



BURNPUR CEMENT LIMITED

Corporate Office : 2nd Floor, "Gujarat Mansion",
14, Bentinck Street, Kolkata-700 001 West Bengal, India
Phone : (033) 2262 3167 Fax : +91 (033) 2262 3168
E-mail : info@burnpurcement.com Web : www.burnpurcement.com

BCL/KOL/10-11/11/852

Date: 26.11.2010

To
The Secretary
National Stock Exchange of India Ltd
Exchange Plaza,
Plot No. C/1, G Block,
Bandra Kurla Complex
Bandra (E), Mumbai – 400 051

Dear Sir,

This is to inform you that an Extra Ordinary General Meeting of the Company will be held on Tuesday the 21st day of December, 2010 at 3:00 P.M. at Asansol Club Ltd, Court Compound, Asansol – 713304, West Bengal to transact the Business which has been mentioned in the Notice. The Copy of the Notice with Explanatory Statement has been enclosed herewith this letter.

Kindly acknowledge this.

Thanking You

Yours truly,

For Burnpur Cement Ltd

Sudhansu Panigrahi
Company Secretary

Encl: as above

CC.

To
The Secretary
The Bombay Stock Exchange Ltd.
25th Floor, Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001



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Notice

Notice is hereby given that an Extra Ordinary General Meeting of the members of Burnpur Cement Ltd. will be held on Tuesday the 21st Day of December, 2010 at Asansol Club Ltd. Court Compound, Asansol - 713304 (West Bengal) at 3.00 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 2,00,00,000 (Two crores) Convertible Warrants (**Convertible Warrants No. 1**) with an option to subscribe upto 2,00,00,000 (Two crores) 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	Chhatisgarh Biri Patta Private Ltd.	92,00,000	Non Promoter
2	Aspire Capital Private Ltd.	29,00,000	Non Promoter
3	Omkara Infraprojects Private Ltd.	29,00,000	Non Promoter
4	Grade Merchandise Private Ltd.	11,00,000	Non Promoter
5	Imtihan Distributors Private Ltd.	10,00,000	Non Promoter



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6	Subhash Kumar Agarwal (HUF)	4,00,000	Non Promoter
7	Rita Agarwal	4,00,000	Non Promoter
8	Bijoy Kumar Agarwal	3,50,000	Non Promoter
9	Bijoy Kumar Agarwal (HUF)	3,50,000	Non Promoter
10	Saroj Agarwal	3,50,000	Non Promoter
11	Gaurav Palriwal	3,50,000	Non Promoter
12	Vishal Palriwal	3,50,000	Non Promoter
13	Priti Palriwal	3,50,000	Non Promoter
		2,00,00,000	

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-1 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. 12.00 (Rupees Twelve 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. 1 shall be of Rs. 10.00 (Rupees Ten Only) face value per share at a premium of Rs. 2.00 (Rupees Two Only) per share. On allotment of the Convertible Warrants No. 1 the Allottees of Convertible Warrants No. 1 shall be liable to pay Rs.3.00 (Rupees Three Only) per Convertible Warrants No. 1 being not less than 25% of the price fixed for the shares arising out of / exchanged with such Convertible Warrants No. 1. 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. 1 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 21st November, 2010 (21st November being the 30th day prior to 21st December, 2010) 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.)



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- v. The holder of each such Convertible Warrant No. 1 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. 12.00 (Rupees Twelve Only) per share (including premium Rs 2.00) on the date or date(s) within 18 months from the date of allotment of Convertible Warrants No. 1 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. 1 shall be lapsed to the extent of the shares not so taken and the amount paid on the allotment of such Convertible Warrant No. 1 shall be forfeited.
- vi. The option attached to the Convertible Warrant No. 1 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 2,00,00,000 (Two Crores).
- viii. The Equity Shares allotted pursuant to exercise of options attached to the Warrants No. 1 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. 1 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. 1 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. 1 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



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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."

Item No 2, Borrowing of Monies u/s 293(1)(d) of the Companies Act, 1956.

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

"**RESOLVED THAT** the consent of the Company under the provision of Section 293(1)(d) of the Companies Act, 1956 is hereby accorded to the Board of Directors of the Company to borrow from time to time all such sum(s) of money Directors may deem fit requisite for the purpose of setting up a Clinkerisation and Grinding unit with a capacity of 800 TPD in Patratu industrial area and also for existing plant at Asansol notwithstanding that the money(s) to be borrowed together with the money(s) already borrowed by the company (apart from temporary loans obtained from the company's bankers in the ordinary course of business) will exceed the aggregate paid-up capital and free reserves of the Company provided that the total amount to be borrowed by the company shall not exceed the sum of Rs. 225 Crores (Two Hundred & Twenty Five Crores Only) at one time."

Place: Kolkata

Date: 26.11.2010

By order of the Board

For Burnpur Cement Limited

Sudhakar Ranigrahi
Company Secretary

Notes:

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.

