

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

This Letter of Offer is being sent to you as a shareholder(s)/ beneficial owner(s) of Binani Metals 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 METALS LIMITED


Registered office: 705, Om Tower, 32, Chowringhee Road, Kolkata- 700 071.
Tel: 033-22882508, **Fax:** 033-22882510

Corporate office: Mercantile Chambers, 12, J.N. Heredia Marg, Ballard Estate, Mumbai – 400 001.
Tel: 022-3026 3000/01/02, **Fax:** 022-2263 4960, **E-mail:** bmlbuyback@binani.net
Contact Person: Mr. Rakesh Darji - DGM (Legal) & Company Secretary

Offer to the shareholder(s)/ beneficial owner(s) of Binani Metals Limited (the Company) on the specified date (i.e. 16/01/2009) for buy-back upto 2,350 Equity Shares of the face value Rs. 1000/- each representing 6.22% of the total paid-up equity share capital of Binani Metals Limited at a price of Rs. 4500/-per share payable in cash aggregating to Rs. 105.75 Lacs being 9.12% 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 section 77A and 77B of the Companies Act, 1956 and the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 1998 as amended. The mode of payment would be by cash and the consideration would be paid by way of pay order / demand draft/ warrant.

The procedure for tender/offer is set out on page no. 16 of this letter of offer. A tender/offer form is enclosed with this Letter of Offer. The form with relevant enclosures should be dispatched/ delivered so as to reach the Registrar to the Buy-Back on or before 04/03/2009.

The Buy-Back offer is being made pursuant to SEBI (Buy-Back of Securities) Regulations, 1998 and subsequent amendments thereof. A copy of the public announcement published on 19/12/2008 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 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 SEBI Registration No.: INM 000003606 AMBI Registration No: AMBI/040 Contact Person: Mr. Janardhan Wagle</p>	<p>LINK INTIME INDIA PVT LTD  <small>(Formerly INTIME SPECTRUM REGISTRY LTD)</small> LINK INTIME INDIA PVT. LTD. C- 13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (West), Mumbai- 400 078. Tel.: (022) 25963838 Fax: (022) 25946969 Email: bmlbuyback@linkintime.co.in SEBI Registration No.: INR 00003761 Contact Person: Mr. Nilesh Chalke</p>
OFFER OPENS ON	OFFER CLOSSES ON
TUESDAY, FEBRUARY 03, 2009	WEDNESDAY, MARCH, 04, 2009

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**1. SCHEDULE OF ACTIVITIES**

Activity	Date	Day
Date of Board Meeting approving the Buy back	18/11/2008	Tuesday
Public Notice	20/11/2008	Thursday
Public Announcement	19/12/2008	Friday
Specified Date	16/01/2009	Friday
Opening of the Offer	03/02/2009	Tuesday
Closure of the Offer	04/03/2009	Wednesday
Last Date for verification and communication of rejection	13/03/2009	Friday
Last date for despatch of consideration / share certificate (in case of rejection) and extinguishment of shares	20/03/2009	Friday

2. DEFINITION OF KEY TERMS

BML / the Company	Binani Metals 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 Metals Limited to buy back upto 2,350 Equity Shares of the face value Rs.1000/- each at a price of Rs.4500/- 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 Axis Bank, Fort, 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.4500/- per fully paid Equity Share, payable in cash
Offer Size	Number of equity shares proposed to be bought back multiplied by the Offer Price aggregating to Rs. 105.75 lacs (Rupees One Crore and Five Lacs Seventy Thousand Only)
RBI	Reserve Bank of India
Registrar to the Offer	Link Intime India Pvt. Limited
Shares	Fully paid Equity Shares of face value Rs.1000/- each of Binani Metals 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. 16/01/2009 (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 22/12/2008 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 RESOLUTION PASSED AT THE BOARD MEETING

The Buyback through a tender offer has been duly authorised by the resolution passed by the Board of Directors of the Company at their meeting held on 18/11/2008. The extracts of the resolution passed at the meeting are as stated below:

“RESOLVED THAT in accordance with the provisions contained in Articles of Association of the Company and Section 77A, 77B and all other applicable provisions, if any, of the Companies Act 1956 (the Act) and the provisions of Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (“Buyback 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 (hereinafter referred to as the “Board” which term shall be deemed to include any Committee which the Board may constitute to exercise its powers, including the powers conferred by this resolution), the consent of the Board be and is hereby accorded to purchase Company’s own equity shares not exceeding 2350 fully paid up of face value of Rs.1000/- each for an aggregate amount not exceeding Rs.1,05,75,000 (Rupees One Crore Five Lakh Seventy Five Thousands only), at a price of Rs.4,500/- (Rupees Four Thousand Five Hundred only) per share (hereinafter referred to as “Buyback”).

