BURNPUR CEMENT LTD

Palashdiha, Panchgachhia Road, Kanyapur, Asansol – 713341
Phone: (0341) 2250665, E-mail: ho@burnpurcement.com

Notice

Notice is hereby given that an **Extra Ordinary General Meeting** of the members of Burnpur Cement Ltd. will be held on Monday the 25th Day of February, 2013 at Asansol Club Ltd. Court Compound, Asansol - 713304 (West Bengal) at 2.00 P.M. to transact the following Business:

Item No 1, Issue of Warrants

To consider and if thought fit to pass with or without modification the following resolution as **Special Resolution:**

"RESOLVED THAT pursuant to provision of section 81(1A) and all other applicable provisions, if any of the Companies Act, 1956 (including any amendment thereto and any re-enactment thereof) (herein after referred to as "the Act") and subject to enabling provisions of the Memorandum and Article of Associations of the Company, the Listing Agreements entered into by the Company with the Stock Exchanges where the shares of the Company are listed and in accordance with the applicable Guidelines/Regulations issued by the Securities and Exchange Board of India ("SEBI") , the Reserve Bank of India ("RBI") , Government of India ("GOI") or any other relevant authority and clarifications thereon issued from time to time , if any , and subject to all such Statutory, Regulatory and Government approval and subject to such conditions and modifications as may be prescribed and imposed by any of them while granting such approvals, permissions or sanctions, which may be agreed to by the Board of Directors or any committee thereof (herein after referred to as the "Board") , the consent of the Shareholders be and is hereby accorded to the Board to offer and / or allot upto 1,00,00,000 (One crore) Convertible Warrants (**Convertible Warrants No. 3**) with an option to subscribe upto 1,00,00,000 (One crore) equity shares of Rs. 10/- each of the Company by way of Preferential Allotment basis to the persons mentioned in the following table Viz:

Serial No.	Persons	Number of Convertible Warrants No.1	Category of the Investor
1	Solex Finance Pvt. Ltd.	25,00,000	Non Promoter
2	Imtihan Distributors Private Ltd.	20,00,000	Non Promoter
3	Grade Merchandise Private Ltd.	25,00,000	Non Promoter
4	Altimate Vyapar Pvt. Ltd.	12,00,000	Non Promoter
5	North East Tradelink Pvt. Ltd.	15,00,000	Non Promoter
6	Rashmi Modi	3,00,000	Non Promoter
	Total	**1,00,00,000**	

whether or not such person (s) are members of the company in such manner and upon such conditions as are hereinafter contained:

i. The options to the persons as aforesaid may be offered by way of Convertible Warrants No-3 which would be convertible into an exchangeable with Equity Shares of Rs. 10/- (Rupees Ten Only) each of the Company at a price of Rs. 10.00 (Rupees Ten Only) determined as per Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended till date.

ii. The issue on subscription price of equity shares arising out of exchange against such Convertible Warrants No. 3 shall be of Rs. 10.00 (Rupees Ten Only) face value per share. On allotment of the Convertible Warrants No. 3 the Allottees of Convertible Warrants No. 3 shall be liable to pay Rs.2.50 (Rupees Two and Fifty paise Only) per Convertible Warrants No. 3 being not less than 25% of the price fixed for the shares arising out of / exchanged with such Convertible Warrants No. 3. The amount so collected shall be adjusted against the price payable subsequently for subscribing the shares by exercising the options.

iii. The holder of each Convertible Warrant No. 3 shall before the respective date of conversion, pay the balance 75% of the consideration towards subscription to each Equity Share.

iv. The relevant date for the purpose of pricing of issue of shares in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended till date be fixed as 25th January, 2013 (26th January being the 30th day prior to 25th February, 2013) i.e. the 30 days prior to the date on which the meeting of the general body of shareholder is held, in terms of section 81(1A) of the Companies Act, 1956 to consider the proposed issue.)

v. The holder of each such Convertible Warrant No. 3 shall be entitled to apply for and obtain at their sole discretion one Equity Shares of Rs. 10.00 (Rupees Ten Only) each at a price of Rs. 10.00 (Rupees Ten Only) per share on the date or date(s) within 18 months from the date of allotment of Convertible Warrants No. 3 as may be decided by the Board. If such option is not exercised in the manner prescribed within the aforesaid period. The Convertible Warrants No. 3 shall be lapsed to the extent of the shares not so taken and the amount paid on the allotment of such Convertible Warrant No. 3 shall be forfeited.

vi. The option attached to the Convertible Warrant No. 3 shall not be transferred or otherwise disposed off to any other person/third party.

vii. The aggregate of warrants to be subscribed by the persons mentioned in the above table shall not exceed 1,00,00,000 (One Crore).

viii. The Equity Shares allotted pursuant to exercise of options attached to the Warrants No. 3 shall be locked in for a period of one year from the date of their allotment.

