Transferee Company shall not affect any contract or proceedings relating to the said assets or the liabilities already concluded by the Transferor Company on or after the Appointed Date.
- c. The Transferee 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, execute deeds of confirmation in favour of the secured creditors of the Transferor Company or in favour of any other party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and, to implement and carry out all such formalities or compliance referred to above on the part/benefit of the Transferor Company to be carried out or performed.

4. **LEGAL PROCEEDINGS**

All legal proceedings of whatever nature by or against the Transferor Company pending on the Effective Date, shall not be abated, be discontinued or be, in any way, prejudicially affected by reason of the transfer of the undertaking of the Transferor Company or of anything contained in this Scheme but the proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if the Scheme had not been made.

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Managing Director

5. OPERATIVE DATE OF THE SCHEME

- a. This Scheme shall be effective from the last of the dates on which certified copies of the High Court(s) order under Sections 391 and 394 of the Act are filed in the office(s) of the concerned Registrar of Companies. Such date is called as the Effective Date.
- b. Though this Scheme shall become effective from the Effective Date, the provisions of this Scheme shall be applicable and come into operation from the Appointed Date.

6. DISSOLUTION OF TRANSFEROR COMPANY

Pursuant to the Order of the Hon'ble High Court under section 394 of the Act, the Transferor Company shall stand dissolved without winding up.

7. EMPLOYEES OF TRANSFEROR COMPANY

- a. All the employees of the Transferor Company in service on the date immediately preceding the date on which the Scheme finally takes effect, i.e., the Effective Date, shall become the employees of the Transferee Company on such date without any break or interruption in service and upon terms and conditions not less favorable than those subsisting in the Transferor Company on the said date.
- b. Provident Fund, Gratuity Fund, Superannuation Fund and any other special fund or trusts created or existing for the benefit of the employees of the Transferor Company, if any, upon the Scheme becoming finally effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes and intents, whatsoever, relating to the administration or operation of such schemes or funds or in relation to the obligation to make contributions to the said funds in accordance with the provisions of such funds. It is the intent that all the rights, duties, powers and obligations of the Transferor Company in relation to such funds shall become those of the Transferee Company. It is clarified that the services of the employees of the Transferor Company will be treated as having been continued for the purpose of the aforesaid funds or provisions.

8. CONDUCT OF BUSINESS BY TRANSFEROR & TRANSFEE COMPANY

From the Appointed Date until the Effective Date, the Transferor Company

- a. Shall stand possessed of all its assets and properties referred to in Clause 2 above, in trust for the Transferee Company.

- b. Shall be deemed to have carried on business and activities for and on behalf of and for the benefit and on account of the Transferee Company. Any income or profit accruing to the Transferor Company and all costs, charges and expenses or loss arising or incurring by the Transferor Company on and from the Appointed Date shall, for all purposes and intents, be treated as the income, profits, costs, charges, expenses or loss, as the case may be, of the Transferee Company.

9. ISSUE OF SHARES BY TRANSFEREE COMPANY

- 9.1** Upon the Scheme finally coming into effect and in consideration of the transfer and vesting of all the said assets and liabilities of the Transferor Company to the Transferee Company in terms of the Scheme, the Transferee Company shall, without any further application or deed, issue and allot 1(one) Equity Share of Rs. 10 each in the Transferee Company, credited as fully paid up, to the Members of the Transferor Company whose names appear in the Register of Members as on the Record Date, to be fixed by the Board of Directors of the Transferee Company, for every 1 (one) Equity Share of Rs. 10 each held in the Transferor Company.
- 9.2** Any fraction of share arising out of the aforesaid share exchange process, if any, will be rounded off to nearest whole number.
- 9.3** The Equity Shares to be issued in terms of Para 9.1 above shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company. The new Equity Shares shall rank pari passu in all respects, including dividend, with the existing Equity Shares of the Transferee Company except any stipulation with regard to lock-in period or other conditions that may be imposed or suggested by the Stock Exchange(s) or any other competent authority.
- 9.4** The issue and allotment of Equity Shares by the Transferee Company to the shareholders of the Transferor Company, as provided in this Scheme, is an integral part thereof. The members of the Transferee Company, on approval of the Scheme, shall be deemed to have given their approval u/s 81(1A) of the Act and other applicable provisions, if any, for issue of fresh Equity Shares to the Members of the Transferor Company in terms of this Scheme.
- 9.5** It is, however, clarified that provisions of this Scheme with regard to issue of shares by the Transferee Company will not apply to the share application money, if any, which may remain outstanding in the Transferor Company.

