

LETTER OF OFFER
THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is being sent to you as a equity shareholder(s)/ beneficial owner(s) of Binani Cement Limited (the Company) in accordance with SEBI (Buy Back of Securities) Regulations, 1998, as amended. If you require any clarification about the action to be taken, you may consult your stock broker or investment consultant or the Manager to the Buy-back, namely, Keynote Corporate Services Limited or Registrar to the Buy-Back, namely, Link Intime India Pvt. Limited. In case you have recently sold your shares in the Company, please hand over this Letter of Offer and the accompanying Form of Acceptance cum acknowledgement and Transfer Deed to the Member of Stock Exchange through whom the said sale was effected



BINANI CEMENT LIMITED

Registered Office: 706, Om Tower, 32, Chowringhee Road, Kolkata- 700 071.

Tel : 033-2288 2516; **Fax :** 033-228 82510

Corporate office: Mercantile Chambers, 12, J.N. Heredia Marg, Ballard Estate, Mumbai – 400 001.

Tel: 022-3026 3000, **Fax:** 022-2263 4960, **E-mail:** atul@binani.net

Contact Person: Mr. Atul Falgunia - V. P. Secretarial & Company Secretary

OFFER TO THE EQUITY SHAREHOLDER(S)/ BENEFICIAL OWNER(S) OF BINANI CEMENT LIMITED (THE COMPANY) ON THE SPECIFIED DATE (I.E. JULY 02, 2010) FOR BUY-BACK OF 1,45,00,000 EQUITY SHARES OF THE FACE VALUE RS. 10/- EACH REPRESENTING 7.14% OF THE TOTAL PAID-UP EQUITY SHARE CAPITAL OF BINANI CEMENT LIMITED AT A PRICE OF RS. 90/-PER SHARE PAYABLE IN CASH AGGREGATING TO RS. 130.50 CRORES BEING 20.07% OF THE PAID-UP EQUITY SHARE CAPITAL AND FREE RESERVES OF THE COMPANY. THE SAID BUY-BACK WILL BE CONDUCTED THROUGH A "TENDER OFFER" ON A PROPORTIONATE BASIS IN ACCORDANCE WITH SECTIONS 77A, 77AA, 77B AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 1956 AND THE SEBI (BUY-BACK OF SECURITIES) REGULATIONS, 1998 ("THE REGULATIONS").

The procedure for tender/offer is set out on page no. 23 of this Letter of Offer. A Tender/Offer form is enclosed with this Letter of Offer. The form with relevant enclosures should be submitted/ delivered so as to reach the Registrar to the Buy-Back on or before August 10, 2010 (the Offer closing date).

The Buy-Back offer is being made pursuant to SEBI (Buy-Back of Securities) Regulations, 1998 and subsequent amendments as well as in accordance with provisions of Sections 77A, 77AA, 77B and all other applicable provisions, if any, of the Companies Act, 1956. A copy of the public announcement published on June 16, 2010 and this Letter of Offer (alongwith the Acceptance Cum Acknowledgement Form) will be available on SEBI's website at www.sebi.gov.in.

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
<p>KEYNOTE CORPORATE SERVICES LTD.</p> <p>KEYNOTE CORPORATE SERVICES LTD. 4th Floor, Balmer Lawrie Building, 5, J.N.Heredia Marg, Ballard Estate, Mumbai – 400 001. Tel.: (022) 30266000-3 Fax: (022) 22694323 E-mail: mbd@keynoteindia.net SEBI Registration No.: INM 000003606 Validity Period: Valid till 15/12/2011 AMBI Registration No: AMBI/040 Contact Person: Mr. Janardhan Wagle</p>	<p>LINK INTIME INDIA PVT LTD</p> <p><small>(Formerly INTIME SPECTRUM REGISTRY LTD)</small></p> <p>LINK INTIME INDIA PVT. LTD. Unit : Binani Cement Limited – Buyback C- 13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (West), Mumbai- 400 078. Tel.: (022) 25960320 Fax: (022) 25960329 Email: bclofffer@linkintime.co.in SEBI Registration No.: INR 00004058 Validity Period: Valid till 05/05/2012 Contact Person: Mr. Nilesh Chalke</p>
OFFER OPENS ON	OFFER CLOSSES ON
TUESDAY, JULY 27, 2010	TUESDAY, AUGUST 10, 2010

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1. SCHEDULE OF ACTIVITIES

Activity	Date	Day
Date of Board Meeting approving the Buy back	April 23,2010	Friday
Date of Shareholders Approval through Postal Ballot	June 14, 2010	Monday
Date of meeting of Committee of Directors approving the specifics of Buy Back	June 15, 2010	Tuesday
Public Announcement	June 16, 2010	Wednesday
Specified Date	July 02, 2010	Friday
Opening of the Offer	July 27, 2010	Tuesday
Closure of the Offer	August 10, 2010	Tuesday
Last Date for verification and communication of rejection	August 20, 2010	Friday
Last date for dispatch of consideration / share certificate (in case of rejection)	August 25, 2010	Wednesday
Last date of extinguishment of shares	August 27, 2010	Friday

2. DEFINITION OF KEY TERMS

BCL / the Company	Binani Cement Limited
Board	Board of Directors of the Company or Committee constituted for the purpose of the Buyback
Buy-back Offer/Buy-back/ Offer	The offer by Binani Cement Limited to buy back of 1,45,00,000 Equity Shares of the face value Rs. 10/- each at a price of Rs. 90/- per Equity Share from the equity shareholders of the Company through Tender Offer on a proportionate basis
CDSL	Central Depository Services (India) Limited
DP	Depository Participant
Escrow Account	The Escrow Account opened with YES Bank Ltd., Worli, Mumbai
Keynote / Manager to the Buy-back	Keynote Corporate Services Limited
Non-Resident Shareholders	Includes Non-Resident Indians (NRI)
NSDL	National Securities Depository Limited
Offer Price / Buy-back Price	Price at which equity shares will be bought back from the shareholders i.e Rs.90/- per fully paid up Equity Share, payable in cash
Offer Size	Number of equity shares proposed to be bought back (i.e; 1,45,00,000 equity shares of Rs. 10/- each) multiplied by the Offer Price (i.e Rs. 90/- per equity share) aggregating to Rs. 130.50 Crores (Rupees One Hundred Thirty Crores Fifty Lacs Only)
RBI	Reserve Bank of India
Registrar to the Offer	Link Intime India Pvt. Limited
Shares	Fully paid Equity Shares of face value Rs. 10/- each of Binani Cement Limited
SEBI	The Securities & Exchange Board of India
Specified Date	The date for the purpose of determining the names of the shareholders to whom the Letter of Offer and Tender Offer Form will be sent i.e. July 02, 2010 (Friday)
The Act	The Companies Act, 1956, as amended
The Regulations	The Securities & Exchange Board of India (Buy Back of Securities) Regulations, 1998, as amended

3. DISCLAIMER CLAUSE

AS REQUIRED, A COPY OF THIS LETTER OF OFFER HAS BEEN SUBMITTED TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI). IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF LETTER OF OFFER TO SEBI SHOULD NOT, IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI, DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF THE COMPANY TO MEET THE BUY BACK COMMITMENTS OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE MANAGER TO THE OFFER, M/S. KEYNOTE CORPORATE SERVICES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE PROVISIONS OF COMPANIES ACT, 1956 AND SEBI (BUY BACK OF SECURITIES) REGULATIONS, 1998. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR TENDERING THEIR SHARES IN THE BUY BACK.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS DUTY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER, M/S. KEYNOTE CORPORATE SERVICES LIMITED HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED JUNE 18, 2010 IN ACCORDANCE WITH SEBI (BUYBACK OF SECURITIES) REGULATIONS, 1998 WHICH READS AS FOLLOWS:

“WE HAVE EXAMINED VARIOUS DOCUMENTS AND MATERIALS CONTAINED IN THE ANNEXURE TO THIS LETTER, AS PART OF THE DUE DILIGENCE CARRIED OUT BY US IN CONNECTION WITH THE FINALIZATION OF THE PUBLIC ANNOUNCEMENT AND THE LETTER OF OFFER. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, WE HEREBY STATE THAT:

- THE PUBLIC ANNOUNCEMENT AND THE LETTER OF OFFER ARE IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE BUYBACK OFFER;
- ALL THE LEGAL REQUIREMENTS CONNECTED WITH THE SAID OFFER INCLUDING SEBI (BUYBACK OF SECURITIES) REGULATIONS, 1998, HAVE BEEN DULY COMPLIED WITH.
- THE DISCLOSURES IN THE PUBLIC ANNOUNCEMENT AND THE LETTER OF OFFER ARE, TO THE BEST OF OUR KNOWLEDGE, TRUE, FAIR AND ADEQUATE IN ALL MATERIAL RESPECTS FOR THE SHAREHOLDERS OF THE COMPANY TO MAKE A WELL INFORMED DECISION IN RESPECT OF THE CAPTIONED BUYBACK OFFER.
- FUNDS USED FOR BUY BACK SHALL BE AS PER THE PROVISIONS OF THE COMPANIES ACT.”

THE FILING OF OFFER DOCUMENT WITH SEBI, DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE PROVISIONS OF THE COMPANIES ACT, 1956 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED BUY BACK.

PROMOTERS/DIRECTORS DECLARE AND CONFIRM THAT NO INFORMATION/ MATERIAL LIKELY TO HAVE A BEARING ON THE DECISION OF INVESTORS HAS BEEN SUPPRESSED/ WITHHELD AND/OR INCORPORATED IN THE MANNER THAT WOULD AMOUNT TO MIS-STATEMENT/MISREPRESENTATION AND IN THE EVENT OF IT TRANSPIRING AT ANY POINT OF TIME THAT ANY INFORMATION/MATERIAL HAS BEEN SUPPRESSED/ WITHHELD AND/OR AMOUNTS TO A MIS-STATEMENT/MIS-REPRESENTATION, THE PROMOTERS/

DIRECTORS AND THE COMPANY SHALL BE LIABLE FOR PENALTY IN TERMS OF THE PROVISIONS OF THE COMPANIES ACT, 1956 AND THE SEBI (BUY BACK OF SECURITIES) REGULATIONS, 1998.

PROMOTERS/DIRECTORS ALSO DECLARE AND CONFIRM THAT FUNDS BORROWED FROM BANKS AND FINANCIAL INSTITUTIONS WILL NOT BE USED FOR THE BUY-BACK.

4. TEXT OF THE SPECIAL RESOLUTION PASSED THROUGH POSTAL BALLOT AND EXPLANATORY STATEMENT

The Company passed a Special Resolution through postal ballot on June 14, 2010. The details of which are as follows:

“RESOLVED THAT in accordance with the provisions contained in Article 3A of the Articles of Association of the Company and Sections 77A, 77AA, 77B and all other applicable provisions, if any, of the Companies Act, 1956 (“the Act”) and the provisions contained in the SEBI (Buy Back of Securities) Regulations, 1998 (“Buy-Back Regulations”) (including any statutory modification(s) or re-enactment of the Act or Buyback Regulations, for the time being in force) and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (herein referred to as the Board which term shall be deemed to include any Committee thereof which the Board may constitute to exercise its powers, including the powers conferred by this resolution), the consent of the Company be and is hereby accorded to the Board at its sole option at such time and from time to time as it may consider appropriate to purchase the Company's own fully paid up Equity Shares of Rs. 10/- each at a Buy Back price of Rs 90/- (Rupees Ninety only) per equity shares and the total aggregate amount to be expended by the Company for the Buyback shall not exceed Rs. 130.50 Crores (Rupees One Hundred Thirty Crores Fifty Lakhs only) i.e. within 25% of the total Paid-up Capital and Free Reserves of the Company as per the audited Balance Sheet as at March 31, 2010 and not exceeding 25% of the total Paid-up Equity Capital in a financial year”.

RESOLVED FURTHER THAT the Company may implement the Buyback in one or more tranches, from time to time as it may consider appropriate, from out of its free reserves and/or the share premium account and/or internal accruals and/or such other sources or by such mechanisms as may be permitted by law and that the Buyback be made in any of the modes prescribed, envisaged or allowed by the Act and the Buyback Regulations and on such terms and conditions as the Board may in its absolute discretion deem fit”.