“RESOLVED FURTHER THAT the Company may implement the Buyback in one or more tranche / tranches, from out of its free reserves, surplus available, if any, and/or securities premium account and that the Buyback may be made on a proportionate basis through the tender offer as may be prescribed by the Act and the Buyback Regulations and in such manner as may be prescribed by the Act and the Buyback Regulations, and on such terms and conditions as the Board in its absolute discretion may deem fit.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to finalise the terms of the Buyback, the actual amount to be utilised towards the buyback within the aggregate amount of Rs. 1.15 crores, the time frame for such buyback within the statutory validity period of this resolution, and to complete the modalities for the closure of the Buyback. “

“RESOLVED FURTHER THAT nothing contained hereinabove shall confer any right on the part of any shareholder to offer, or any obligations on the part of the Company or the Board to buyback, any shares, and/or impair any power of the Company or the Board to terminate any process in relation to buyback, if so permissible by them.”

“RESOLVED FURTHER THAT the buyback of shares from Non Resident Shareholders, shareholders of foreign nationality etc. shall be subject to such approvals as may be required including approvals from the Reserve Bank of India under the Foreign Exchange Management Act, 1999.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may, in its absolute discretion, deem necessary expedient usual or proper including the appointment of Merchant Bankers, Brokers, Solicitors, Registrars, Advertisement Agency, Compliance Officer, Investors Service Centre and other Advisors, Consultants or Representative, incidental to the



implementation of the scheme of Buyback as also to prefer all applications to the appropriate authorities, parties and the institutions for their requisite approvals as also to take all necessary actions for preparation and issue of public announcement and filing of public announcement with SEBI/Stock Exchange(s), filing of declaration of solvency certificate and filing of certificate for extinguishment and physical destruction of share certificates, for all other documents required to be filed in connection with the Buyback and to settle all such questions or difficulties whatsoever which may arise in the Buyback and take all such steps and decisions in this regard.”

“**RESOLVED FURTHER THAT** the Board of Directors (including any committee thereof) be and is hereby authorised to sub-delegate all or any of the authorities conferred as above to any Director(s) / Officer(s) / Authorised Representative(s) 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.”

5. CONTENTS OF THE PUBLIC NOTICE

Contents of the Public Notice as per Schedule-I of the SEBI (Buyback of Securities) Regulation, 1998 made by the Company on 20/11/2008 in all editions of Financial Express (English National Daily), Jansatta (Hindi National Daily) and Kalantar (Bengali Daily).

Binani Metals Limited (“the Company”) proposes to buy-back its own fully paid-up equity shares of Rs.1000/- each to the extent of upto 10% of the paid-up equity share capital and free reserves of the Company. In this behalf, disclosures as required under regulation 5A read with Schedule I attached to Securities and Exchange Board of India (Buy Back of Securities) Regulations 1998 (“Buy Back Regulations”) are set out herein below.

1. The Board of Directors of Binani Metals Limited (“the Company”) at its meeting held on 18/11/2008 approved the proposal for buy-back of the Company’s 2,350 fully paid-up equity shares of Rs.1000/- each to the extent of 9.12% of the paid-up equity capital and free reserves of the Company at a price of Rs.4500/- per equity share and for a total consideration of Rs. 105.75 lacs (**hereinafter referred to as “the Buy-back”**), through tender offer. On passing of the said resolution, the Company will proceed with the buy-back of equity shares as proposed pursuant to Sections 77A, 77B, 77AA and all other applicable provisions of Companies Act, 1956 (**hereinafter referred to as “the Act”**) and Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 (“**the Regulations**”). The Article 11A of the Articles of Association of the Company permits Buy Back of shares.
2. The buy-back is being proposed in keeping with the Company’s desire to enhance overall shareholder value. The Company has accumulated free reserves and satisfactory liquidity. The buy-back would lead to (a) reduction in outstanding number of equity shares, and consequent increase in earnings per share; (b) improvement in return on net worth and other financial ratios.
3. The equity shares of the Company are currently listed at The Calcutta Stock Exchange Association Ltd. The buy-back is proposed to be effected on a proportionate basis through the tender offer.
4. The maximum amount that can be utilized under the buy-back in terms of provisions of Section 77A (2) of the Companies Act 1956 is 10% of the paid-up equity share capital and free reserves, which as per audited balance sheet as on 31/03/2008 comes to Rs. 115.95 lacs. The amount for buy-back will be financed from the internal accruals of the Company.
5. The buy-back price of Rs. 4500/- per equity share has been approved by the Board of Directors after considering certain parameters such as the book value of equity shares, earnings trend in the recent past, the future outlook of the industry/company and other relevant factors. The buy-back



price as proposed above will not impair the growth of the company and also contribute to the overall enhancement of the shareholder value.

