



AUDITORS' CERTIFICATE

The Board of Directors
Burnpur Cement Ltd
Village: Palashdiha Panchgachia Road,
Kanyapur, Asansol-713341
West Bengal

Sub: Para (I)(A)(9) of Annexure I of SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017

Re: Scheme of Reduction of Capital of Burnpur Cement Limited

Dear Sirs,

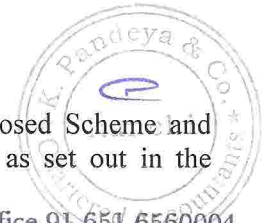
1. We, **K. Pandeya & Co.**, Chartered Accountants, the Statutory Auditors of **Burnpur Cement Limited ("the Company")**, having its registered office at Village: Palashdiha, Panchgachia Road, P.O. Kanyapur, Asansol-713341, Dist. Burdwan, West Bengal, have been requested by the Company to certify the Undertaking regarding the non-applicability of Para (I)(A)(9)(a) & Para (I)(A)(9)(b) of Annexure I of SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 (hereinafter referred to as "**SEBI Circular**") stating the reasons thereof in respect of proposed **Scheme of Reduction of Capital** of Burnpur Cement Limited ("**Proposed Scheme**" / "**the Scheme**") for the purpose of onward submission to National Stock Exchange of India Limited ("**NSE**") and BSE Limited ("**BSE**"), the Securities and Exchange Board of India ("**SEBI**") and other statutory authority, in accordance with Para (I)(A)(9)(c) of Annexure I of the aforesaid SEBI Circular.
2. The accompanying undertaking approved by the Board of Directors of the Company in its meeting held on **January 17, 2019 ("the Undertaking")** stating the reasons for non-applicability of Para (I)(A)(9)(a) and Para (I)(A)(9)(b) of Annexure I of SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 issued by the Securities Exchange Board of India ("**SEBI**") has been prepared by the Management of the Company, pursuant to the requirements of paragraph (I)(A)(9)(c) of the SEBI Circular in connection with its Proposed Scheme. We have initialled the Undertaking for identification purpose only.

Management's Responsibility for the Undertaking

3. The preparation of the Undertaking is the responsibility of the Management of the Company including the creation and maintenance of all accounting and other records supporting the contents of the Scheme. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Undertaking.
4. The Management is also responsible for ensuring that the Company complies with the requirements of the Circular and the Companies Act, 1956/2013 in relation to the Proposed Scheme and for providing all the information to the BSE, NSE, SEBI and other competent authority(ies).

Auditors' Responsibility

5. Pursuant to the SEBI Circular, it is our responsibility to examine the Proposed Scheme and certify whether the requirements in Para (I)(A)(9)(a) and Para (I)(A)(9)(b) as set out in the



Undertaking are applicable to the Proposed Scheme.

6. We conducted our examination in accordance with the 'Guidance Note on Audit Reports and Certificates for Special Purposes' issued by the Institute of Chartered Accountants of India.

Conclusion

7. Based on our examination as above, and the information and explanations furnished to us, we certify that, to the best of our knowledge, the requirements in Para (I)(A)(9)(a) and Para (I)(A)(9)(b) of Annexure I of SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 are not applicable to the Proposed Scheme for the reasons as set out below:

S.N.	Condition	Reason for non-applicability:
(i)	Where additional shares have been allotted to Promoter/ Promoter Group, Related Parties of Promoter/ Promoter Group, Associates of Promoter/ Promoter Group, Subsidiary/(s) of Promoter/ Promoter Group of the listed entity	This clause is not applicable in this case, as the proposed Scheme does not involve any allotment of new equity shares upon reduction of capital. Only the paid-up value of each equity share shall be reduced from Rs. 10/- each to Rs. 2/- each and simultaneously five equity shares of Rs. 2 each shall be consolidated into one equity share of Rs. 10 each. All the pre-scheme shareholders shall remain as the shareholder of the Company even after post scheme in the same percentage & proportion.
(ii)	Where the scheme of arrangement involves the listed entity and any other entity involving Promoter/ Promoter Group, Related Parties of Promoter/ Promoter Group, Associates of Promoter/ Promoter Group, Subsidiary(s) of Promoter/ Promoter Group	This clause is not applicable in our case as the proposed Scheme is for the purpose of reduction of capital of the Company and thus it does not involve any arrangement involving our Company and any other entity involving Promoter/ Promoter Group, Related Parties of Promoter/ Promoter Group, Associates of Promoter/ Promoter Group, Subsidiary(s) of Promoter/ Promoter Group.
(iii)	Where the parent listed entity has acquired, either directly or indirectly, the equity shares of the subsidiary, from any of the shareholders of the subsidiary, who may be Promoter/ Promoter Group, Related Parties of Promoter/ Promoter Group, Associates of Promoter/ Promoter Group, subsidiary(s) of Promoter/ Promoter Group of the parent listed entity, and if that subsidiary is being merged with the parent listed entity under the Scheme	This clause is not applicable as the Proposed Scheme under consideration is for reduction of capital and there is no case of subsidiary being merged with parent listed company under the scheme. In light of the above, the Company is not required to seek approval of the public shareholders through e-voting in relation to the Proposed Scheme.
(iv)	Where the Scheme involving merger of an unlisted entity results in reduction in the voting share of pre-	This clause is not applicable in our case as the proposed Scheme is for the purpose of reduction of capital of the Company and



	<p>scheme public shareholders of listed entity in the transferee/ resulting company by more than 5% of the total capital of the merger entity</p>	<p>thus it does not involve any merger or arrangement involving any other company.</p> <p>Further, upon reduction of capital, only the paid-up value of each equity share shall be reduced from Rs. 10/- each to Rs. 2/- each and simultaneously five equity shares of Rs. 2 each shall be consolidated into one equity share of Rs. 10 each. All the pre-scheme shareholders shall remain as the shareholder of the Company even after post scheme in the same percentage and proportion.</p>
(v)	<p>Where the Scheme involves transfer of whole or substantially the whole of the undertaking of the listed entity and the consideration for such transfer is not in the form of listed equity shares.</p>	<p>This clause is not applicable in our case as the proposed Scheme is for the purpose of reduction of capital of the Company and it does not involve any transfer of whole or substantially of the undertaking of the Company.</p> <p>Further, upon reduction of capital, only the paid-up value of each equity share shall be reduced from Rs. 10/- each to Rs. 2/- each and simultaneously five equity shares of Rs. 2 each shall be consolidated into one equity share of Rs. 10 each. All the pre-scheme shareholders shall remain as the shareholder of the Company even after post scheme in the same percentage and proportion.</p>

Restriction on Use

8. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the SEBI Circular. Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability is in no way changed by any other role we may have (or may have had) as auditors of the Company or otherwise. Nothing in this certificate nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as auditors of the Company.
9. This certificate has been issued for the sole use of the Board of Directors of the Company, to whom it is addressed, to enable the Company to make its application to the BSE & SEBI and should not be used by any other person or for any other purpose. We neither accepts nor assumes any duty or liability for any other purpose or to any other party to whom our certificate is shown or into whose hands it may come without our prior consent in writing.