RESOLVED FURTHER THAT for each tranche the Board or any Committee thereof be and is hereby authorised to finalise the terms of the Buyback offer including the price for the Buyback offer, the amount to be utilised towards the Buyback offer, the number of equity shares to be bought back, the source, the mechanism and the time frame for such Buyback offer within the statutory period of this resolution

RESOLVED FURTHER THAT nothing contained herein above shall confer any right on the part of any shareholder to offer, or any obligation on the part of the Company or the Board to buy back any shares, and/or impair any power of the Company or the Board to terminate any process in relation to such Buyback if so permissible by law;

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion, deem necessary, expedient, usual or proper, to be in the best interest of shareholders, including but not limited to the appointment of Merchant Bankers, Brokers, Solicitors, Registrars, Advertising Agencies, Compliance Officer, Investor Service Centre and other Consultants or

Representatives, incidental to the implementation of the Buyback offer as also to prefer all applications to the appropriate authorities, parties and the institutions for their requisite approvals as also to initiate all necessary actions for preparation and issue of public announcement and filing of public announcement with the SEBI and Stock Exchanges, filing of declaration of solvency certificate and filing of certificate of extinguishment and physical destruction of certificates, all other undertakings, agreements, papers and documents required to be filed in connection with the Buy back and to settle all such questions, difficulties or doubts that may arise in relation to the implementation of the Buyback without being required to seek any further consent or approval of the members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of the above resolution;

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and is hereby authorised to delegate all or any of the authorities conferred as above to any Director(s)/Company Secretary of the Company to give effect to the aforesaid resolution or to accept any change(s) or modification(s) as may be suggested by the appropriate authorities or Advisors."

CONTENTS OF EXPLANATORY STATEMENT FORMING PART OF NOTICE OF POSTAL BALLOT SENT TO THE SHAREHOLDERS OF THE COMPANY

Extract from the explanatory statement to the postal ballot notice sent to the shareholders for approving the buy-back of equity shares of the company are as follows:

Pursuant to Section 173 (2) of the Companies Act, 1956 and Regulation 5 (1) of the Securities and Exchange Board of India (Buy Back Of Securities) Regulations, 1998, the Company had forwarded the notice dated 23/04/2010 along with the explanatory statement to its shareholders in terms of the provisions of Section 192A of the Companies Act, 1956, read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001, extract of the same is as follows:

"The Company intends to acquire equity shares each of face value of Rs 10/- at a price not exceeding Rs 90/- per equity share ("the Buyback Price) with the total aggregate amount to be expended not to exceed Rs. 130.50 Crores (Rupees One Hundred Thirty Crores and Fifty Lakhs only) which is within 25% of the Company's Fully Paid-up Equity Share Capital and Free Reserves as per audited Balance Sheet as on March 31, 2010. The Articles of Association of the Company in view of new clause no. 3A as approved by the members permit the Company to Buy Back its own equity shares. As the proposed Buyback is more than 10% of the total Paid-up equity Share Capital and Free Reserves of the Company as on March 31, 2010 the consent of the shareholders is sought by way of a Special Resolution to be passed pursuant to the provisions of Section 77A(2) of the Companies Act, 1956.

As per the requirements of Section 173(2) read with Section 77A and other applicable provisions of the Companies Act, 1956 and the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, read with Schedule I of the Buy Back Regulations the Explanatory Statement containing relevant and material information to enable the shareholders to consider and approve the Special Resolution on Buyback of the Company's equity shares is being provided.

1. The Board of Directors of the Company in its meeting held on April 23, 2010 has, in-principally, approved the proposal for Buyback of the Company's own Fully Paid-up equity shares of Rs. 10/- each (hereinafter referred to as the Buyback Offer) in accordance with the provisions contained in the Articles of Association and Sections 77A, 77AA, 77B and all other applicable provisions of the Act and the provisions contained in the Buyback Regulations.
2. The Shareholders may authorise the Board of Directors to adopt one of the methods referred to in Sub-regulation (1) of regulation 4 of the Buy-Back Regulations at the appropriate time. The Buyback offer is

proposed to be implemented by the Company through 'Tender Offer Route' from the existing shareholders of the Company on a proportionate basis and in the manner as may be described in the Companies Act, 1956 and the Buyback Regulations and on such terms and conditions as may be determined by the Board of Directors at the appropriate time. This method of implementing the Buyback through Tender Offer from the existing shareholders of the Company is one of the approved methods of buyback referred in sub-regulation 1 of Regulation 4 of the Buyback Regulations and will enable the Company to complete the Buy Back in a more transparent manner.

3. There will be no Buyback from any persons through negotiated deals whether through the Stock Exchanges or through spot transactions or through any private arrangement.
4. The Board is of the view that necessity for Buyback is on account of the following reasons:
 - a) The equity share Buyback offer is being proposed in pursuance of the Company's desire to maximize returns to investors, to reduce outstanding number of shares and enhance overall shareholder value by returning cash to shareholders in an efficient and investor friendly manner. This will be done without in any manner compromising on the high growth opportunities available to the Company.
 - b) The Buyback will result in reduction in the overall capital employed in the business, which will, in turn lead to higher earnings per share and enhanced return on equity and return on capital employed, return on net worth, return on assets etc.
 - c) The Buy Back will also provide a reasonable exit opportunity to those shareholders who so desire.
 - d) The Company has accumulated Free Reserves and satisfactory liquidity. At present there is no immediate need for these funds. Therefore, it is proposed to Buy Back a part of the equity shares, which will provide an opportunity to the Company to return the surplus funds to the shareholders
5. The aggregate Paid-up Equity Share Capital and Free Reserves of the Company as on March 31, 2010 is Rs. 650.15 Crores and under the provisions of the Companies Act, 1956, the fund deployed for Buyback offer shall not exceed 25% of the Paid-up Capital and Free Reserves of the Company. Accordingly the maximum amount that can be utilised in the present Buyback is Rs.162.54 Crores but the maximum amount required for buyback will be Rs. 130.50 Crores. This amount for Buyback will be financed out of the Company's Free Reserves, cash balances and internal accruals/operating cash inflows of the Company.
6. The proposed Buy Back Price has been arrived at after considering certain parameters such as the book value, earnings trend in the recent past, the future outlook for the industry, the average price-earnings multiples in the market, possible increase in earnings per share and other relevant factors.
7. As per the provisions of the Companies Act, 1956, the maximum number of equity shares permitted to be bought back in any financial year shall not exceed 25% of the total Paid-up Equity Share Capital of the Company. For the maximum amount of Rs. 130.50 Crores proposed to be utilised for the Buyback, described in paragraph 5 above, the maximum number of shares which can be bought back at the proposed Buy Back Price of Rs. 90 per share is 1,45,00,000 equity shares of Rs. 10/- each which represents 7.14 % of the total issued and Paid-up Equity Capital of the Company.

8. (a) The aggregate shareholding of the Promoter, **Binani Industries Ltd**, the Holding Company and its nominees is 13,18,25,956 equity shares of Rs. 10/- each constituting 64.91 % of the issued and paid up equity share capital of the Company as on the date of this notice. Pursuant to the Buyback of Equity Shares as proposed, and depending on the response to the Buyback offer, the percentage holding of the Promoters would increase beyond the aforesaid percentage. Such an increase in the percentage holding of the Promoters is consequential and indirect in nature. If the Company receives response to the fullest extent to the proposed Buy Back offer and if all the 1,45,00,000 equity shares on the Buyback Offer are bought back by the Company, post Buyback offer the percentage shareholding of the Promoter alongwith its nominees would increase from the present 64.91 % to 69.90 %, an increase of 4.99% only. Since this increase in the Promoter's percentage holding in the Target Company is by virtue of buy back of shares by the Target Company and within the permissible limit of 5% prescribed under Second Proviso to Regulation 11(2) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, ("the Regulations") and the total number of shares of the Promoter remains unchanged and also the fact that there is no change in control of the Target Company, viz Binani Cement Ltd, none of the provisions of Regulations 10,11, and 12 are applicable, triggering open offer to the public under the Regulations.
- (b) No equity shares of the Company were either purchased or sold by the Promoters and Directors during the period of last six months preceding the date of the Board Meeting at which the Buyback is approved i.e. April 23, 2010. Accordingly, there is no disclosure to be made for the maximum and minimum price at which shares were purchased or sold.
- (c) The Promoters and persons in control of the Company will not participate in the Buyback.
- (d) The aggregate shareholding of the Promoter and their nominees as on date of this Notice and as on a date six months prior to the date of the Board Meeting, at which the Buyback was approved, is given in the following table:

(No of equity shares of Rs. 10/- each)

Sr. No.	Name of the Shareholder	Shareholding as on date of this Notice	Shareholding as on 6 months prior to the date of the Meeting
1.	Binani Industries Ltd	13,18,25,856	13,18,25,856
2.	Mr Braj Binani, Nominee of Binani Industries Ltd	50	50
3.	Mr V. Subramanian, Nominee of Binani Industries Ltd	10	10
4.	Mr T.R.C Nair, Nominee of Binani Industries Ltd	10	10
5.	Mr Ram Mohan, Nominee of Binani Industries Ltd	10	10
6.	Mr I.K.Pugalia, Nominee of Binani Industries Ltd	10	10
7.	Mr K.Gangadharan, Nominee of Binani Industries Ltd	10	10
	TOTAL	13,18,25,956	13,18,25,956

9. As prescribed under the Companies Act, 1956, the ratio of debt owed by the Company would not be more than twice the Equity Share Capital and Free Reserves of the Company after the Buyback offer.
10. As per the provisions of the Companies Act, 1956, the Buyback will be completed within a maximum period of twelve months from the date of passing of the said Special Resolution by the Shareholders. The time frame and the price for the Buyback will be determined by the Board/ Committee appointed for this purpose within this validity period.

11. As per the provisions of the Companies Act, 1956, the Company will not be allowed to issue fresh Equity Shares, within a period of six months after the completion of the Buyback except by way of bonus shares or shares issued in the discharge of subsisting obligations, if any, such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into equity shares, if any. Currently, the Company has no subsisting obligations arising from convertible preference shares or convertible debentures.
12. The Company hereby confirms that there are no defaults subsisting in the repayment of deposits, redemption of debentures or preference shares or repayment of term loans to any financial institutions or banks.
13. The Board of Directors of the Company confirm that they have made a full inquiry into the affairs and prospects of the Company and they have formed the opinion that:
 - (a) immediately following the date on which the proposed resolution is passed by the shareholders, there will be no grounds on which the Company could be found unable to pay its debts;
 - (b) as regards its prospects for the year immediately following that date that, having regard to their intentions with respect to the management of the Company's business during that year, and to the amount and character of the financial resources which will in their view be available to the Company during, that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from that date; and
 - (c) in forming their opinion for the above purposes, the Directors have taken into account the liabilities as if the Company was being wound up under the provisions of the Companies Act, 1956 (including prospective and contingent liabilities).
14. The text of the report dated 23rd April 2010 received from M/s Kanu Doshi & Associates, Chartered Accountants, the statutory auditors of the Company, addressed to the Board of the Directors is reproduced below:

"In connection with the proposed Buyback of Equity shares approved by the Board of Directors of Binani Cement Limited (the "Company") at its meeting held on April 23,2010 in pursuance of the provisions of Section 77A, 77AA and 77B of the Companies Act, 1956 and the Securities and Exchange Board of India (Buy-back of Securities) Regulations,1998 and based on the information and the explanations given to us, we report that;

- i. We have inquired into the state of affairs of the Company in relation to its audited accounts as on March 31, 2010 which was taken on record by the Board of Directors at their meeting held 23rd April, 2010;
- ii. The Board of Directors of the Company has proposed to Buyback the Company's equity shares to the extent of Rs. 130.50 Crores at a price not exceeding Rs 90 per share. The amount of permissible capital payment (including premium) of an amount not exceeding Rs.130.50 crores (Rs. One Hundred Thirty Crores and Fifty Lakhs only) towards Buy-back of Equity Shares, has been properly determined in accordance with Section 77A(2)(c) of the Companies Act, 1956 and is less than 25% of the Fully Paid-up Equity Capital and Free Reserves of the Company, as computed below:

Sr. No	Particulars	Amount (Rs crores)
1.	Capital Structure	
	- Equity Capital	203.10
	- Preference Capital	Nil
2.	Free Reserves	
	- Securities Premium	Nil
	- General Reserve	69.33
	- Profit & Loss Account	377.72
	TOTAL	650.15
	MAXIMUM BUY BACK AMOUNT	162.54

- iii. The Board of Directors in their meeting held on April 23, 2010 have formed the opinion as specified in Clause (x) of Schedule I of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 1998 on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the date of the Special Resolution for the purpose of the Buy-back.
- iv. This certificate has been prepared for and only for the Company and is in reference to proposed Buy-back of equity shares by the Company in pursuance of the provisions of Section 77A, 77AA, 77B of the Companies Act 1956 and the Securities and Exchange Board of India (Buy-back of Securities) Regulations 1998 and for no other purpose.

We do not accept or assume any liability or duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior written consent in writing."

15. The Company will transfer from its Free Reserves a sum equal to the nominal value of the Equity Shares purchased through the Buy-back to the Capital Redemption Reserve account and the details of such transfer shall be disclosed in its subsequent audited balance Sheet.
16. In accordance with the regulatory provisions, the shares bought back by the Company will compulsorily be cancelled and will not be held for re-issuance.
17. All the material documents referred to in the Explanatory Statement such as Memorandum and Articles of Association, relevant Board Resolution, Auditors' Report will be made available for inspection at the Registered office of the Company on all working days except Saturday and Holidays between 11.00 a.m. and 1.00p.m.
18. The proposed resolution seeks to authorise the Board of Directors (including the Board Committee or any other person authorised by the Board in this regard) to determine the actual price, the timing and number of shares to be bought back, within the aforesaid limit."