6. At the buy-back price of Rs. 4,500/- per equity share the Company can buy-back 2,350 equity shares of face value of Rs.1000/- each.
7. a. The aggregate shareholding of the promoters/promoter group as on 18/11/2008 i.e. Board Meeting date, is 26,555 equity shares of Rs.1000/- each out of total 37,782 equity shares of Rs.1000/- each i.e. 70.28% 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 74.95% of the post Buy Back equity share capital of the Company.
b. There was no purchase or sale of any equity shares by the promoters/promoter group mentioned in (a) above during the period of six months preceding the date of the Board Meeting at which the buy-back was approved.
8. The promoters/promoter group of the Company do not intend to offer any equity shares under the buy-back.
9. The Company confirms that there are no defaults subsisting in repayment of deposits, redemption of debentures or preference shares or repayment of term loans to any Financial Institutions or Banks.
10. The Debt-Equity Ratio of the Company after the buy-back will be well within the limit of 2:1, as prescribed under the Act.
11. The Board of Directors confirms:
 - i) that it has made the necessary and full enquiry into the affairs and prospects of the company and has formed the opinion:
 - i. That immediately following the date on which the meeting of Board of Directors is convened, there will be no grounds on which the Company could be found unable to pay its debts;
 - ii. 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
 - iii. That 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).
12. The text of the Report dated 18/11/2008 received from M/s. Abrol & Maheshwary, Chartered Accountants and the Statutory Auditors of the Company, addressed to the Board of Directors is reproduced below:
 1. "In connection with the proposal of the Company to buy back its equity shares and in pursuance of the provisions of section 77A and 77B of the Companies Act 1956 and the



Securities & Exchange Board of India (Buy Back of Securities) Regulations 1998, we have examined the audited financial statements of the Company for the year ended 31/03/2008 as approved by the Board of Directors of the Company & inquired into the state of affairs of the Company.

2. We have also examined the relevant records, ratios, analysis, reports and according to the information, explanation given to us and on the basis of such verification of records as we consider appropriate we hereby report that:
 - i. In our opinion the amount of maximum permissible capital payment being Rs. 1,15,95,051/- which is 30.71% of the total paid up capital of the Company and 10% of the total paid up capital and free reserves of the Company for the equity shares to be bought back is properly determined in accordance with Section 77A(2) (c) of the Companies Act, 1956.
 - ii. The above calculations / workings of this limits and the proposed buy back of equity shares of the Company is subject to the Company complying with terms of the Companies Act, 1956 and subsequent amendment thereto and / or any other rules and regulations prescribed and enforce for the time being.
 - iii. The Board of Directors in their meeting held on 18/11/2008 have formed their opinion, as specified in clause (x) of Schedule I of 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 1 year from the date of Meeting of the Board of Directors of the Company held on 18/11/2008.

We are not aware of anything to indicate that the opinion expressed by the directors in their declaration as to any of the matters mentioned in the declaration is unreasonable in all the circumstances."

13. The buy-back is expected to be completed within the statutory validity period of the resolution dated 18/11/2008 passed by the Board of Directors which at present is twelve months from the date of passing of the said resolution or within such shorter period as maybe determined by the Board of Directors.
14. The Board of Directors of the Company accepts responsibility for the information contained in this notice.

6. 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 Financial Express (English National Daily), Jansatta (Hindi National Daily) and Kalantar (Bengali Daily) on 19/12/2008.