For LORDS CHEMICALS LIMITED

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Managing Director

10. Upon this Scheme becoming finally effective:

- a. Entire issued share capital and share certificates of the Transferor Company shall automatically stand cancelled.
- b. Cross holding of shares between the Transferor Company and the Transferee Company on the record date, if any, shall stand cancelled. Approval of this Scheme by the Shareholders and/or Creditors of the Transferor and the Transferee Companies, as the case may be, and sanction by the High Court under section 391 and 394 of the Companies Act, 1956, shall be sufficient compliance with the provisions of sections 100 to 104 of the Companies Act, 1956, rule 85 of the Companies (Court) Rules, 1959, and other applicable provisions, if any, relating to the reduction of share capital on cancellation of cross holding, if any. Such reduction would not involve either the diminution of any liability in respect of un-paid share capital or the payment to any shareholder of any paid-up share capital, and accordingly, the provisions of section 101(2) of the Act will not be applicable.
- c. The authorized capital of the Transferor Company shall be added to and shall form part of the authorized capital of the Transferee Company. Accordingly, the authorised capital of the Transferee Company shall stand increased to this extent without payment of any fees or charges to the Registrar of Companies and/or to any other government authority. Clause V of the Memorandum of Association and relevant article(s) of the Articles of Association of the Transferee Company shall stand modified to give effect to the aforesaid increase in the authorised capital of the Transferee Company without any further approval.
- d. Save as provided in Para 10.c above, the Transferee Company shall increase/modify its Authorized Share Capital for implementing the terms of the Scheme, to the extent necessary.
- e. Equity Shares of the Transferee Company are presently listed on Bombay Stock Exchange (BSE) and other regional stock exchange(s). New Equity Shares to be issued by the Transferee Company to the Shareholders of the Transferor Company pursuant to this Scheme shall be listed on BSE and all other regional stock exchange(s) where Equity Shares of the Transferee Company are listed as on the date of issue of such new shares. The Transferee Company will make necessary application(s) for

this purpose and comply with the Listing Agreement and SEBI Regulations in this regard. The concerned Stock Exchange(s) shall, on receipt of listing application, promptly list such newly allotted shares subject to compliance with the Listing Agreement.

- f. In terms of the provisions of the listing agreement and SEBI Regulations, pre-merger Promoters' holding in the Transferee Company and/or new Shares to be issued to the Promoters in terms of this Scheme, may be placed under lock-in by the Stock Exchange(s) or any other competent authority. However, shares may be transferred within the promoters group during the lock-in period.
- g. Shares allotted pursuant to this Scheme may remain frozen in the Depositories system till listing/trading permission is given by the Designated Stock Exchange (BSE).

11. ACCOUNTING FOR AMALGAMATION

Upon the Scheme becoming effective, amalgamation of the Transferor Company with the Transferee Company will be accounted in the following manner:

- a. The amalgamation shall be an 'amalgamation in the nature of merger' as defined in the Accounting Standard (AS) 14 as prescribed under the Companies (Accounting Standards) Rules, 2006, and shall be accounted for under the 'pooling of interests' method in accordance with the said AS- 14.
- b. Accordingly, all the assets and liabilities recorded in the books of the Transferor Company shall be transferred to and vested in the Transferee Company pursuant to the Scheme and shall be recorded by the Transferee Company at the respective book values as reflected in the books of the Transferor Company as on the Appointed Date.
- c. Inter-company balances, if any, will stand cancelled.
- d. All the reserves of the Transferor Company under different heads shall become the corresponding reserves of the Transferee Company. Similarly, balance in the Profit & Loss Accounts of the Transferor and Transferee Companies will also be clubbed together.
- e. In terms of the provisions of the Accounting Standard 14, any surplus/ deficit arising out of Amalgamation shall be adjusted in the General Reserve of the Transferee Company.
- f. Accounting policies of the Transferor Company will be harmonized with that of the Transferee Company following the amalgamation.

For LORDS CHEMICALS LIMITED

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Managing Director

12. APPLICATION TO HIGH COURTS

- a. The Transferor Company will make joint/separate applications/ petitions under the provisions of sections 391 & 394 of the Companies Act, 1956, the Companies (Court) Rules, 1959 and other applicable provisions, if any, to the Calcutta High Court for sanctioning of this Scheme. The Transferor Company will also make joint/ separate applications/ petitions under the provisions of sections 391 & 394 of the Companies Act, 1956, the Companies (Court) Rules, 1959 and other applicable provisions, if any, to the Calcutta High Court for dissolution of the Transferor Company without the process of winding up and other connected matters.
- b. The Transferee Company will make joint/separate application(s)/ petition(s) under the provisions of sections 391 & 394 of the Companies Act, 1956, the Companies (Court) Rules, 1959 and other applicable provisions, if any, to the Calcutta High Court for sanctioning of this Scheme and other connected matters.