5. DETAILS OF PUBLIC ANNOUNCEMENT

As per Regulation 8(1) of the Regulations, the Company has made a Public Announcement for Buyback of Equity Shares in all editions of Business Standard - English National Daily, Business Standard (Hindi) – Hindi Daily and Kalantar Patrika - Regional language Daily (Bengali) on June 16, 2010.

6. DETAILS OF THE BUY-BACK

- 6.1** Binani Cement Limited ("**BCL**" / "**the Company**") announced the Buy-Back of 1,45,00,000 fully paid up equity shares of Rs.10/- each of the Company, from the existing owners/ beneficial owners of the equity shares of the Company ("**Buy-Back**") through "Tender Offer Route" in accordance with Sections 77A, 77AA, 77B and other applicable provisions of the Companies Act, 1956 and the SEBI (Buy-Back of Securities) Regulations, 1998 ("**the Buy-Back Regulations**") at a price of Rs. 90/- per share ("**Buy-Back price**") payable in cash for an aggregate amount of Rs. 130.50 Crores (Rupees One Hundred Thirty Crores Fifty Lacs Only) ("**Buy-Back size**"). The Buy-Back size represents 20.07% of the paid-up equity share capital and free reserves of the Company as on 31/03/2010. At the buy-back price of Rs. 90/- per equity share the Company will buy-back 1,45,00,000 fully paid up equity shares of Rs.10/- each representing 7.14% of the total paid-up equity share capital of the Company.
- 6.2** The promoters/promoter group of the Company do not intend to offer any equity shares under the buy-back.
- 6.3** The aggregate shareholding of the promoters/promoter group as on the date of this Letter of Offer is 13,18,25,956 equity shares of Rs. 10/- each out of total 20,31,01,274 equity shares of Rs. 10/- each i.e. 64.91% of the existing equity share capital of the Company. Assuming response to the Buy Back to the fullest extent, the aggregate shareholding of the promoters/promoter group, post Buy Back will increase to 69.90% of the post Buy Back equity share capital of the Company. Post buy back the non-promoter share holding of the company will not fall below the minimum level required as per the listing conditions / agreement.

7. AUTHORITY FOR THE OFFER (BUY-BACK)

Pursuant to Sections 77A, 77AA, 77B and other applicable provisions of the Companies Act, 1956, the Buy-Back Regulations and Article 3A of the Articles of Association of the Company the present offer for Buy-Back of Equity Shares of the Company through tender offer route has been duly authorized by a resolution passed by the Board of Directors of the Company at their meeting held on 23/04/2010 and approval of shareholders pursuant to the Special Resolution passed through Postal Ballot results of which were published on June 15, 2010. The specifics of the Buy-Back Offer are approved by the Committee of Directors in their meeting held on June 15, 2010.

8. NECESSITY OF THE BUYBACK

- a. The share Buyback offer is proposed in pursuance of the Company's desire to maximize returns to investors, to reduce outstanding number of shares and enhance overall shareholder value by returning cash to shareholders in an efficient and investor friendly manner. This will be done without in any manner compromising on the high growth opportunities available to the Company.
- b. The Buyback will result in reduction in the overall capital employed in the business, which will, in turn lead to higher earnings per share and enhanced return on equity and return on capital employed, return on net worth, return on assets etc.
- c. The Buy Back will also provide a reasonable exit opportunity to those shareholders who so desire.
- d. The Company has accumulated Free Reserves and satisfactory liquidity. At present there is no immediate need for these funds. Therefore, it is proposed to Buy Back a part of the equity shares, which will provide an opportunity to the Company to return the surplus funds to the shareholders.

9. MANAGEMENT DISCUSSION AND ANALYSIS AND THE LIKELY IMPACT OF BUYBACK ON THE COMPANY

The buy back is not likely to cause any material impact on the income/profits of the Company except to the extent of interest/dividend loss on the amount of funds used for the buy back. Assuming response to the buy back offer to the fullest extent, the funds that can be employed by the company for the purpose of buy back would be Rs. 130.50 Crores.

The Buy Back is not expected to materially impact the growth opportunities and profitability of the company, except the loss of other income, if any, on the amount of cash to be utilized for the buy back. If the said amount of Rs. 130.50 Crores is invested in mutual funds or assured income plans giving return of about 8% per annum, the profitability of the company may be reduced to the extent of Rs. 10.44 Crores.

1. The Buyback shall not materially impact the growth opportunities for the company.
2. The Promoters/Promoter group of the company does not intend to offer any equity shares under the buy back. The Aggregate Shareholding of the Promoter /promoter group as on the date of this public announcement is 13,18,25,956 equity shares of Rs. 10/- each i.e 64.91% of the existing paid up share capital of the Company. Assuming response to the buy back to the fullest extent, the aggregate shareholding of the promoters/promoter group, post buy back will increase to 69.90 % of the post buy back equity share capital of the Company.
3. There will be no change in the Management structure of the company consequent to the buy back. The buy back is expected to enhance the earning per share of the company in future and shall also create long term shareholder value.
4. Consequent to the Buyback and based on the number of shares bought back within each category of shareholders, the shareholding pattern of the Company would undergo a consequential change.
5. The extent of public holding in the Company after the Buyback would be 30.10% of the total equity capital post Buyback as against 35.09% prior to the Buyback, assuming that the entire amount of the Buyback Size is utilized for the Buyback.
6. The Equity shares in the Buyback shall be accepted on proportionate basis in case of response exceeds the offer size of 1,45,00,000 Equity shares of Rs. 10/- each.
7. Post buy back the debt equity ratio of the company is expected to be within the limit of 2: 1 as prescribed under Section 77A of the Companies Act, 1956.
8. The Buyback will result in reduction of overall capital employed in business which will in turn lead to enhanced return on equity and capital employed.
9. The shareholding of foreign investors consisting of OCBs, NRIs and FIIs prior to the Buyback is 27.78% (as per the shareholding pattern of the Company as on 11/06/2010. The same would change depending on the extent to which they subscribe to the Buyback and their shares are accepted. If no shares are accepted for the Buyback from foreign investors and the entire amount is utilized for the Buyback, the shareholding of foreign investors would increase to 29.92%.
10. The Buyback of shares will provide for an exit opportunity to those shareholders who want to exit and provide them with good returns.

11. Salient Financial parameter pre Buy-Back and consequent to the Buy Back to the fullest extent based on the Latest audited financials are as under:

Parameter (based on audited results for year ended March 31, 2010)	Pre Buy-back	Post Buy-back
Networth* (Rs. Lakhs)	67,515.75	54,465.75
Return on Networth*	41.76	51.76
Earnings per Share (Rs.)	13.88	14.95
Book Value per Share (Rs.)*	33.24	28.88
P/E as per the latest audited financial results **	6.46	5.99
Total Debt / Equity Ratio*	1.46	1.80

* Excluding revaluation reserves and miscellaneous expenditure to the extent not written off.

** For calculating the Pre and Post Buyback P/E, price considered is as of 11/06/2010 (at BSE). The actual P/E post Buyback would depend on the prevailing market price of the Company's Shares post the Buyback.

10. BASIS OF CALCULATING THE BUY-BACK PRICE

The Buy Back price of Rs. 90/- per equity share has been decided at the meeting of the Board of Directors held on 23/04/2010 and approved by the shareholders pursuant to the Special Resolution passed through Postal Ballot on June 14, 2010. While calculating the Buy Back Price following parameters have been considered

- The Average of the daily closing prices for previous six months (December 2009 to May 2010) of the Company at BSE is Rs. 74.68 and at NSE is Rs. 74.74.
- The Buyback Price of Rs. 90/- per share offers 8.17% premium over the closing price of Rs. 83.20 at BSE and 8.04% premium over the closing price of Rs. 83.30 at NSE of the Company's equity shares as at 22/04/2010, the day before the Board Meeting to consider the proposal of the Buyback, notice of which was given to NSE and BSE.
- The closing price of equity shares of the Company on 23/04/2010, the date of Board meeting approving the Buy-Back was Rs. 83.75 at BSE and Rs. 84.05 at NSE.
- Following parameters have also been considered while calculating the Buy Back price:

Parameter	Based on the financials of March 31, 2010	
	Pre Buy Back	Post Buy Back *
Book Value per share (Rs.)	33.24	28.88
Earnings Per Share (Rs.)	13.88	14.95
Return on Networth (%)	41.76	51.76
P/E (times) (Considering the Closing price at BSE as on 22/04/2010, the day before the date of Board meeting)	5.99	5.57
P/E (times) (Considering the Offer price of Rs. 90/- per equity share)	6.48	6.02

* Assuming completion of the Buy Back to the fullest extent.

11. SOURCES OF FUNDS FOR THE BUY-BACK

Assuming response to the Buy- Back Offer to the fullest extent, the funds that would be employed by the Company for the purpose of Buy-back would be Rs. 130.50 Crores (Rupees One Hundred Thirty Crores

Fifty Lacs Only). The Company proposes to meet the funds for the Buy-Back from free reserves of the company. It has sufficient liquid funds to fulfill the financial obligation under the Buy-Back Offer.

The Company has already deposited an amount of Rs. 28.10 Crores in an Escrow Account opened in terms of Buy- Back Regulations. The company has made firm arrangements for money to meet its buy-back obligations.

As the Buy-back is funded through funds available with the Company, there will not be any cost of financing the Buy-back other than the cost of implementation of the Buy-back.

12. DETAILS OF THE ESCROW ACCOUNT

12.1 Assuming response to the Buy Back to the fullest extent, the funds required by the Company for the purpose of Buy-back would be Rs. 130.50 Cores (Rupees One Hundred Thirty Crores Fifty Lacs Only). The Company has opened an escrow account in terms of Regulation 10 of the Buy Back Regulations in the name and style "Binani Cement Limited -Buyback-2010 Escrow A/c" with YES Bank Ltd., Worli, Mumbai bearing account number '000180200000880' and deposited therein a sum of Rs. 28.10 Crores, being more than 25% of Rs. 100 crores and 10% of Rs. 30.50 Crores which has been calculated in terms of Regulation 10(2)(ii) of Buy Back Regulations. An Escrow Agreement dated June 15, 2010 has been executed between Binani Cement Limited ("The Company"), Keynote Corporate Services Limited ("Manager") and YES Bank Limited ("Escrow Agent") defining the duties and responsibilities of the parties to the Agreement. The manager to the offer has been empowered by the Company to operate the Escrow Account in accordance with the Buy-Back Regulations. The Registrar to the offer has opened a Escrow Depository Account for the purpose of Buy back, details whereof are given under para 20 hereof with sub heading "For shareholders holding shares in dematerialized form (beneficial Owners)".

12.2 The Company has sufficient liquid funds to fulfill the financial obligation under the Buy-Back Offer. The Company has already deposited an amount of Rs. 28.10 Crores in an Escrow Account opened in terms of Buy- Back Regulations. Based on the facts and documents, M/s Kanu Doshi Associates, Chartered Accountants, the statutory auditors of the Company, having their office at 158, Udyog Bhavan, Sonawala Road, Goregaon (East), Mumbai – 400 063, Partner- Mr. Ankit Parekh (Membership No. : 114622), vide their certificate dated June 15, 2010 have confirmed that the Company has made firm financing arrangements for fulfilling the obligations under the Buyback.

12.3 Based on the due diligence undertaken by the Manager to the Offer, the Manager is satisfied about the compliance of regulation 10 with regard to Escrow Account and ability of the company to implement the offer in accordance with the Regulations.

13. CAPITAL STRUCTURE AND SHAREHOLDING PATTERN

13.1 As on the date of this Public Announcement, the Authorized share Capital of the Company consists of 42,38,99,600 equity shares of Rs. 10/- each aggregating to Rs. 42,389.96 lacs. The Issued , subscribed and paid up capital of the Company consists of 20,31,01,274 equity shares of Rs. 10/- each aggregating to Rs. 20,310.38 lacs (including Rs. 0.25 lacs towards amount paid-up on forfeited shares). There are no partly paid-up shares as well as calls-in-arrears in the Company. There are no locked-in or non-transferable shares or outstanding convertible instruments. There is no pending scheme of amalgamation or compromise or arrangement pursuant to the provisions of Companies Act, 1956. Apart from the present offer for buy back, the company has not announced any Buy Back of shares within last three years.