Place: Kolkata
Date: January 17, 2019

For K. Pandeya & Co.
Chartered Accountants
FRN: 000135C


Manjeet Kumar Verma
Partner
Membership No.: 075926





BURNPUR CEMENT LIMITED

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5th floor, Flat No - 5B, Kanchana Building, Kolkata - 700071
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E-mail : info@burnpurcement.com, Web : www.burnpurcement.com
CIN No. : L27104WB1986PLC040831

UNDERTAKING IN RELATION TO NON APPLICABILITY OF REQUIREMENTS PRESCRIBED IN PARA (I)(A)(9)(a) AND (I)(A)(9)(b) OF ANNEXURE I OF SEBI CIRCULAR NO.CFD/DIL3/CIR/2017/21 DATED MARCH 10, 2017("SEBI CIRCULAR") IN RESPECT OF THE SCHEME OF ARRANGEMENT

This is in connection with the proposed Scheme of Reduction of Capital ("the Proposed Scheme"/ "the Scheme") of Burnpur Cement Limited ("the Company"). Pursuant to SEBI Circular no.CFD/DIL3/CIR/2017/21 dated March 10, 2017, wherein the Securities and Exchange Board of India (SEBI) has mandated all listed companies to ensure that the scheme of arrangement submitted with the National Company Law Tribunal for sanction, provides for voting by public shareholders through e-voting in certain cases, in terms of Para (I)(A)(9)(a) and (I)(A)(9)(b) of Annexure I the SEBI Circular.

The Company hereby undertakes that the requirement of Para (I)(A)(9)(a) and (I)(A)(9)(b) of Annexure I of the SEBI Circular pertaining to voting by public shareholders through e-voting is not applicable to the Company for the following reasons:

S.N.	Condition	Reason for non-applicability:
(i)	Where additional shares have been allotted to Promoter/ Promoter Group, Related Parties of Promoter/ Promoter Group, Associates of Promoter/ Promoter Group, Subsidiary/(s) of Promoter/ Promoter Group of the listed entity	This clause is not applicable in this case, as the proposed Scheme does not involve any allotment of new equity shares upon reduction of capital. Only the paid-up value of each equity share shall be reduced from Rs. 10/- each to Rs. 2/- each and simultaneously five equity shares of Rs. 2 each shall be consolidated into one equity share of Rs. 10 each. All the pre-scheme shareholders shall remain as the shareholder of the Company even after post scheme in the same percentage & proportion.
(ii)	Where the scheme of arrangement involves the listed entity and any other entity involving Promoter/ Promoter Group, Related Parties of Promoter/ Promoter Group, Associates of Promoter/ Promoter Group, Subsidiary(s) of Promoter/ Promoter Group	This clause is not applicable in our case as the proposed Scheme is for the purpose of reduction of capital of the Company and thus it does not involve any arrangement involving our Company and any other entity involving Promoter/ Promoter Group, Related Parties of Promoter/ Promoter Group, Associates of Promoter/ Promoter Group, Subsidiary(s) of Promoter/ Promoter Group.
(iii)	Where the parent listed entity has acquired, either directly or indirectly, the equity shares of the subsidiary, from any of the	This clause is not applicable as the Proposed Scheme under consideration is for reduction of capital and there is no case of subsidiary being merged with



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Patratu Plant : Patratu Industrial Area, P.O.: Patratu, Ramgarh - 829119, Dist.: Jharkhand
Phone : (0655) 3287911, E-mail : patratu@burnpurcement.com