The new Equity Shares arising out of or exchanged with the Convertible Warrant No. 3 shall be subject to the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respect with the existing issued and subscribed Equity Shares of the Company.

RESOLVED FURTHER THAT

a) the Board be and is hereby authorized to decide and approve the other terms and conditions of the issue of the Convertible Warrant No. 3 and/or shares and also shall be entitled to vary, modify or alter any of the terms and conditions, as it may deem expedient, subject however to the compliance with the applicable guidelines, notifications, rules and regulations. The offer, issue & allotment of the aforesaid Convertible Warrant No. 3 shall be completed within fifteen days from the date of passing of Special Resolution or receipt of approval from the Regulatory Authority, if any, whichever is later.

b) The Board be and is hereby authorized to accept any amendments, modifications, variations and alterations as the GOI/RBI/SEBI or any other regulatory authority may stipulate in that behalf.

c) The Board be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution to any Director or Directors or to any Committee of Directors of the Company to give effect to the aforesaid resolution.

d) For the purpose of giving effect to this Resolution, the Board be and is hereby authorised to take such steps and to do all such acts, deeds and things as the Board may, in its absolute discretion, consider necessary, expedient, usual, proper or incidental to this resolution and to settle any question, remove any difficulty or doubt that may arise from time to time in relation to the offer, issue and allotment of the shares and utilization of the issue proceeds of the shares, to prescribe the forms of application, enter into any agreements or other instruments, and to take such actions or give directions as they may consider as being necessary or desirable and to obtain any approvals, permissions, sanctions which may be necessary and desirable, as they may deem fit."

Place: Kolkata
Date: 25.01.2013

By order of the Board
For Burnpur Cement Limited

S S Panigrahi
Company Secretary

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Notes:

1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.
2. The instrument appointing Proxies should be deposited at the Registered Office of the Company not less **than 48 hours** before the time fixed for the commencement of the meeting i.e. **by 2:00 P. M. on 25th February, 2013.**
3. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 relating to the items of Special Business to be transacted at the meeting is annexed herewith.
4. Copies of Memorandum & Articles of Association of the Company, the Certificate of the Statutory Auditors of the Company, certifying that the Preferential Issue of Share Warrants proposed pursuant to the Special Resolution at item No. 1 are in accordance with the requirements contained in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended till date, shall be open for inspection of the members of the Company on any working day during 11.00 am to 2.00 pm. Up to the date of the meeting at the Registered Office of the Company and also at the meeting.

Explanatory Statement u/s 173(2) of the Companies Act, 1956.

Item No 1

(a) The same resolution was passed by the share holders in the AGM dated 28th September, 2012 but due to some technical reason it was advised by the stock exchanges (BSE & NSE) the said resolution required fresh approval from share holders in the General Meeting.

(b) The Management is expecting that extra fund may be required for the patratu project in the future, keeping in mind that situation they have proposed to issue warrant on preferential basis to non promoter. Therefore your Board in its meeting held on 25th January, 2013 subject to approval by the company in General Meeting of share holders of the Company and requisite statutory approvals, and subject to negotiation and execution of appropriate legal documentation and fulfillment of the conditions mentioned therein has proposed to offer for subscription by way of Preferential Allotment up to 1,00,00,000 (One Crore) Convertible Warrants with an option to subscribe upto 1,00,00,000 Equity Shares of Rs. 10/- (Rupees Ten Only) each of the Company at a price of Rs. 10.00 (Rupees Ten Only) per share against the said Convertible Warrants aggregating to Rs. 10,00,00,000/- (Rupees Ten Crore).

The Special Resolutions has been proposed under the provisions of 81(1A) of the Companies Act, 1956 ("the Act") in view of the fact that the shares will be offered to person who may or may not be the existing members.

As per the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 for preferential issue, an issue of shares / Convertible Warrants on a preferential basis can be made only at a price which is not less than the higher of the following:

(i) The average of the weekly high and low of closing prices of the share quoted on the stock exchange during the six months preceding the "relevant date".

(ii) The average of the weekly high and low of the closing prices of the shares quoted on the stock exchange during the two weeks preceding the "relevant date".

The "relevant date" for the above purpose means the date thirty days prior to the date on which the Extra Ordinary General Meeting is held to consider the proposed issue under section 81(1A) of the Act. As the date of Extra Ordinary General Meeting of share holders is 25th February, 2013 the relevant date is 25th January, 2013.

A copy of the certificate from the Statutory Auditors of the Company, certifying that the issue of Convertible Warrants is being made in accordance with the requirements of SEBI's Regulations for preferential Issue as contained in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, shall be placed before the shareholders at the Extra Ordinary General Meeting.

The Board believes that the proposed offer to the persons stated in Resolution No. 1 will be in the best interest of the Company and its members.

None of the Directors in any way are concerned or interested in the proposed resolution.