13.2 The shareholding pattern of the Company as on June 11, 2010 and post Buy-Back presuming completion of the Buy-Back to the fullest extent is as follows:

Category of Shareholder	Pre Buy-Back		Post Buy-Back	
	Total no. of Shares	% holding of equity capital	Total no. of Shares	% holding of equity capital
(A) Promoter and Promoter Group				
(1) Indian				
Individuals / Hindu Undivided Family	100	0.00	100	0.00
Bodies Corporate	13,18,25,856	64.91	13,18,25,856	69.90
Sub Total	13,18,25,956	64.91	13,18,25,956	69.90
(2) Foreign	-	-	-	-
Total shareholding of Promoter and Promoter Group (A)	13,18,25,956	64.91	13,18,25,956	69.90
(B) Public Shareholding				
(1) Institutions			5,67,75,318	30.10
Mutual Funds / UTI	2,07,215	0.10		
Financial Institutions / Banks	37,16,086	1.83		
Foreign Institutional Investors	53,97,159	2.66		
Sub Total	93,20,460	4.59		
(2) Non-Institutions				
Bodies Corporate	27,13,862	1.34		
Individuals	75,41,212	3.71		
Any Others (Clearing Members, NRI, Foreign Corporate Bodies and Trusts)	5,16,99,784	25.45		
Sub Total	6,19,54,858	30.50		
Total Public shareholding (B)	7,12,75,318	35.09	5,67,75,318	30.10
Total (A)+(B)	20,31,01,274	100.00	18,86,01,274	100.00

The total number of equity shares proposed to be bought back under the present Buy-Back Offer is 1,45,00,000 equity shares of Rs. 10/- each. The Issued, subscribed & paid up capital of the Company post Buy-Back shall consist of 18,86,01,274 equity shares of Rs. 10/- each aggregating to Rs. 18,860.38 lacs (including Rs. 0.25 lacs towards amount paid-up on forfeited shares) assuming full acceptance of the Offer.

The promoters/promoter group of the Company does not intend to offer any equity shares under the buy-back. Thus, assuming response to the Buy Back to the fullest extent, the aggregate shareholding of the promoters/persons acting in concert, post Buy Back will increase to 69.90% of the post Buy Back equity share capital of the Company. Hence, the Buy-Back will not cause voting right of the Promoters/ promoter group to increase beyond 5%, the prescribed limit in terms of Regulation 11(2) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as amended.

13.3 Information about the shareholding of the Promoter Group:

- a) The aggregate shareholding of the Promoter Group on the date of the public announcement is 13,18,25,956 equity shares of Rs. 10/- each constituting 64.91% of the issued, subscribed and paid-up capital of the Company.

- b) There are no equity shares purchased or sold by the promoters/ promoter group during a period of 12 months preceding the date of the Public Announcement. Further, the promoters/ promoter group have not purchased any equity shares of the Company from the date of Public Announcement till the date of this Letter of Offer.

13.4 In compliance with regulation 19(1)(b) of the Regulations, the Company shall not issue any shares or other specified securities including by way of bonus till the date of closure of the present Buy Back offer.

14 BRIEF INFORMATION ABOUT THE COMPANY

14.1 Binani Cement Limited ('BCL') is engaged in the business of manufacturing cement and cement products. BCL is the flagship company of the "Braj Binani Group" which has diverse manufacturing interests in Cement, Zinc, Glass Fibre, Composites etc. The present installed capacity for Cement Production is 62.50 Lacs MT. The Company was incorporated in Kolkata, West Bengal on January 15, 1996 as Dynasty Dealer Private Limited. The name of the Company was changed to Binani Cement Private Limited and a fresh certificate of incorporation was issued to it by the Registrar of Companies on April 23, 1998. Subsequently, the Company was converted into a public company and the name was changed to Binani Cement Limited vide a fresh certificate of incorporation dated October 6, 1998. The Company's Registered Office is at 706, Om Tower, 32, Chowringhee Road, Kolkata – 700071 and Corporate Office is at Mercantile Chambers, 12 J.N Heredia Marg, Ballard Estate, Mumbai-400001.

14.2 Growth of the business of the Company over the period of time are as follows :-

Financial Year ended	(Rs. in lacs)	
	Total Income	Profit After Tax
March 31, 2008	99,181.49	17,581.91
March 31, 2009	1,50,269.90	10,866.50
March 31, 2010	187,215.59	28,191.62

14.3 Changes in the capital structure of the company over the years is given below:

a)The share capital history of the Company is as follows:

Date of Allotment	Number of Equity Shares	Cumulative Number of Equity Shares	Face Value per share (Rs.)	Issue price per Equity Share (Rs.)	Consideration	Reasons for allotment
December 18, 1995	200	200	10	10	Cash	Allotment pursuant to subscription to the Company's Memorandum of Association
May 9, 1998	5,000	5,200	10	10	Cash	Further issue of shares

Date of Allotment	Number of Equity Shares	Cumulative Number of Equity Shares	Face Value per share (Rs.)	Issue price per Equity Share (Rs.)	Consideration	Reasons for allotment
July 31, 1998	3,120	8,320	10	10	Cash	Further issue of shares
October 28, 1998	20,00,00,000	20,00,08,320	10	10	Consideration other than cash	Allotted as per the Order of the High Court of Calcutta dated September 24, 1998
February 23, 1999	10,00,00,000	30,00,08,320	10	10	Cash	Further issue of shares to augment the financial resources of the Company
July 27, 1999*	10,00,00,000	40,00,08,320	10	10	Consideration other than cash	10,000,000 12% Cumulative Redeemable Preference Shares (CRPS) of Rs. 100/- each issued as per the order of the High Court of Calcutta dated September 24, 1998 were converted into Equity shares
July 3, 2003 ¹	2,28,99,600	42,29,07,920	10	10	Issued as per the Order of the High Court of Calcutta dated December 11, 2000.	
September 26, 2003 ²		21,70,67,708	The paid up share capital of the Company was re-organised as per the order of the High Court of Calcutta dated August 14, 2003			
September 29, 2005 ³		20,31,01,274	The paid up share capital of the Company has been reduced from 2,170,677,080 to 2,031,012,740 as per the Order of the High Court of Calcutta dated August 17, 2005			

An amount of Rs. 24,700/- was received as application money in respect of 9,880 Equity Shares allotted by the Company on July 31, 1998. These Equity Shares were forfeited by the Company on August 24, 1998.

* Pursuant to a scheme of arrangement 1,000,000 12% Cumulative Redeemable Preference Shares of Rs. 100 each were issued as per the order of the High Court of Calcutta on October,28,1998. These Preference Shares were later converted to Equity Shares on July 27, 1999.

¹ In terms of a Scheme of Arrangement under Section 391 of the Companies Act, Munga Holdings Limited (MHL) was merged with the Company with effect from April 1, 2000. The share capital of the Company consequently increased from Rs. 400.01 crores to Rs. 422.91 crores.

² The Company had accumulated losses of Rs. 130.50 crores and Miscellaneous Expenditure (to the extent not written off or adjusted) of Rs. 8.63 crores. Further, the Company had given Rs. 67 crores to Binani Industries Limited (BIL) as unsecured loans. In terms of a scheme of arrangement under Section 391 of the Companies Act, approved by the High Court of Calcutta vide its order dated August 14, 2003, the paid- up share capital of the Company was reduced and re-organised as follows:-

- (i) Reduction of the paid-up share capital of the Company by Rs. 67 crores against the unsecured loans given to BIL. The share capital was reduced to Rs. 355.91 crores, (355,907,920 shares of face value Rs.10/- each)
- (ii) The face value of each Equity Share was reduced by Rs. 3.90 per share and was further consolidated to Rs.10/- each resulting in a paid-up share capital of Rs. 217.01 crores (217,067,708 shares of face value Rs. 10/- each).

³ Consequent upon the transfer of the investment division of the Company comprising investments of Rs. 23.17 crores to Daisy Commercials Private Limited with effect from April 1, 2005 and re-organisation of capital through a scheme of arrangement under Section 391 of the Companies Act, the paid- up share capital of the Company was reduced from Rs. 217.01 crores as on March 31, 2005 to Rs. 203.10 crores.

14.4 Board of Directors of the Company

Name, Age, Designation, Occupation	Experience (Years)	Qualification	Date of Appointment/ Reappointment	Other directorship
Mr. Braj Binani (51 years) Chairman, Occupation: Industrialist	29 Yrs.	B.Com. (Hons)	01/04/2005 Reappointed on 26/06/2009	<ul style="list-style-type: none"> • Binani Industries Ltd. • Binani Metals Ltd. • Binani Zinc Ltd. • Goa Glass Fibre Ltd.
Mr. S. Padmakumar (76 years) Director Occupation: Retired Chief Secretary to Government of Kerala	52 Yrs.	M. A (Economics) IAS	27/01/2003 Reappointed on 02/07/2007	<ul style="list-style-type: none"> • BPL Limited • English India Clays Ltd. • Binani Industries Ltd. • Binani Zinc Ltd. • Goa Glass Fibre Ltd. • Wada Industrial Estate Limited (WIEL) • City Theatres Pvt. Ltd.

Name, Age, Designation, Occupation	Experience (Years)	Qualification	Date of Appointment/ Reappointment	Other directorship
Ms. Nidhi Singhania (25 years) Director Occupation: Industrialist	05 Yrs.	B.A (Specialisation - Economics)	23/04/2009	<ul style="list-style-type: none"> • Binani Metals Ltd. • Binani Industries Ltd.
Dr. V.C. Shah (82 years) Director Occupation: Business Consultant	57 Yrs.	Ph.D in Economics	27/02/2006 Reappointed on 23/06/2008	<ul style="list-style-type: none"> • Binani Industries Ltd. • Shardul Securities Ltd. • Ambalal Sarabhai Enterprises Ltd. • Coastal Roadways Ltd.
Mr. V. Subramanian (79 years) Director Occupation: Business Consultant	52 Yrs.	B.Com, AICWA	27/02/2006 Reappointed on 23/06/2008	<ul style="list-style-type: none"> • Binani Zinc Ltd. • Goa Glass Fibre Ltd. • Wada Industrial Estate Limited (WIEL) • BT Composites Limited • Binani Metals Ltd. • Sambhaw Holdings Limited • Amrit Kalash Finance Ltd. • K.B. Vyapar Pvt. Ltd. • B.M. Retailers Pvt. Ltd. • Total Composites Pvt. Ltd. • Manjushree Holdings Pvt. Ltd. • Vijayshree Holdings Pvt. Ltd. • Suryamukhi Vintrade Pvt. Ltd. • Binani Energy Pvt. Ltd. • Everest Goods Pvt. Limited
Mr. M.K. Chattopadhyaya (53 years) Director Occupation: Service	29 Yrs.	B.Com, FCA, FCS, LLB	03/07/2007 Reappointed on 26/06/2009	<ul style="list-style-type: none"> • BT Composites Limited • Dharmik Commoddeal Pvt. Ltd. • Bhumi Resources

Name, Age, Designation, Occupation	Experience (Years)	Qualification	Date of Appointment/ Reappointment	Other directorship
				(Singapore) Pte Limited <ul style="list-style-type: none"> • Mukundan Holdings Limited • Murari Holdings Limited • Krishna Holdings Pte Limited • PT Anggana Energy Resources Pte Limited
Mr. Ramakrishna Moogimane (66 years) Director Occupation: Business Consultant	43 Yrs.	M.A, LLB	23/10/2008	<ul style="list-style-type: none"> • Mercator Lines Limited • ST. Gobian Securities Limited.
Mr. P. Acharya (57 years) Director Occupation: Service	33 Yrs.	Mechanical Engineer	23/10/2008	Nil

14.5 Changes in the Board of Directors in the past 3 years are as follows:

Name	Nature of Change	Effective date	Reasons
Mr. Devanathan Sundararajan	Resignation	21/05/2007	Resigned as Executive Director and from Service
Mr. M.K. Chattopadhyaya	Appointment	3/07/2007	Appointed as Non Executive Director to broad base the Board
Mr. Sushil Bhattar	Resignation	01/10/2007	Resigned as Director of the Company due to preoccupation
Mr. Shrikant Khandekar	Appointed	23/10/2007	Appointed as Director to Broad base the Board
Mr. Ishwar Chand Ahuja	Appointed	23/10/2007	Appointed as Director to Broad base the Board
Mr. Ramakrishna Moogimane	Appointed	23/10/2008	Appointed as Independent Director
Mr. P. Sheoran	Resigned	31/12/2008	Resigned at end of tenure
Mr. P. Acharya	Appointed	01/01/2009	Appointed as wholetime director
Mr. Shishir Jain	Appointed	29/01/2009	Appointed as Alternate Director to Mr. Sanjai Vohra
Mr. Shrikant Khandekar	Resigned	29/01/2009	Resigned as Director
Mr. Ishwar Chand Ahuja	Resigned	29/01/2009	Resigned as Director
Ms. Nidhi Singhanian	Appointed	23/04/2009	Appointed as Director.