1. 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 3:00 P. M. on 19th December, 2010.**



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2. 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.
3. 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

Due to delay in implementation of the project the cost of project escalated therefore the present issue proceeds will be utilized to part finance its ongoing setting up of 800 TPD integrated cement plant at Patratu, Jharkhand. The project has been delayed due to following reasons. First: Delay in Registration of Land. The Company applied for lease hold land to the appropriate authority at Ranchi Industrial Area Development Authority (RIADA), Government of Jharkhand and the said authority allotted the land in favour of the Company on 24.06.2006 and the possession of the land was given to the Company on 06.07.2006. However the Company couldn't get the land registered in its favour before 30.03.2009 due to administrative delay. Second: Non allotment of mining lease. To meet the requirement of limestone, the Company has entered in to a joint venture agreement with M/s Pandya Minerals, however due to the construction of railway line, that particular area has come under safe zone as declared by the Govt. of Jharkhand and as per the mining rule blasting cannot be allowed in any safe zone, so joint venture agreement with M/s Pandya Minerals could not serve our purpose for requirement of limestone, however the company is exploring alternative method of mining in this area so that production can be done without blasting. The Company has also signed a Memorandum of Understanding with the Govt. of Jharkhand for mining lease. The mine has been leased to the company for 3 years (MOU has been signed with Jharkhand Mineral Development Corporation Ltd. on 14th September, 2010) which may be extended to further period. Third: Back out of Bank of India from Consortium finance.

Your Board in its meeting held on 22nd November, 2010 subject to approval by the Company in General Meeting and requisite statutory approvals, and subject to negotiation and execution of



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appropriate legal documentation and fulfillment of the conditions mentioned therein has proposed to offer for subscription by way Preferential Allotment up to 2,00,00,000 (Two crores) Convertible Warrants with an option to subscribe upto 2,00,00,000 (Two crores) Equity Shares of Rs. 10/- (Rupees Ten Only) each of the Company at a price of Rs. 12.00 (Rupees Twelve Only) per share against the said Convertible Warrants aggregating to Rs. 24,00,00,000/- (Rupees Twenty Four Crores Only).

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 21st December, 2010 the relevant date is 21st November, 2010.

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.



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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 30.09.2010		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	4900217	11.395	4900217	7.778
Central Govt./ State Govt.	Nil	Nil	Nil	Nil
Bodies Corporate	14314880	33.287	14314880	22.720
Financial Institutions/ Banks	Nil	Nil	Nil	Nil
Sub Total (A)(1)	19215097	44.682	19215097	30.498
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)	19215097	44.682	19215097	30.498
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



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2. Non Institutions				
Bodies Corporate	4039561	9.393	21139561	33.552
Individual Share Holders	18208069	42.340	21108069	33.503
NRI/OCBs	691999	1.609	691999	1.098
Trust	300	0.001	300	0.00047
Clearing Members/ Clearing Corp.	849337	1.975	849337	1.348
Sub Total (B) (2)	23789266	55.318	43789266	69.502
Total Public Share Holding				
B = (B)(1) + (B)(2)	23789266	55.318	43789266	69.502
Total A + B	43004363	100.000	63004363	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	Chhatisgarh Biri Patta Private Ltd. 419, Centre Point, 21, Hemant Basu Sarani, Hare Street, Kolkata – 700 001	92,00,000	14.602
2	Aspire Capital Private Ltd. Shantiniketan Building, 8, Camac Street, 9 th Floor, Room No. 14, Kolkata – 700 017	29,00,000	4.603
3	Om Kara Infraprojects Private Ltd. Shantiniketan Building, 8, Camac Street, 9 th Floor, Room No. 14, Kolkata – 700 017	29,00,000	4.603



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4	Grade Merchandise Private Ltd. 180, M. G. Road, 3 rd Floor, Kolkata – 700 007	11,00,000	1.746
5	Imtihaan Distributors Private Ltd. 180, M. G. Road, 3 rd Floor, Kolkata – 700 007	10,00,000	1.587
6	Subhash Kumar Agarwal (HUF) 16, G.C.Avenue, Gandhi House Kolkata – 700013	4,00,000	0.635
7	Rita Agarwal 16, G.C.Avenue, Gandhi House Kolkata – 700013	4,00,000	0.635
8	Bijoy Kumar Agarwal 'Shreeram Garden Complex' 'Shree" Block, 4 th Floor, Flat No. 1402 Kanke Road, Ranchi - 834008	3,50,000	0.556
9	Bijoy Kumar Agarwal (HUF) 'Shreeram Garden Complex' 'Shree" Block, 4 th Floor, Flat No. 1402 Kanke Road, Ranchi – 834008	3,50,000	0.556
10	Saroj Agarwal 'Shreeram Garden Complex' 'Shree" Block, 4 th Floor, Flat No. 1402 Kanke Road, Ranchi – 834008	3,50,000	0.556
11	Gaurav Palriwal 'Shreeram Garden Complex' 'Shree" Block, 4 th Floor, Flat No. 1402 Kanke Road, Ranchi – 834008	3,50,000	0.556
12	Vishal Palriwal 'Shreeram Garden Complex' 'Shree" Block, 4 th Floor, Flat No. 1402 Kanke Road, Ranchi – 834008	3,50,000	0.556
13	Priti Palriwal 'Shreeram Garden Complex' 'Shree" Block, 4 th Floor, Flat No. 1402 Kanke Road, Ranchi – 834008	3,50,000	0.556
		2,00,00,000	31.744

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.



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Item No 2

As per provisions of Section 293(1)(d) of the Companies Act, 1956 the consent of the members of the Company is required if the borrowing limit (except temporary loans) exceeds the aggregate of paid-up capital and free reserves of the Company. Due to unavoidable delay (Which has been mentioned in the Annual Report 2009-10 of the Company also in this Notice) in execution of project at Patratu, Jharkhand the project cost has increased. Therefore to complete the project extra money is required which will be infused partly through issue of Warrants and partly by Bank Finance.

Accordingly, the consent of the shareholders in being sought pursuant to the provisions of section 293(1)(d) and other applicable provisions of the companies Act, 1956.

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

Place: Kolkata

Date: 26.11.2010

By order of the Board

For Burnpur Cement Limited

Sudhakar Prasad
Company Secretary