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	<p>shareholders of the subsidiary, who may be Promoter/ Promoter Group, Related Parties of Promoter/ Promoter Group, Associates of Promoter/ Promoter Group, subsidiary(s) of Promoter/ Promoter Group of the parent listed entity, and if that subsidiary is being merged with the parent listed entity under the Scheme</p>	<p>parent listed company under the scheme.</p> <p>In light of the above, the Company is not required to seek approval of the public shareholders through e-voting in relation to the Proposed Scheme.</p>
(iv)	<p>Where the Scheme involving merger of an unlisted entity results in reduction in the voting share of pre-scheme public shareholders of listed entity in the transferee/ resulting company by more than 5% of the total capital of the merger entity</p>	<p>This clause is not applicable in our case as the proposed Scheme is for the purpose of reduction of capital of the Company and thus it does not involve any merger or arrangement involving any other company.</p> <p>Further, upon reduction of capital, only the paid-up value of each equity share shall be reduced from Rs. 10/- each to Rs. 2/- each and simultaneously five equity shares of Rs. 2 each shall be consolidated into one equity share of Rs. 10 each. All the pre-scheme shareholders shall remain as the shareholder of the Company even after post scheme in the same percentage and proportion.</p>
(v)	<p>Where the Scheme involves transfer of whole or substantially the whole of the undertaking of the listed entity and the consideration for such transfer is not in the form of listed equity shares.</p>	<p>This clause is not applicable in our case as the proposed Scheme is for the purpose of reduction of capital of the Company and it does not involve any transfer of whole of substantially of the undertaking of the Company.</p> <p>Further, upon reduction of capital, only the paid-up value of each equity share shall be reduced from Rs. 10/- each to Rs. 2/- each and simultaneously five equity shares of Rs. 2 each shall be consolidated into one equity share of Rs. 10 each. All the pre-scheme shareholders shall remain as the shareholder of the Company even after post scheme in the same percentage and proportion.</p>

In light of the above, the Company is not required to seek approval of the public shareholders through e-voting in relation to the Proposed Scheme.



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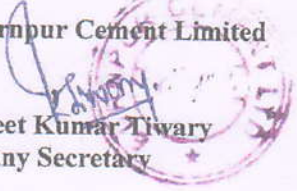


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This undertaking of non-applicability of Para (I)(A)(9)(a) and (I)(A)(9)(b) of Annexure I the aforesaid SEBI Circularis given accordingly.

For Burnpur Cement Limited


Indrajeet Kumar Tiwary
Company Secretary

Date: January 17, 2019
Place: Kolkata





**CERTIFIED TRUE COPY OF THE RESOLUTION PASSED IN THE MEETING OF
THE BOARD OF DIRECTORS OF BURNPUR CEMENT LIMITED HELD AT 7/1,
ANANDILAL PODDAR SARANI, KANCHANA BUILDING, 5TH FLOOR, FLAT NO-
5B, KOLKATA – 700 071 ON THURSDAY, THE 17TH DAY OF JANUARY, 2019.**

Reduction of Capital and other connected matters:

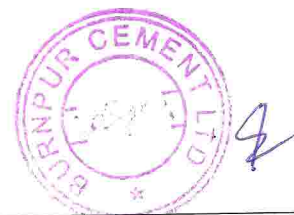
“Resolved that pursuant to the provisions of Clause 3.7 of the Articles of Association of the Company, section 66 of the Companies Act, 2013, the National Company Law Tribunal (Procedure for Reduction of Share Capital of Company) Rules, 2016 and other applicable provisions, if any, and subject to the approval of the members of the Company, the Hon’ble National Company Law Tribunal, Stock Exchanges and other competent authorities, if any, the consent of the Board of Directors of the Company be and is hereby given for the proposed reduction of paid-up share capital of the Company by 80%, on proportionate basis and writing off accumulated losses of the Company against such reduction of capital.

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

Resolved further that the salient features/terms and conditions of the proposed reduction of share capital, as set out in the draft Scheme of Reduction of Capital placed before the meeting, which, inter-alia, include the following:

- a. Upon the Scheme coming into effect, the issued and paid-up share capital of the Company will be reduced by 80%, on proportionate basis. Accordingly, the paid-up value of each Equity Share of the Company will be reduced from Rs. 10 per share to Rs. 2 per share. Subsequent to reduction in issued and paid up value of equity shares of the Company from Rs. 10 to Rs. 2 per equity share and in terms of the provisions of section 94 of the Companies Act, 1956, section 61 of the Companies Act, 2013, and other applicable provisions, if any, every five equity shares of Rs. 2 each will be consolidated into one equity share of Rs. 10 each, fully paid up. Approval of this Scheme by the Shareholders and/or Creditors of the Company, as the case may be, and sanction by the Hon’ble National Company law Tribunal shall be sufficient compliance with the provisions of sections 61 and 64 of the Companies Act, 2013, and other applicable provisions, if any, relating to the aforesaid consolidation of face value of equity shares. It is clarified that the reduction of share capital from Rs. 10 per share to Rs. 2 per share and consolidation of every five equity shares of Rs. 2 each into one equity share of Rs. 10 each, will be executed simultaneously. The Company will issue Equity Shares (in physical or dematerialized form) having face value and paid up value of Rs. 10 per share.