Name	Nature of Change	Effective date	Reasons
Mr. Sanjai Vohra	Resigned	21/07/2009	Resigned as Nominee Director on the Board (Nominee of JP Morgan Special Situations (Mauritius) Limited)
Mr. Shishir Jain	Resigned	21/07/2009	Resigned as Director

14.6 None of the directors/ promoters/ people acting in control of the Company/ group companies are concerned or interested either directly or indirectly in the Buyback, save and except to the extent that, in like manner as far all other remaining shareholders, their percentage holding in the post buy-back equity share capital will proportionately stand affected as a result of the Buyback.

15 FINANCIAL INFORMATION ABOUT THE COMPANY

The financial information of the Company as per the audited accounts for the last three years is as follows:

Particulars	(Rs. in Lacs)		
	Year Ended		
	31/03/2010	31/03/2009	31/03/2008
Total Income	1,87,215.59	1,50,269.90	99,181.49
Total Expenses	1,35,888.15	1,26,782.78	69,130.90
Depreciation	9,166.20	8,031.35	5,567.08
Prior period adjustments	(1,361.21)	-	-
Profit / (Loss) before tax	40,800.03	15,455.77	24,483.51
Provision for tax	-	-	-
Less: Current Tax (MAT)	11,298.52	1,740.00	2,770.00
Add: MAT Credit Entitlement	1,747.73	-	4,359.36
Less: Deferred Tax	3,135.00	2,790.00	8,440.00
Less: Fringe Benefit Tax	-	59.27	50.96
Add: Excess Provision of earlier year written back	77.38	-	-
Profit/(Loss) after tax	28,191.62	10,866.50	17,581.91
Other Adjustments	9,580.76	8,730.90	(3,861.02)
Balance carried to Balance Sheet	37,772.38	19,597.40	13,720.89
<i>Issued, Subscribed and Paid-up Capital</i>			
Equity Share Capital	20,310.13	20,310.13	20,310.13
Add: Amount paid-up on forfeited shares	0.25	0.25	0.25
Reserves & Surplus	47,205.37	27,330.41	21,453.89
Networth	67,515.75	47,640.79	41,764.27
Total debt (Excluding working capital loans)	98,309.13	77,833.14	77,046.45

Financial Ratios

Particulars	Year Ended		
	31/03/2010	31/03/2009	31/03/2008
Earnings Per Share (Rs.)	13.88	5.35	8.66
Return on Networth (%)	41.76	22.81	42.10
Book Value per share (Rs.)	33.24	23.64	20.56
Total Debt / Networth	1.46	1.63	1.84

The above ratios have been calculated as follows:

- Earnings Per Share: Net Profit After Tax / No. of Equity shares
- Return on Networth (%): Net Profit After Tax/ Networth
- Book Value per share: Networth/ No. of equity shares

The Company shall abide by the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, wherever applicable and also comply with Clause 23 of the Regulations, as and when applicable.

The Company hereby declares that it has complied with Section 77A (2) (c), (d), 77B (1) 77B (2) of the Companies Act, 1956.

16 LISTING DETAILS AND STOCK MARKET DATA

16.1 The equity shares of the Company are listed on the Bombay Stock Exchange Limited ('BSE') having Scrip Code '532849' and The National Stock Exchange of India Limited ('NSE') having Scrip Code 'BINANICEM'. Based on the information collected from website of the exchanges the stock market data is as follows:

BSE

Particulars (Year/ Month)	High			Low			Average Price (Rs.) **	Volume (no of shares)
	High (Rs.)	Date	Volume on date of high (no. of shares)	Low (Rs.)	Date	Volume on date of low (no. of shares)		
2007	130.00	16/10/2007	12,11,074	58.75	22/06/2007	3,56,351	86.57	5,64,19,790
2008	124.00	15/01/2008	5,73,201	26.20	20/11/2008	12,075	60.28	1,24,63,205
2009	74.00	23/10/2009	1,72,015	24.95	09/03/2009	12,790	50.42	2,85,71,548
January 2010	85.00	14/01/2010	4,93,453	68.70	27/01/2010	2,41,914	75.61	29,46,844
February 2010	77.00	02/02/2010	1,51,579	67.50	26/02/2010	63,034	71.85	12,31,681
March 2010	79.50	22/03/2010	3,86,886	72.00	16/03/2010	37,210	73.99	21,13,456
April 2010	88.70	30/04/2010	8,97,587	74.50	20/04/2010	112396	80.63	42,96,139
May 2010	83.15	03/05/2010	1,42,133	75.00	05/05/2010	91,813	78.23	11,79,913
June 2010	92.04	11/06/2010	9,58,061	78.55	01/06/2010	21,823	85.30	38,25,359
July 2010*	84.50	09/07/2010	2,84,830	79.10	02/07/2010	25,225	81.80	6,08,522

* From July 01, 2010 to July 14, 2010

** Arithmetic Average of Closing Price

(Source: www.bseindia.com)

NSE

Particulars (Year/ Month)	High			Low			Average Price (Rs.) **	Volume (no of shares)
	High (Rs.)	Date	Volume on date of high (no. of shares)	Low (Rs.)	Date	Volume on date of low (no. of shares)		
2007	137.95	24/10/2007	6,10,281	59.00	22/06/2007	3,71,464	86.59	6,89,35,696
2008	124.00	15/01/2008	6,78,469	26.15	20/11/2008	8,031	60.23	1,73,00,314

Particulars (Year/ Month)	High			Low			Average Price (Rs.) **	Volume (no of shares)
	High (Rs.)	Date	Volume on date of high (no. of shares)	Low (Rs.)	Date	Volume on date of low (no. of shares)		
2009	74.00	18/09/2009	25,05,137	23.30	05/03/2009	20,775	50.41	4,35,81,643
January 2010	82.50	05/01/2010	8,39,247	68.80	27/01/2010	2,93,235	75.70	52,97,010
February 2010	76.90	02/02/2010	2,08,430	67.65	26/02/2010	1,98,156	71.87	22,63,679
March 2010	79.40	22/03/2010	6,25,093	70.00	03/03/2010	59,412	74.07	32,32,520
April 2010	88.80	22/04/2010	8,64,371	72.95	30/04/2010	13,84,823	80.67	77,23,592
May 2010	87.70	24/05/2010	69,331	75.50	25/05/2010 & 27/05/2010	62,402 & 27,143	78.28	18,64,574
June 2010	92.00	11/06/2010	12,94,975	78.00	28/06/2010	54,459	85.00	52,10,669
July 2010*	84.45	09/07/2010	7,70,482	79.10	01/07/2010	74,509	81.78	13,53,726

* From July 01, 2010 to July 14, 2010

** Arithmetic Average of Closing Price

(Source: www.nseindia.com)

16.2 The closing market price of the equity shares of the company:

- As on April 22, 2010, the day before the Board Meeting to consider the proposal of the Buyback was Rs. 83.20 at BSE and Rs. 83.30 at NSE.
- As on April 23, 2010, the date of Board meeting approving the Buy-Back was Rs. 83.75 at BSE and Rs. 84.05 at NSE.
- As on April 26, 2010 i.e. the trading date immediately after the date of the board resolution approving the Buy-Back was Rs. 84.55 on the BSE and Rs. 84.55 on the NSE.
- As on June 16, 2010 i.e; the date of Public Announcement was Rs. 81.30 at BSE and Rs. 81.05 at NSE.

17 DETAILS OF THE STATUTORY APPROVALS

Buy-Back of equity shares tendered/offered by NRI/OCB/FII shareholders and payment of consideration thereof will be governed, as applicable, by the guidelines set out by the Reserve Bank of India. On closure of the Offer, depending on response from NRI/OCB/FII shareholders the Company will make necessary application to the Reserve Bank of India, where required.

18 DETAILS OF REGISTRAR TO THE BUY BACK & COLLECTION CENTRES

REGISTRAR TO THE BUY BACK

LINK INTIME INDIA PVT. LIMITED

Unit : Binani Cement Limited – Buyback
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West),
Mumbai- 400 078

Tel.: (022) 2596 0320

Fax: (022) 2596 0329

E-mail: bcloffer@linkintime.co.in

Contact Person: Mr. Nilesh Chalke

COLLECTION CENTRES

The tender forms can be submitted any working day during the period of the Offer i.e. July 27, 2010 and August 10, 2010 (except Saturdays, Sundays & Public Holidays) at collection centres between 11:00 AM to 1:00 PM and 2:00 PM to 4:30 PM:

Address	Contact Person	Contact numbers	Mode of Delivery
C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai 400 078 Email: bcloffer@linkintime.co.in	Mr. Nilesh Chalke	Tel: +91 22 2596 0320 Fax: +91 22 2596 0329	Hand Delivery & / or Registered Post
203, Davar House, Next to Central Camera, D. N. Road, Fort, Mumbai – 400 001	Mr. Vivek Limaye	Telefax: +91 22 2269 4127	Hand Delivery

Note: Shareholders may also send the tender form by registered post acknowledgement due to Registrar to Buyback Offer i.e. Link Intime India Private Limited, by super scribing the envelope as “**BINANI CEMENT LIMITED BUYBACK OFFER**”. The tender form should reach Registrar to Buyback Offer before 4.30 PM on August 10, 2010, failing which the same will be rejected.

RESPONSES SHOULD NOT BE SENT TO THE MANAGER TO THE BUY-BACK OFFER

19 PROCESS AND METHODOLOGY FOR BUYBACK PROGRAMME

- The Company proposes to buy-back 1,45,00,000 fully paid up equity shares of Rs. 10/- each of the company, from the existing owners/ beneficial owners of the equity shares of the company through “Tender Offer Route” in accordance with Sections 77A, 77AA, 77B and other applicable provisions of the Companies Act, 1956 and the SEBI (Buy-Back of Securities) Regulations, 1998 at a price of Rs. 90/- per share payable in cash for an aggregate amount of Rs. 130.50 Crores (Rupees One Hundred Thirty Crores Fifty Lacs Only).
- The buy-back size represents 20.07% of the paid-up equity share capital and free reserves of the company as on 31/03/2010. Total number of equity shares proposed to be bought back is 1,45,00,000 equity shares of Rs. 10/- each being 7.14% of the total paid-up capital of the Company.
- The promoters/promoter group of the Company do not intend to offer any equity shares under the buy-back. The aggregate shareholding of the promoters/promoter group is 13,18,25,956 equity shares of Rs. 10/- each out of total 20,31,01,274 equity shares of Rs. 10/- each i.e. 64.91% of the existing equity share capital of the Company. Assuming response to the Buy Back to the fullest extent, the aggregate shareholding of the promoters/promoter group, post Buy Back will increase to 69.90% of the post Buy Back equity share capital of the Company.

20 PROCEDURE FOR TENDER / OFFER AND SETTLEMENT

- a) The Specified Date for this buy back shall be July 2, 2010. The Letter of Offer and Tender/Offer Form will be mailed to all shareholders of the Company whose names appear on the Register of members of the Company and who are beneficial owner of the shares as per records made available to the Company/ Registrar to the Buy-Back Offer by NSDL/CDSL as on the Specified Date. Shareholders who have obtained delivery of equity shares after the specified date (“unregistered shareholder”)

may submit their responses by Registered Post/ Hand Delivery complete in all respects and relevant share certificates

- b) The Company will not accept any shares for Buy-back, in case of court restraints on transfer/ sale of shares or any caveat noted on the shares.
- c) The Company will consider all the shares tendered for Buy-back by shareholders, for acceptance under the Buy-back Offer, irrespective of whether the shareholder is registered with the Company as on the Specified Date or has obtained delivery after the Specified Date or he/ she holds the shares in street name. In case the tenderer is an unregistered shareholder, he /she should submit the transfer deed complete in all respects, along with the share certificate(s).
- d) The equity shares of the Company are in compulsorily demat segment. The minimum marketable lot for the Shares is one equity share. In case the number of shares offered by the shareholders is more than the total number of shares to be bought back by the Company, the acceptances per shareholder will be on proportionate basis, in accordance with the Regulations i.e. acceptances per shareholder will be equal to the acceptances tendered by the shareholders divided by the total acceptances received and multiplied by the total number of shares to be bought back such that the shares accepted in the Buy Back offer from any shareholder shall not be less than the minimum marketable lot.
- e) In Compliance with Regulation 19(5) of the Buy Back Regulations, the Company will not Buy-Back locked-in / non transferable shares through the present Buy Back offer till the pendency of the lock-in or till the shares become transferable. As on date, there are no equity shares of the company which are under lock-in.
- f) No single offeror can tender shares more than the shares proposed to be bought back and any Tender/Offer Form wherein the number of shares offered by a shareholder exceeds the total number of shares to be bought back will be rejected.
- g) The shareholder should tender only one form, irrespective of the number of folios he holds. Multiple applications tendered by any shareholder shall be liable to be rejected. Also, multiple tenders from the same depository account or same registered folio shall also be liable to be rejected.
- h) The intimation regarding acceptance/non-acceptance of the shares shall be sent by August 20, 2010 and share certificates for the rejected shares will be dispatched to shareholders by August 25, 2010. In case the money payable to a tenderer exceeds Rs. 1500/-, the instrument shall be sent by registered post.
- i) The mode of payment would be by cash and the consideration would be paid by way of any of the recognized modes of payment or by way of Pay order/ demand draft/ warrant.
- j) For modes of payment please refer Para "Payment of Consideration"
- k) Application on plain paper (In case of non-receipt of the Letter of Offer/ Form):
 - a. **In case the Shares are in dematerialized form:** A shareholder may send an application in writing on plain paper stating name, address, number of shares held, Client ID number, DP Name / ID, beneficiary account number, number of equity shares tendered for the Buyback, bank account particulars for the payment of Buyback consideration etc. enclosing a photocopy of the delivery instruction in "Off-market" duly acknowledged by the DP, in favour of the depository account , as detailed herein below, along with other necessary documents.