13. MODIFICATIONS/AMENDMENTS TO THE SCHEME

- a. The Transferor Company and the Transferee Company through their respective Board of Directors may make or assent, from time to time, on behalf of all persons concerned, to any modifications or amendments to this Scheme or to any conditions or limitations which the Court(s) and/or any authorities under the law may deem fit to approve of or impose and to resolve all doubts or difficulties that may arise for carrying out this Scheme and to do and execute all acts, deeds, matters and things necessary for carrying the Scheme into effect.
- b. In order to give effect to this Scheme or to any modifications or amendments thereof, the Board of Directors of the Transferee Company may give and are authorised to give all such directions as may be necessary including directions for settling any question, doubt or difficulty that may arise.
- c. In the event that any conditions are imposed by any competent authority or the Court(s) which the Transferor Company or the Transferee Company find un-acceptable for any reason whatsoever, or otherwise deem fit by any of these Companies, then the Transferor Company and/or the Transferee Company shall be entitled to withdraw from this Scheme.

- d. This Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified under section 2(1B) of the Income Tax Act, 1961 and other applicable provisions, if any. If any terms or provisions of the Scheme is/are inconsistent with the provisions of the Income Tax Act, 1961, the provisions of the Income Tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent necessary to comply with section 2(1B) of the Income Tax Act, 1961 and other applicable provisions, if any.

14. INTERPRETATION

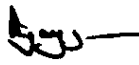
If any doubt or difference or issue arises between the Transferor Company and the Transferee Company or any of their Shareholders or Creditors and/or any other person as to the construction hereof or as to anything else contained in or relating to or arising out of this Scheme, the same shall be referred to Mr Rajeev K Goel, LLB, FCS, Advocate, 138-A, Pocket-F, Mayur Vihar II, Delhi 110 091, Phone 93124 09354, 011-2277 3618, whose decision shall be final and binding on all concerned.

15. EXPENSES CONNECTED WITH THE SCHEME

All costs, charges and expenses of the Transferor Company and the Transferee Company incurred in relation to or in connection with this Scheme or incidental to the completion of the Amalgamation of the Transferor Company with the Transferee Company in pursuance of this Scheme, shall be borne and paid by the Transferee Company. However, in the event of the Scheme becoming invalid for any reason whatsoever, all costs, charges and expenses relating to the amalgamation exercise or incidental thereto shall be borne and paid by the respective Companies incurring the same.

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For LORDS CHEMICALS LIMITED


Managing Director

**COMPANY APPLICATION NO.584 OF 2011
IN THE HIGH COURT AT CALCUTTA
ORIGINAL JURISDICTION**

In the Matter of :

Companies Act, 1956;

-And-

In the Matter of :

Sections 391(1), 393 and 394 of the said Act;

- And -

In the Matter of :

JAGATI COKES PRIVATE LIMITED

-And-

In the Matter of :

LORDS CHEMICALS LIMITED

NOTICE CONVENING MEETING

**VICTOR MOSES & CO.,
SOLICITORS & ADVOCATES,
6, OLD POST OFFICE STREET,
CALCUTTA-700 001.**

ORIGINAL JURISDICTION

In the matter of
 Companies Act, 1956
 Section 391 and Section 394

1. JAGATI CHEMICALS LTD.
 2. LORDS CHEMICALS LTD.

NOTICE CONVENING THE MEETING OF THE EQUITY SHAREHOLDERS OF THE APPLICANTS ABOVE NAMED

Notice is hereby given that a meeting of the Equity Shareholders of the Applicants above named, shall be held at the registered office of the Equity Shareholders of the Applicants above named, for the purpose of considering and passing resolutions with or without modification of the Amalgamation proposed to be entered into between the said Applicants.

In pursuance of the said order dated June 20, 2011 and as per the said order, notice is hereby given that a meeting of the Equity Shareholders of the Applicants above named, shall be held at the registered office of the Equity Shareholders of the Applicants above named, for the purpose of considering and passing resolutions with or without modification of the Amalgamation proposed to be entered into between the said Applicants.

The meeting shall be held on the 6th day of August, 2011, at 11:00 a.m. at the registered office of the Equity Shareholders of the Applicants above named, for the purpose of considering and passing resolutions with or without modification of the Amalgamation proposed to be entered into between the said Applicants.

LTD. will be held at the registered office of the Equity Shareholders of the Applicants above named, for the purpose of considering and passing resolutions with or without modification of the Amalgamation proposed to be entered into between the said Applicants.

ORIGINAL JURISDICTION

In the matter of
 Companies Act, 1956
 Section 391 and Section 394

1. JAGATI CHEMICALS LTD.
 2. LORDS CHEMICALS LTD.

NOTICE CONVENING THE MEETING OF THE EQUITY SHAREHOLDERS OF THE APPLICANTS ABOVE NAMED

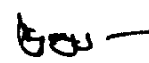
Notice is hereby given that a meeting of the Equity Shareholders of the Applicants above named, shall be held at the registered office of the Equity Shareholders of the Applicants above named, for the purpose of considering and passing resolutions with or without modification of the Amalgamation proposed to be entered into between the said Applicants.

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LTD. will be held at the registered office of the Equity Shareholders of the Applicants above named, for the purpose of considering and passing resolutions with or without modification of the Amalgamation proposed to be entered into between the said Applicants.

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For LORDS CHEMICALS LIMITED

 Managing Director