Accordingly, upon coming into effect the Scheme of Reduction of Capital, the total issued and paid up Equity Share Capital of the Company shall be reduced from Rs. 86,12,43,630 divided into 8,61,24,363 Equity Shares of Rs. 10 each, fully paid-up, to Rs. 17,22,48,730 divided into 1,72,24,873 Equity Shares of Rs. 10 each, fully paid-up.





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- b. Simultaneously, the debit balance of Profit & Loss Account of the Company will be written off to the extent of amount of the aforesaid reduction of share capital. Any amount left after writing off the debit balance of Profit & Loss Account will be credited to the Capital Reserve Account in the books of the Company.
- c. The Reduction of Capital shall be on proportionate basis and all the pre-Scheme shareholders will remain as the shareholders of the Company even after the Scheme in the same proportion, except the shareholders who are entitled to fractional shares which will be paid in terms of the Scheme.
- d. In case any shareholder holding equity shares in the Company is such that the member becomes entitled to a fraction of an equity share of the Company, upon coming into effect the Scheme of Reduction of Capital, then the Company shall not issue fractional share to such shareholder but shall instead consolidate all such fractional entitlements to which the Shareholders of the Company may be entitled and issue consolidated equity shares to a Director or any other Key managerial Personnel of the Company as may be nominated by the Board of Directors in that behalf.

The said Director or any other Key managerial Personnel of the Company as may be nominated by the Board of Directors in that behalf shall hold the shares issued due to fractional entitlements in trust of the shareholders entitled for fractional entitlement and shall, at his discretion, sell such shares in the open market and distribute the net sale proceeds (after deduction of the expenses incurred) to the shareholders respectively entitled to the same in proportion to their fractional entitlements.

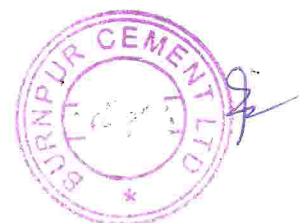
be and are hereby approved in specific.

Resolved further that subject to the approval by the members of the Company, the Hon'ble National Company Law Tribunal, the Stock Exchanges and other competent authorities, if any, the draft Scheme of Reduction of Capital as placed in the meeting be and is hereby approved.

Resolved further that pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 read with SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and other applicable provisions, **BSE Ltd** be and is hereby appointed as the **Designated Stock Exchange** for the purposes of the aforesaid Scheme of Reduction of Capital.

Resolved Further That the **undertaking for non-applicability of requirements prescribed in Para (I)(A)(9)(a)** of Annexure I of SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 in respect of proposed Scheme of Reduction of Capital of Burnpur Cement Limited, as placed before the Board of Directors and initialled by the Chairman for the purpose of identification, be and is hereby approved and the Certificate of Auditors - M/s. K. Pandeya & Co., Chartered Accountants on the said undertaking be and is hereby noted and taken on record.

Resolved further that pursuant to the provisions of section 66 of the Companies Act, 2013, and the National Company Law Tribunal (Procedure for Reduction of Share Capital of Company) Rules, 2016,





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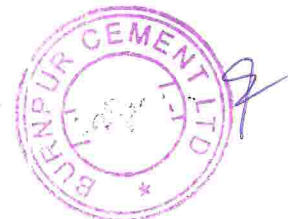
and other applicable provisions, if any, necessary application(s) and/or petition(s) be moved before the Stock Exchanges, the Hon'ble National Company Law Tribunal and other competent authorities, if any, for approval of the proposed Scheme of Reduction of Capital and for such other directions as may be required for this purpose.