- b. **In case the Shares are in physical form:** A registered shareholder may send an application in writing on a plain paper signed by all shareholders stating name, address, folio number, number of equity shares held, certificate number, number of equity shares tendered for the Buyback and the distinctive numbers thereof, bank account particulars for payment of consideration, etc. enclosing the original share certificate(s) with valid equity share transfer form(s) duly signed by the transferor(s) and other necessary documents. In the event that the shareholder is unregistered, the application must additionally be accompanied by the original equity share certificate(s) accompanied by valid share transfer form(s) as received from the market, (wherein the name of the transferee has not been filled in), and the original broker contract note of a registered broker of a recognized stock exchange in relation to the purchase of the Shares tendered
- l) The documents should be submitted to the Registrar to the Buyback- Link Intime India Pvt. Limited before the close of business hours on August 10, 2010.
- m) The Regulations do not provide for withdrawal of Forms once they are submitted.
- n) The payment shall be made by default to the sole/first shareholder in the bank account, the details of which are recorded with the company/depository, where such facility is available.
- o) It is mandatory for the shareholders to indicate the bank account details to which the consideration would be payable at the appropriate place in the Tender/Offer Form.
- p) The non receipt of this Letter of Offer by, or accidental omission to dispatch the Letter of Offer to any person who is eligible to receive this Offer, shall not invalidate the Offer in any way.
- q) All documents/remittances sent by or to shareholders will be at their own risk. Shareholders of the Company are advised to adequately safeguard their interest in this regard.
- r) The shareholders should provide all relevant documents, which are necessary to ensure transferability of the Shares in respect of which the Form is being sent.
- Such documents may include (but not be limited to):
- Duly attested death certificate / succession certificate in case any shareholder has expired.
 - Duly attested Power of Attorney, if any person other than the shareholder has signed the Form.
 - In case of companies, the necessary certified corporate authorizations (including Board and / or general meeting resolutions).

FOR SHAREHOLDERS HOLDING SHARES IN PHYSICAL FORM

For Shares held in physical form, by registered shareholders

- a) Registered shareholders holding Shares in physical form are required to enclose the original share certificate(s) and valid equity share transfer form(s) duly signed by the transferor (by all the equity shareholders in case the Shares are in joint names, with the names filled up in the same order in which they hold Shares in the Company) as per the specimen signatures lodged with the Company and duly witnessed at the appropriate place, while submitting the Form(s). The shareholders to whom the Offer is made are free to tender/ offer their shareholding to the Company in whole or part. The Company shall ensure acceptance in full of the entire shares tendered by shareholder being less than the minimum market lot.

- b) Shares held in physical form to the extent not accepted for the Buyback will be returned to the beneficial owner after suitable sub-division, if any, in order to facilitate acceptance of share certificates tendered by them, through registered Post or UPC, at the shareholders' sole risk.
- c) If the Registrar to the Offer does not receive the documents listed above but receives the original share certificates and valid transfer deed from a registered Shareholder, then the Offer will be deemed to have been accepted by such Shareholders.

For Shares held in physical form, by persons not registered as shareholders

- a) Unregistered shareholders who wish to tender their shares in response to the Buyback Offer should send the application in plain paper signed by all shareholders, stating folio number, name, address, number of shares held, share certificate number, distinctive numbers, number of shares tendered for the Buyback and bank account details.
- b) Persons not registered as shareholders are required to enclose with the Form:
- the original equity share certificate(s) accompanied by valid share transfer form(s) as received from the market, wherein the name of the transferee has not been filled in;
 - the original broker contract note of a registered broker of a recognized stock exchange in relation to the purchase of the Shares tendered in this case;
 - in case the share certificate(s) and the transfer deed(s) are lodged with the Company/its Transfer Agents for transfer, then the Form shall be accompanied by the acknowledgement of lodgment with, or receipt by, the Company/its Transfer Agents, of the share certificate(s) and the transfer deed(s).
- c) All transfer requests received by the Company on or before the closure of the Buyback shall be processed by the Registrar to the Buy Back and considered for finalization of the acceptance.
- d) No indemnity is required from persons not registered as shareholders.

FOR SHAREHOLDERS HOLDING SHARES IN DEMATERIALIZED FORM (BENEFICIAL OWNERS)

- a) The Registrar to the Offer has opened a Escrow Depository Account for the purpose of the Buyback. The details of which are as under:

Depository Name	Central Depository Services (I) Ltd.
DP Name	Keynote Capitals Limited
DP ID Number	12024300
Beneficiary Account Number	00018215
Name and style of the Account	Binani Cement Ltd. - Buy Back Escrow Depository A/c

- b) The shareholders to whom the Offer is made are free to tender/ offer their shareholding to the Company in whole or part. Shareholders of the Company who wish to tender / offer their shares in response to this Buy-back offer should deliver the following documents:
- The relevant Tender / Offer Form duly signed (by all shareholders in case the shares are in joint names) in the same order in which they hold the shares.
 - Copy of the delivery instruction issued by shareholders to their DP for transferring the shares tendered or Photocopy of the delivery instructions slip in "off market" or counterfoil of the delivery instructions slip in "off market" mode duly acknowledged by the relevant Depository

Participant. Copy of the delivery instruction should be duly endorsed by the DP of shareholder, to whom the original Delivery instruction should be handed over.

- c) Equity Shareholders having their beneficiary account in NSDL will have to use inter-depository instructions slip for the purpose of crediting their equity shares in favor of the Escrow Depository Account. The ISIN No. allotted to equity shares of BCL is INE042H01019.
- d) Shareholders should also provide all relevant documents in addition to the above documents which may include (but not limited to):
 - Duly attested power of Attorney if any person other than the shareholder has signed the relevant Tender / Offer Form.
 - Duly attested death certificate in case of death of any of the joint holders and succession certificate/probate of will/letter of administration certificate in case of death of sole shareholder.
 - Necessary corporate authorizations, such as Board Resolutions, etc., in case of companies
- e) In case of non-receipt of the aforesaid documents, but receipt of the Shares in the Escrow Depository Account, the Company may deem the Offer to have been accepted by the Shareholder
- f) In case all the shares tendered for Buy-back are accepted by the Company the consideration will be paid directly to the concerned shareholders as specified above.
- g) In case shares tendered for Buy-back are not accepted by the Company or accepted partly, the Company will instruct its DP, to transfer back the balance shares not accepted by way of off-market transfer to the concerned DP of shareholder by August 25, 2010, under intimation to the first named beneficial owner by Registered Post. Consideration in respect of shares accepted would be paid directly to the concerned shareholder as specified above.
- h) In case of non receipt of this Letter of Offer, shareholders may send their application in plain paper in writing signed by all shareholders, stating name, address, number of shares held, Client Id number, DP name, DP Id Number, bank account details, number of shares tendered for Buy-back together with the copy of the delivery instruction issued to the DP (duly endorsed by the DP) and other relevant documents (as mentioned earlier) to the Registrar to the Buy-back Offer- Link Intime India Pvt. Limited.

FOR NON RESIDENT SHAREHOLDERS

1. Non-resident shareholders (excluding FII) should also enclose a copy of the permission, if any, obtained from RBI at the time of making investment in the Company.
2. In case the Shares are held on repatriation basis, the non-resident shareholder should obtain and enclose a letter from its authorized dealer/bank confirming that at the time of acquiring the said Shares, payment for the same was made by the non-resident shareholder from the appropriate account as specified by RBI in its approval. In case the non-resident shareholder is not in a position to produce the said certificate, the Shares would be deemed to have been acquired on non-repatriation basis and in that case the holder shall submit a consent letter addressed to the Company, allowing the Company to make the payment on a non-repatriation basis in respect of the valid shares accepted under the Buyback.
3. If any of the above stated documents, as applicable, are not enclosed along with the Form, the Shares tendered under the Buyback are liable to be rejected.

PAYMENT OF CONSIDERATION

The payment to the shareholders would be done through various modes in the following order of preference.

- a) **National Electronic Clearing System ('NECS')** - Payment of refund would be done through NECS for Shareholders having an account at any of the centres specified by the RBI. This mode of payment of refunds would be subject to availability of complete bank account details including the MICR code from the Depositories
- b) **Electronic Clearing System ('ECS')** - Payment would be done through ECS for Shareholders having an account at any of the following 68 centers: Ahmedabad, Bangaluru, Bhubaneswar, Kolkata, Chandigarh, Chennai, Guwahati, Hyderabad, Jaipur, Kanpur, Mumbai, Nagpur, New Delhi, Patna, Thiruvananthapuram (managed by RBI); Baroda, Dehradun, Nashik, Panaji, Surat, Trichy, Trichur, Jodhpur, Gwalior, Jabalpur, Raipur, Calicut, Siliguri (Non-MICR), Pondicherry, Hubli, Shimla (Non-MICR), Tirupur, Burdwan (Non-MICR), Durgapur (Non-MICR), Sholapur, Ranchi, Tirupati (Non-MICR), Dhanbad (Non-MICR), Nellore (Non-MICR) and Kakinada (Non-MICR) (managed by State Bank of India); Agra, Allahabad, Jalandhar, Lucknow, Ludhiana, Varanasi, Kolhapur, Aurangabad, Mysore, Erode, Udaipur, Gorakpur and Jammu (managed by Punjab National Bank); Indore (managed by State Bank of Indore); Pune, Salem and Jamshedpur (managed by Union Bank of India); Visakhapatnam (managed by Andhra Bank); Mangalore (managed by Corporation Bank); Coimbatore and Rajkot (managed by Bank of Baroda); Kochi/Ernakulum (managed by State Bank of Travancore); Bhopal (managed by Central Bank of India); Madurai (managed by Canara Bank); Amritsar (managed by Oriental Bank of Commerce); Haldia (Non-MICR) (managed by United Bank of India); Vijaywada (managed by State Bank of Hyderabad); and Bhilwara (managed by State Bank of Bikaner and Jaipur). This mode of payment would be subject to availability of complete bank account details including the MICR code as appearing on a cheque leaf, from the Depositories. The payment through ECS is mandatory for Shareholders having a bank account at any of the above mentioned 68 centers, except where the Shareholder, being eligible, opts to receive payment through direct credit or RTGS.
- c) **Direct Credit** - Shareholders having bank accounts with the Escrow Agent, as mentioned in the Tender Form, shall be eligible to receive payments through direct credit. Charges, if any, levied by the Escrow Agent for the same would be borne by the Company.
- d) **Real Time Gross Settlement ('RTGS')** - Shareholders having a bank account at any of the abovementioned 68 centres and whose amount exceeds Rs. 10 Lacs, have the option to receive the payment through RTGS. Such eligible Shareholders who indicate their preference to receive payment through RTGS are required to provide the IFSC code in the Form of Acceptance-cum-acknowledgement form. In the event the same is not provided, payment shall be made through ECS. Charges, if any, levied by the Escrow Agent for the same would be borne by the Company. Charges, if any, levied by the Shareholder's bank receiving the credit would be borne by the Shareholder.
- e) **National Electronic Fund Transfer ('NEFT')** - Payment shall be undertaken through NEFT wherever the Shareholder's bank has been assigned the Indian Financial System Code ('IFSC'), which can be linked to a MICR, if any, available to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment, duly mapped with MICR numbers. Wherever the Shareholders have registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with

the IFSC Code of that particular bank branch and the payment will be made to the Shareholder through this method. The process flow in respect of payments by way of NEFT is at an evolving stage and hence use of NEFT is subject to operational feasibility, cost and process efficiency. In the event that NEFT is not operationally feasible, the payment would be made through any one of the other modes as discussed above.

- f) For all other Shareholders, including physical Shareholders and those who have not updated their bank particulars with the MICR code, the payments will be despatched under certificate of posting for value upto Rs. 1,500/- and through Speed Post/ Registered Post for payments above Rs. 1,500/-. Such payments will be made by pay orders or demand drafts drawn on the Escrow Agent and payable at par. Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centres will be payable by the Shareholders.