Please refer below to the information as required under Regulation 73 (1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 for Preferential Issue.

1. **Objects of the Preferential Issue:**

   The objects of the issue is to part finance its ongoing setting up of 800 TPD Integrated Cement Plant at Patratu, Jharkhand

2. **None of the Promoters, Directors or Key Managerial Personnel will subscribe to the proposed Preferential Issue.**

3. Shareholding pattern before and after the Preferential Issue:

Share holding pattern before and after issue of Equity Shares pursuant to conversion of Warrants by the Warrant holders in respect of the Warrants covered under the Item no 1.

	Existing Shareholding as on 31.12.2012		Post issue shareholding. (Upon conversion of Warrants)	
	No of Shares	% of Holding	No of Shares	% of Holding
A. Promoters or Promoters Group				
1. Indian				
Individual/ HUF	4804717	7.626	5294717	6.189
Central Govt./ State Govt.	Nil	Nil	Nil	Nil
Bodies Corporate	14281180	22.667	16556180	19.352
Financial Institutions/ Banks	Nil	Nil	Nil	Nil
Sub Total (A)(1)	**19085897**	**30.293**	**21850897**	**25.541**
2. Foreign				
Individuals (NRIs/ Foreign)	Nil	Nil	Nil	Nil
Bodies Corporate	Nil	Nil	Nil	Nil
Institutions	Nil	Nil	Nil	Nil
Sub Total (A) (2)	**Nil**	**Nil**	**Nil**	**Nil**
Share Holding of Promoters & Promoters Group A = (A)(1) + (A)(2)	**19085897**	**30.293**	**21850897**	**25.541**
B. Public Share Holding				
1. Financial Institutions				
Mutual Funds / UTI	Nil	Nil	Nil	Nil
Financial Institutions/ Banks	Nil	Nil	Nil	Nil
Central Govt./ State Govt.	Nil	Nil	Nil	Nil
Venture Capital	Nil	Nil	Nil	Nil
Insurance Companies	Nil	Nil	Nil	Nil
Foreign Institutional Investors	Nil	Nil	Nil	Nil
Sub Total (B) (1)	**Nil**	**Nil**	**Nil**	**Nil**
2. Non Institutions				
Bodies Corporate	20035971	31.801	38520971	45.025
Individual Share Holders	22747039	36.104	24047039	28.107
NRI/OCBs	689797	1.095	689797	0.806
Trust	**Nil**	**Nil**	**Nil**	**Nil**
Clearing Members/ Clearing Corp.	445659	0.707	445659	0.521
Sub Total (B) (2)	**43918466**	**69.707**	**63703466**	**74.459**
Total Public Share Holding				
B = (B)(1) + (B)(2)	**43918466**	**69.707**	**63703466**	**74.459**
Total A + B	**63004363**	**100.000**	**85554363**	**100.000**

The proposed preferential allotment will not change the management control. Voting rights shall change according to the change in the shareholding pattern mentioned above. The above figures in the table are on the assumption that all the Warrants will be issued and allotted pursuant to the resolution and all the

Warrants will be exercised and that if any Warrants are not issued or allotted or any Warrants are not exercised, the figures will change correspondingly.

4. **Proposed time within which allotment will be completed.**

The allotment of the warrants is expected to be completed within 15 (fifteen) days of the date of passing of the Special Resolution in the EGM. Provided that, where the allotment is pending on account of pendency of any allotment by any Regulatory Authority, the allotment is expected to be completed within 15 (fifteen) days from the receipt of such approval.

5. **Identity of the proposed allottees and the percentage of post preferential issue capital that may be held by them:**

Sl. No.	Persons	Number of Convertible Warrants	% of post Issue share holding after conversion of Warrants
1	Solex Finance Pvt. Ltd. 180, M G Road, 3rd Floor, Kolkata – 700 007	25,00,000	2.922
2	Imtihan Distributors Private Ltd. 180, M G Road, 3rd Floor, Kolkata – 700 007	20,00,000	2.338
3	Grade Merchandise Private Ltd. 180, M G Road, 3rd Floor, Kolkata – 700 007	25,00,000	2.922
4	Altimate Vyapar Pvt. Ltd. 58, Metcalf Street, Kolkata – 700 013	12,00,000	1.402
5	North East Tradelink Pvt. Ltd. 52, Western Street, Kolkata – 700 012	15,00,000	1.753
6	Rashmi Modi 4/3A, Chanditala Lane, Tollygunge, Kolkata – 700 040	3,00,000	0.351
	Total	**1,00,00,000**	**11.688**

6. **The issuer will re-compute the price of the preferential issue in terms of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 where it is required to do so.**

7. **If the amount payable on account of the re-computation of price is not paid within the time stipulated in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, the Warrants shall continue to be locked-in till the time such amount is paid by the allottees.**