Resolved further that Mr. Ashok Gutgutia, Managing Director and Mr. Indrajeet Kumar Tiwary, Company Secretary of the Company, be and are hereby authorised, jointly and severally, to sign, file, submit or present necessary applications, petitions, supplementary applications/ petitions, summons, deeds, documents, instruments, rejoinders, replies and to agree to such conditions or modifications in the Scheme or any other paper (including the quantum of reduction of capital, etc.,) that may be imposed, required or suggested by the Hon'ble National Company Law Tribunal of Kolkata, SEBI or stock exchange or any other authorities or that may otherwise be deemed fit or proper by them; to swear affidavits or execute bonds/undertakings for the above mentioned Scheme, appear (in person or through a representative) before the Hon'ble National Company Law Tribunal of Kolkata or at the offices of the Registrar of Companies, the Regional Director(s), Ministry of Corporate Affairs, the Official Liquidator(s), BSE Limited (BSE), National Stock Exchange of India Limited (NSE) and Securities and Exchange Board of India (SEBI) or before any other competent authority or person in connection with the aforesaid Scheme of Reduction of Capital; to execute vakalatnama, power of attorney or letter of authorization in favour of any advocate, company secretary or any other person; and to do other acts, deeds or things which may be ancillary or incidental to the above mentioned matter or which may otherwise be required for the aforesaid Scheme.”

Appointment of M/s Rajeev Goel & Associates, Advocates:

“**Resolved that** M/s Rajeev Goel & Associates, Advocates and Corporate Consultants, 785, Pocket-E, Mayur Vihar II, NH 24, Delhi 110 091 be and are hereby appointed as legal counsel and advisors of the Company to advise and implement the proposed Scheme of Reduction of Capital; to prepare and finalise necessary applications, petitions, and other documents to be filed with the Stock Exchanges, the Hon'ble National Company Law Tribunal or any other competent authority; to appear and plead before Stock Exchanges, SEBI, the Hon'ble National Company Law Tribunal and other competent authorities, if any, and to take all such steps that may be required to give effect to the aforesaid Reduction of Capital at a remuneration to be mutually decided.

Resolved further that Mr. Rajeev Kumar Goel, Mr. Ajay Garg, Mr. Praveen Kumar Bharti and Mr. Kartikeya Goel of M/s Rajeev Goel & Associates, Advocates and Solicitors, New Delhi; and Mr. Debabrata Deb Nath and Mr Manoj Shaw, Company Secretaries in Practice, be and are hereby authorised, jointly and severally, to represent the Company before the Hon'ble National Company Law Tribunal, Stock Exchange, SEBI or at the offices of the Registrar of Companies, the Regional Director(s), Ministry of Corporate Affairs, the Official Liquidator(s) or before any other competent authority or person in connection with the aforesaid Scheme; to sign and submit necessary application, documents, papers, replies, etc., with the aforesaid authorities, to make any correction, changes or modification in any documents already submitted or to be submitted, to collect any letter, report or other documents for resubmission of the same or otherwise and to act for every purpose connected with the proceedings of the said Scheme and to take such other steps as may be required by the concerned authorities or otherwise become necessary or desirable in this regard.

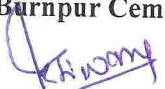




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Resolved further that Mr. Ashok Gutgutia, Managing Director and Mr. Indrajeet Kumar Tiwary, Company Secretary of the Company, be and are hereby authorised, jointly and severally, to sign and verify power of attorney, vakalatnama, authority letter or any other papers and to take all such steps that may be required to give effect to this resolution.”

**Certified to be a true copy
For Burnpur Cement Ltd**


**Indrajeet Kumar Tiwary
Company Secretary
ACS: 39075**