21 NOTE ON TAXATION

21.1 For Shareholders: As per Section 46A of the Income Tax Act, 1961 the difference between the cost of acquisition of shares bought back by the Company and the value of Buy-back consideration received by shareholder(s) for the same shall be chargeable to tax as "capital gains". Shareholders are advised to consult their tax consultants for treatment that may be given by the Income Tax Authorities.

21.2 Company: There are no specific tax benefits to the Company on account of Buy-back.

Other Tax Matters

- a) While tendering Equity Shares under the Offer, Non-Resident Indians ("NRIs"), Overseas Corporate Bodies ("OCBs") and other non-resident shareholders will be required to submit RBI's approval (specific or general) that they would have obtained for acquiring the equity shares of the Company. In the event that the previous RBI approvals are not submitted, the Company reserves the right to reject such tendered equity shares.
- b) While tendering their Equity Shares under the Offer, NRIs, OCBs and other non-resident shareholders will be required to submit a Tax Clearance Certificate ("TCC") or Certificate for Deduction of Tax at Lower Rate from the Income-tax authorities under the Income Tax Act, 1961 indicating the amount of tax to be deducted by the Company before remitting the consideration, failing which the Company will arrange to deduct tax at the maximum marginal rate as may be applicable to the relevant category to which the shareholder belongs under the Income Tax Act, 1961, on the entire consideration amount payable to such shareholder.
- c) As per the provisions of Section 196D (2) of the Income Tax Act, 1961, no deduction of tax at source will be made from any income by way of capital gains arising from the transfer of securities referred to in Section 115AD of the Income Tax Act, 1961 to a Foreign Institutional Investor as defined in Section 115AD of the Income Tax Act, 1961. However the interest payment for delay in payment of consideration, if any, will not be governed by this provision. For interest payments, if any, NRIs, OCBs and other non-resident shareholders will be required to submit a TCC or Certificate for Deduction of Tax at Lower Rate from the Income-tax authorities under the Income-tax Act, 1961 indicating the amount of tax to be deducted by the Company before remitting the consideration, failing which the Company will arrange to deduct tax at the maximum marginal rate as may be applicable to the relevant category to which the shareholder belongs under the Income Tax Act, 1961, on the entire consideration amount payable to such shareholder.
- d) In case of resident shareholders, tax will be deducted on the interest component exceeding Rs. 5,000/- at the applicable current prevailing rates. If the resident Shareholder requires that no tax is to be deducted or tax is to be deducted at a lower rate than the prescribed rate, such Shareholders will be required to submit a NOC or TCC or Certificate for Deduction of Tax at

Lower Rate from the Income-tax authorities under the Income-tax Act, 1961 indicating the amount of tax to be deducted by Acquirer or a self-declaration in form 15G of Form 15H as may be applicable. Shareholders eligible to receive interest component exceeding Rs. 5,000/- would be required to submit their Permanent Account Number for income tax purposes. Clauses relating to payment of interest will become applicable only if the Company becomes liable to pay interest for delay in release of purchase consideration.

Shareholders are advised to consult their tax advisors for their taxability or any other procedural aspects including the treatment that may be given by their respective Assessing Officers in their case, and the appropriate course of action that they should take. The Company and the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of such advice.

22 DECLARATION BY THE BOARD OF DIRECTORS

The Board of Directors confirm that there have been no defaults subsisting in repayment of deposits, redemption of debentures or preference shares or repayment of term loans to any financial institutions or banks by the Company.

The Board of Directors confirm that on the basis of a full enquiry into the affairs and prospects of the Company, it has formed the opinion-

- That immediately following the date on which the meeting of Board of Directors in convened, there will be no grounds on which the Company could be found unable to pay its debts;
- As regards its prospects for the year immediately following that date, that having regard to their intentions with respect to the management of the Company's business during that year and to the amount and character of the financial resources which will in their view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from that date; and
- In forming their opinion for the above purposes, the directors have taken into account the liabilities as if the Company were being wound up under the provision of the Companies Act, 1956 (including prospective and contingent liabilities).

This declaration is made and issued under the authority of the Board in terms of the resolution passed at the meeting held on June 15, 2010.

For and on behalf of the Board of Directors of Binani Cement Limited

Sd/-
Braj Binani
Chairman

Sd/-
M.K. Chattopadhyaya
Director

23 AUDITORS CERTIFICATE

The text of the report dated 23rd April 2010 received from M/s Kanu Doshi & Associates, Chartered Accountants (Membership number of Mr. Mihir Hindocha, partner is 112766), the statutory auditors of the Company, addressed to the Board of the Directors is reproduced below:

"In connection with the proposed Buyback of Equity shares approved by the Board of Directors of Binani Cement Limited (the "Company") at its meeting held on April 23,2010 in pursuance of the provisions of Section 77A, 77AA and 77B of the Companies Act, 1956 and the Securities and Exchange Board of India (Buy-back of Securities) Regulations,1998 and based on the information and the explanations given to us, we report that;

- i. We have inquired into the state of affairs of the Company in relation to its audited accounts as on March 31, 2010 which was taken on record by the Board of Directors at their meeting held 23rd April, 2010;
- ii. The Board of Directors of the Company has proposed to Buyback the Company's equity shares to the extent of Rs. 130.50 Crores at a price not exceeding Rs 90 per share. The amount of permissible capital payment (including premium) of an amount not exceeding Rs.130.50 crores (Rs. One Hundred Thirty Crores and Fifty Lakhs only) towards Buy-back of Equity Shares, has been properly determined in accordance with Section 77A(2)(c) of the Companies Act, 1956 and is less than 25% of the Fully Paid-up Equity Capital and Free Reserves of the Company, as computed below:

Sr. No	Particulars	Amount (Rs crores)
1.	Capital Structure	
	- Equity Capital	203.10
	- Preference Capital	Nil
2.	Free Reserves	
	- Securities Premium	Nil
	- General Reserve	69.33
	- Profit & Loss Account	377.72
	TOTAL	650.15
	MAXIMUM BUY BACK AMOUNT	162.54

- iii. The Board of Directors in their meeting held on April 23, 2010 have formed the opinion as specified in Clause (x) of Schedule I of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 1998 on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the date of the Special Resolution for the purpose of the Buy-back.
- iv. This certificate has been prepared for and only for the Company and is in reference to proposed Buy-back of equity shares by the Company in pursuance of the provisions of Section 77A, 77AA, 77B of the Companies Act 1956 and the Securities and Exchange Board of India (Buy-back of Securities) Regulations 1998 and for no other purpose.

We do not accept or assume any liability or duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior written consent in writing."

24 DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection at the Registered Office of the Company at 706, Om Tower, 32, Chowringhee Road, Kolkatta – 700 071 and also at the Corporate Office of the Company at Mercantile Chambers, 12, J.N. Heredia Marg, Ballard Estate, Mumbai – 400 001 between 10 a.m. and 4.30 p.m. on all working days (Monday to Friday) during the offer period:

1. Copy of MOU dated June 08, 2010 between Keynote Corporate Services, Manager to the Buy-Back Offer and the Company.
2. Copy of MOU dated May 26, 2010 between the company and Link Intime India Pvt. Ltd., Registrar to the Buy-Back Offer.

3. Copy of Escrow Agreement dated June 15, 2010 between Binani Cement Limited, Keynote Corporate Services Limited and YES Bank Limited.
4. Certificate of Incorporation of Binani Cement Limited.
5. Memorandum and Articles of Association of Binani Cement Limited.
6. Annual report of Binani Cement Limited for the years 2009-10, 2008-09 and 2007-08.
7. Copy of report dated April 23, 2010 received from M/s. Kanu Doshi Associates, Chartered Accountants and Statutory Auditors of the company, in terms of Schedule I (xi) and Schedule III (24) of the Buy-Back Regulations
8. Copy of resolution passed by the Board of Directors at the meeting held on April 23, 2010.
9. Copy of Special Resolution passed by the members of the Company in terms of provisions of Section 192A of the Companies Act, 1956 read with Companies (Passing of Resolutions by Postal Ballot) Rules, 2001 results of which were declared on June 15, 2010.
10. Copy of Declaration of solvency and an affidavit verifying the same as per Form 4A of the Companies (Central Governments) General Rules and Forms, 1956.
11. Copy of Networth Certificate dated June 15, 2010 of Binani Cement Limited issued by M/s. Kanu Doshi Associates, Chartered Accountants and Statutory Auditors of the company.
12. Copy of Public Announcement published in the newspapers on June 16, 2010 regarding buy-back of equity shares.
13. SEBI observation letter no. CFD/DCR/SKS/SG/11594/10 dated July 09, 2010

25 COMPLIANCE OFFICER AND INVESTOR SERVICE CENTRE

Mr. Atul Falgunia
V. P. Secretarial & Company Secretary
Binani Cement Limited
Mercantile Chambers, Ground Floor,
12, J.N. Heredia Marg, Ballard Estate,
Mumbai – 400 001.
Tel: 022-3026 3019; **Fax:** 022-2263 4960
E.Mail: atul@binani.net

Investor Service Centre is at the aforementioned address.

In case of any queries the Shareholders may contact the compliance officer of the Company at the above address on any working day (except Saturday, Sunday and Public Holidays) between 10.30 a.m. and 5.00 p.m.

26 DETAILS OF THE REMEDIES AVAILABLE TO THE SHAREHOLDERS/ BENEFICIAL OWNERS

- In case of any guidance relating to the buy back (i.e.: non-receipt of buy back consideration, share certificate, demat credit, etc.) the investor can approach the Compliance Officer for redressal.
- If the Company makes any default in complying with the provisions of Section 77A of the Act or any rules made thereunder, or any regulation made under clause (f) of sub-section (2) of Section 77A, the

Company or any officer of the Company who is in default shall be punishable with imprisonment for a term which may extend to two years or with a fine which may extend to Rs.50,000 or both.

- The address of the concerned office of the Registrar of Companies is the Registrar of Companies, Nizam Palace, Acharya Jagdish Chandra Bose Road, Kolkata – 700 020, West Bengal.

27 DETAILS OF THE MANAGER TO THE BUY BACK

The Company has appointed the following as Manager to the Buyback:

KEYNOTE

CORPORATE SERVICES LTD

KEYNOTE CORPORATE SERVICES LTD.

4th Floor, Balmer Lawrie Building,

5, J.N.Heredia Marg,

Ballard Estate, Mumbai – 400001.

Tel.: (022) 30266000-3; **Fax:** (022) 22694323

E-mail: mbd@keynoteindia.net

28 DECLARATION BY THE BOARD OF DIRECTORS REGARDING AUTHENTICITY OF THE INFORMATION IN THE LETTER OF OFFER

The Board of Directors of the Company accept full responsibility for the information contained in this offer document. This offer document is issued under the authority of the Board of Directors in terms of the resolution passed by the Board on April 23, 2010 and Committee of Board of Directors in their meeting held on June 15, 2010 and July 14, 2010.

By Order of the Board

For and on Behalf of Board of Directors of Binani Cement Limited

Sd/-

Dr. V. C. Shah

Director

Sd/-

M.K. Chattopadhyaya

Director

COMPANY SECRETARY

Sd/-

Atul Falgunia

V. P. Secretarial & Company Secretary

Place: Mumbai

Date: July 14, 2010

Binani

BRAJ BINANI GROUP

**BINANI CEMENT LIMITED
BUY BACK TENDER / OFFER FORM****(Please read "instructions" overleaf before filling this form)
(For SHAREHOLDERS HOLDING SHARES IN PHYSICAL FORM)**To,
Board of Directors
Binani Cement Limited

706, Om Tower, 32, Chowringhee Road, Kolkata- 700 071

**OFFER OPENS ON : TUESDAY, JULY 27, 2010
OFFER CLOSES ON : TUESDAY, AUGUST 10, 2010**

Date: _____

Dear Sirs,

REF. : LETTER OF OFFER DATED JULY 14, 2010 TO BUY BACK SHARES OF BINANI CEMENT LIMITED

- I/We (having read and understood the Letter of Offer dated July 14, 2010) hereby tender / offer my/our shares in response to the buy back offer on the terms and conditions set out below and in the Letter of Offer.
- I/We, authorize the company to buy back the shares offered and as a consequence to extinguish the share certificates.
- I/We hereby warrant that the shares comprised in this tender / offer are offered for Buy back by me / us free from all liens, equitable interest, charges and encumbrance.
- I/We declare that there are no restraints / injunctions or other order of any nature which limits / restricts in any manner my /our right to tender shares for buy back and that I /we am/are legally entitled to tender the shares for buy back.
- I/We agree that the company is not obliged to accept any shares offered for Buy back where loss of share certificates has been notified to the company.
- I/We agree that the company will pay the offer price only after due verification of the validity of the documents and signatures and that the consideration be paid to the first named shareholder.
- I/We undertake to return to the company any buy back consideration that may be wrongfully received by me/us.
- I/We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my/our tender /offer and agree to abide by any decision that may be taken by the company to effect the buy back in accordance with the Act and the Regulations.
- I/We authorize the company to split the share certificate and issue new consolidated certificate for the unaccepted shares in case the shares accepted by the company are less than the shares tendered in the buy back due to oversubscription.
- I/We understand that in case of any discrepancies/ incomplete/ incorrect details in this form, the Company/ Registrar to Offer have right to reject the Tender Form and shares offered therein.
- Details of shares held and offered for Buy back :

	In figures	In Words
a) Number of Shares held		
b) Number of shares offered for Buy back		
	Total No. of Certificate submitted	

12. Details of Share Certificate(s) enclosed :

Sr. No.	Folio No.	Share Certificate No.	Distinctive No(s)		No. of Shares
			From	To	
1					
2					
3					
4					
Total					

In case the number of share certificates enclosed exceed 4 nos., please attach a separate sheet giving details in the same format as above.

13. Details of other documents (please tick appropriately), if any, enclosed :

Corporate Authorisation Death Certificate Succession Certificate Power of Attorney
 Any Other, please specify _____

14. Details of Bank Account of the Sole /First shareholder to be incorporated in the consideration warrant (to be mandatorily filled)

Name of the Bank	Branch and City	Account Number (Indicate type of account)	IFSC Code (For RTGS /NEFT

Yours faithfully,

	Sole / First Shareholder	Second holder (if any)	Third holder (if any)
Name in Full			
PAN			
*Signature duly attested by the Manager of your Bank.			
Address of the Sole / First Shareholder			
Telephone No. / E Mail			

*(as per specimen recorded with the company)

ACKNOWLEDGEMENT (to be filled by the shareholder)

Folio No: _____

LINK INTIME INDIA PVT. LTD.

Sr No: _____

Unit: Binani Cement Limited – Buy Back Offer

C- 13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (West), Mumbai- 400 078

Received from Mr./Ms. _____ Address _____

Number of Shares tendered (in figures) _____ (in words) _____

Number of Share Certificates Submitted (in figures) _____ (in words) _____

Stamp of Registrar	Signature of Official	Date of Receipt

For Collection Centre use			
Centre Code	Inward No.	Date	Stamp

INSTRUCTIONS

1. This Offer will open on July 27, 2010 and close on August 10, 2010, the last date for tendering the shares.
2. This Tender / Offer Form has to be read along with the Letter of Offer and is subject to the terms and conditions mentioned in the Letter of Offer and this Tender / Offer Form. If you are holding the equity shares of Binani Cement Limited in dematerialised form, please use separate forms for the "dematerialised shares" enclosed with this Letter of Offer.
3. Shareholders who wish to tender / offer their shares in response to this Buy back Offer should deliver the following documents so as to reach before the close of business hours of the respective Collection Centres (as mentioned in the Letter of Offer) on or before August 10, 2010. Shareholders residing at locations other than collection center should send their response to the Registrar to the Buy back Offer, Link Intime India Pvt. Ltd. by registered post or courier or by hand.
 - The relevant Tender / Offer Form duly signed (by all shareholders in case shares are in joint names) in the same order in which they hold the shares.
 - Original Share certificate(s).
4. Shareholders should also provide all relevant documents in addition to the above documents. Such may include (but not limited to):
 - Duly attested Power of Attorney if any person other than the shareholder has signed the relevant Tender / Offer Form.
 - Duly attested death certificate in case of death of any of the joint holders / succession certificate/ probate of will/letter of administration in case of death of sole shareholder.
 - Necessary corporate authorizations, such as Board Resolutions, etc. in case of companies.
5. Shareholders to whom this Offer is made are free to tender / offer their shareholding to the company in whole or in part.
6. In case on non-receipt of this Letter of Offer, shareholders may send their application in plain paper in writing signed by all shareholders, stating folio number, name, address, number of shares held, share certificate number, distinctive numbers, number of shares tendered for Buy back, Bank account details together with the original share certificates and other relevant documents to the Registrar to the Buy back offer.
7. It is mandatory for shareholders to indicate the bank account details to which the consideration would be payable at the appropriate place in the Tender / Offer Form.
8. All documents / remittances sent by or to shareholders will be at their own risk. Shareholders of the company are advised to safeguard adequately their interests in this regard.
9. If the Registrar to the Offer does not receive the documents listed above but receives the original share certificates and valid transfer deed from a registered Shareholder, then the Offer will be deemed to have been accepted by such Shareholders.

Note: Any shareholder should tender only one form, irrespective of the number of folios he holds. Multiple applications tendered by any shareholder shall be liable to be rejected. Also, multiple tender from the same depository account or same registered folio shall also be liable to be rejected

ALL FUTURE CORRESPONDENCE IN CONNECTION WITH THIS BUY-BACK OFFER SHOULD BE ADDRESSED TO THE REGISTRAR TO THE BUY BACK OFFER, LINK INTIME INDIA PVT. LIMITED.

Binani

BRAJ BINANI GROUP

**BINANI CEMENT LIMITED
BUY BACK TENDER / OFFER FORM****(Please read "instructions" overleaf before filling this form)
(For SHAREHOLDERS HOLDING SHARES IN DEMATERIALIZED FORM)**To,
Board of Directors
Binani Cement Limited

706, Om Tower, 32, Chowringhee Road, Kolkata- 700 071

**OFFER OPENS ON : TUESDAY, JULY 27, 2010
OFFER CLOSES ON : TUESDAY, AUGUST 10, 2010**

Date: _____

Dear Sirs,

REF : LETTER OF OFFER DATED JULY 14, 2010 TO BUY BACK SHARES OF BINANI CEMENT LIMITED

- I/We (having read and understood the Letter of Offer dated July 14, 2010) hereby tender / offer my/our shares in response to the buy back offer on the terms and conditions set out below and in the Letter of Offer.
- I/We, authorize the company to buy back the shares offered (as mentioned below) and to issue instruction to Link Intime India Pvt. Limited to extinguish the shares through an off market transfer.
- I/We hereby warrant that the shares comprised in this tender / offer are offered for Buy back by me / us free from all liens, equitable interest, charges and encumbrance.
- I/We declare that there are no restraints / injunctions or other orders of any nature which limits / restricts in any manner my /our right to tender shares for buy back and that I /we am/are legally entitled to tender the shares for buy back.
- I/We agree that the company will pay the offer price only after due verification of the validity of the documents and that the consideration be paid to the first named shareholder.
- I /We undertake to return to the company any buy back consideration that may be wrongfully received by me/us.
- I/We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my/our tender /offer and agree to abide by any decision that may be taken by the company to effect the buy back in accordance with the Act and the Regulations.
- I/We understand that in case of any discrepancies/ incomplete/ incorrect details in this form, the Company/ Registrar to Offer have right to reject the Tender Form and shares offered therein.
- Details of shares held and offered for Buy back :

	In figures	In Words
a) Number of Shares held		
b) Number of shares offered for Buy back		

10. Details of account with Depository Participant

Name of the Depository (tick whichever is applicable)	NSDL	CDSL
Name of the Depository Participant		
DP ID		
Client ID with the DP		

11. I/We hereby declare that we have instructed the above mentioned DP, with whom, I/we hold an account to transfer the number of shares as mentioned under serial number 9(b) above to Binani Cement Ltd. - Buy Back Escrow Depository A/c, DP Id No.: 12024300 held with Keynote Capitals Limited, Beneficiary Account Number: 00018215., Depository Name: Central Depository Services (I) Ltd. A copy of delivery instruction issued to the DP, duly endorsed by the DP is enclosed.

12. Details of other documents (please tick (✓) appropriately), if any, enclosed :

Corporate Authorisation
 Death Certificate
 Succession Certificate
 Power of Attorney
 Any Other, please specify _____

13. Details of Bank Account of the Sole /First shareholder to be incorporated in the consideration warrant (to be mandatory filled)

Name of the Bank	Branch and City	Account Number (Indicate type of account)	IFSC Code (For RTGS /NEFT)

14. Shareholder(s) details (Signature (s) as per specimen recorded with the company)

	Sole / First Shareholder	Second Holder (if any)	Third Holder (if any)
Name in Full			
PAN			
Signature*			

Address of the Sole / First Shareholder	
Telephone No. / E Mail	

* Corporate must affix rubber stamp.

ACKNOWLEDGEMENT (to be filled by the shareholder)

Sr No: _____

LINK INTIME INDIA PVT. LTD.**Unit: Binani Cement Limited – Buy Back Offer**

C- 13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (West), Mumbai- 400 078

Received from Mr./Ms. _____ Address _____

DP ID No. _____ Client ID No. _____

Number of Shares offered for buyback (in figures) _____ (in words) _____

Please quote Client ID & DP No. for future correspondence

Stamp of Registrar		Signature of Official		Date of Receipt	
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For Collection Centre use			
Centre Code	Inward No.	Date	Stamp

INSTRUCTIONS

1. This Offer will open on July 27, 2010 and close on August 10, 2010 (the last date for tendering the shares).
2. This Tender / Offer Form has to be read along with the Letter of Offer and is subject to the terms and conditions mentioned in the Letter of Offer. If you are holding the equity shares of Binani Cement Limited in physical form, please use separate forms for the "physical shares" enclosed with this Letter of Offer.
3. The Company has opened separate Depository Account for the benefit of the shareholders/beneficial owners who wish to participate in the said buyback. The shareholders/beneficial owners maintaining account with DP of NSDL shall use the information contained in the Table A. Details of the account opened with Depository Participants (DP) are given below:

TABLE A

Depository Name	Central Depository Services (I) Ltd.
DP Name	Keynote Capitals Limited
DP ID Number	12024300
Beneficiary Account Number	00018215
Name and style of the Account	Binani Cement Ltd. - Buy Back Escrow Depository A/c

4. Shareholders of the company who wish to tender / offer their shares in response to this Buy back Offer should deliver the following documents so as to reach before the close of business hours on or before August 10, 2010 to the Registrar to the Offer – Link Intime India Pvt. Ltd by registered post or courier or by hand at the address mentioned in the Letter of Offer.
The relevant Tender / Offer Form duly signed (by all shareholders in case shares are in joint names) in the same order in which they hold the shares.
Copy of delivery instruction issued by shareholders to their DP for transferring the shares tendered for Buy-back, to the Company's DP account opened with the aforementioned DPs. Copy of the delivery instruction should be duly endorsed by the DP of shareholder, to whom the original delivery instruction should be handed over.
5. For shareholders maintaining account with DP of NSDL: - Please use Inter depository instruction slip / Option while filling the delivery instruction. In the delivery instruction please use the "For Off-Market Trades (Receiver Details)" box. Fill in "Keynote Capitals Limited" against DP Name, "12024300" against the DP ID, "00018215" against Beneficiary Account Number and "Binani Cement Ltd. - Buy Back Escrow Depository A/c" against Account Name. The date of execution entered in the delivery instruction should be on or after the date of opening of the offer and on or before the last date of submission of the Tender / Offer Form to the Registrar to the Offer, but not in any case later than the date of Closure of the Offer.
6. In case of non-receipt of the Letter of Offer, shareholders may send their application in plain paper in writing signed by all shareholders stating name, address, number of shares held, Client ID, DP Name, DP ID, number of shares tendered for Buy back, Bank account details together with a copy of the delivery instruction issued to the DP (duly endorsed by the DP) and other relevant documents to the Registrar to the Buy back offer, Link Intime India Pvt. Ltd
7. Shareholders should also provide all relevant documents in addition to the above documents which may include (but not limited to):
 - Duly attested power of Attorney if any person other than the shareholder has signed the relevant Tender / Offer Form.
 - Duly attested death certificate in case of death of any of the joint holders and succession certificate/probate of will/letter of administration certificate in case of death of sole shareholder.
 - Necessary corporate authorizations, such as Board Resolutions, etc., in case of companies
8. Shareholders to whom this Offer is made are free to tender / offer their shareholding to the company in whole or in part.
9. It is mandatory for shareholders to indicate the bank account details to which the consideration would be payable at the appropriate place in the Tender / Offer Form.
10. All documents / remittances sent by or to shareholders will be at their own risk. Shareholders of the company are advised to safeguard adequately their interests in this regard.
11. In case of non-receipt of the aforesaid documents, but receipt of the Shares in the Escrow Depository Account, the Company may deem the Offer to have been accepted by the Shareholder

Note: Any shareholder should tender only one form, irrespective of the number of folios he holds. Multiple applications tendered by any shareholder shall be liable to be rejected. Also, multiple tender from the same depository account or same registered folio shall also be liable to be rejected

ALL FUTURE CORRESPONDENCE IN CONNECTION WITH THIS BUY-BACK OFFER SHOULD BE ADDRESSED TO THE REGISTRAR TO THE BUY BACK OFFER, LINK INTIME INDIA PVT. LTD QUOTING YOUR CLIENT ID & DP ID.

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