7. DETAILS OF THE BUY-BACK

7.1 Binani Metals Limited ("**BML**"/"**the Company**") hereby announces the Buy-Back of upto 2,350 fully paid up equity shares of Rs.1000/- 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 and 77B of the Companies Act, 1956 and the SEBI (Buy-Back of Securities) Regulations, 1998 ("**the Regulations**") at a price of Rs. 4500/- per share ("**Buy-Back price**") payable in cash for an aggregate amount not exceeding Rs. 105.75 lacs (Rupees One Crore Five Lacs



Seventy Five Thousand Only) ("**Buy-Back size**"). The Buy-Back size represents 9.12% of the paid-up equity share capital and free reserves of the Company as on 31/03/2008. At the buy-back price of Rs. 4,500/- per equity share the Company can buy-back 2,350 fully paid up equity shares of Rs.1000/- each representing 6.22% of the total paid-up equity share capital of the Company.

7.2 As on date there are 398 (face value of Rs. 100/- per equity share) partly paid up equity shares.

The shareholders holding partly paid up shares are also allowed to participate in the Buy Back Offer. The Buy Back Offer price for the partly paid up share holders will be proportionately reduced by the amount of calls in arrears and interest due thereon till the date of closure of Offer i.e; upto 04/03/2009. E.g: If a shareholder is holding 1 (one) partly paid up equity shares of Rs. 1000/- each and only Rs. 500/- is paid up on the shares then the Buy Back price for the shareholder would be Rs. 4500/- Less Rs. 500/-Less interest on Rs. 500/- @12 % from 05/06/2006 (04/06/2006 being the last date of payment of calls in arrears) till 04/03/0009 (the date of closure of the present Offer).

7.3 The promoters/promoter group of the Company do not intend to offer any equity shares under the buy-back.

7.4 The aggregate shareholding of the promoters/promoter group as on the date of this Letter of Offer is 26,557 equity shares of Rs.1000/- each out of total 37,782 equity shares of Rs.1000/- each i.e. 70.29% 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 74.95% of the post Buy Back equity share capital of the Company. Post buy back the non-promoter share holding of the company shall not fall below the minimum level required as per the listing conditions / agreement.

8. AUTHORITY FOR THE OFFER

Pursuant to Sections 77A and 77B and other applicable provisions of the Companies Act, 1956, the Buy-Back Regulations, Article 11A 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 18/11/2008.

9. NECESSITY OF THE BUYBACK

The Company has accumulated free reserves and satisfactory liquidity. At present there is no immediate need for these funds. The Board of Directors propose 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 and improve Return on Equity. The Buy-Back is expected to enhance the Earnings Per Share of the Company in future and create long-term shareholder value.

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

10.1 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. 105.75 Lacs (Rupees One Crore Five Lacs Seventy Five Thousand only). The profitability of the Company may reduce to an extent of Rs. 10.58 lacs, had the amount alternatively been invested by the Company in a Fixed Deposit or any fixed income plan with a assumed return of around 10% p.a



- 10.2 The Buyback is not expected to materially impact growth opportunities for the Company.
- 10.3 The promoters/promoter group of the Company do not intend to offer any equity shares under the buy-back.
- 10.4 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 Earnings per Share of the Company in future and create long term Shareholder value.
- 10.5 The aggregate shareholding of the promoters/promoter group as on the date of this Public Announcement is 26,557 equity shares of Rs.1000/- each out of total 37,782 equity shares of Rs.1000/- each i.e. 70.29% 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 74.95% of the post Buy Back equity share capital of the Company.
- 10.6 The equity shares in the buyback shall be accepted on proportionate basis in case of response more than the Offer size.
- 10.7 Presently, the Non-resident public shareholding in the company is 10 equity shares of the Face Value of Rs. 1000/-each constituting 0.03% of the paid equity share capital. In case the non-resident public shareholders do not offer their shares in response to this Buy-Back Offer and assuming response to the Buy-Back offer to the fullest extent, there will not be any significant change in the share holding of the Non-resident Indians in the public category.
- 10.8 Post buyback, the debt equity ratio of the company is expected to be within the limit of 2:1, as prescribed under the Act.
- 10.9 Key Financial ratios consequent to the Buy-back based on the audited results for the Financial Year ended on 31/03/2008 are as follows:

Parameter	Pre-Buy-Back as on 31/03/2008 (Fv. 100/- per equity share)	Post Buy-Back (Fv. 1000/- per equity share)
Networth (Rs. In Lacs)	1299.13	1193.38
Return on Networth (RONW) (%)	9.23	10.04
Return on Equity (%)	31.72	33.83
Earnings per Share (Rs.)	* 31.72	338.25
Book Value per Share/ Net Asset Value (Rs.)	* 343.85	3368.10
P/E	0.14	NA
Total Debt/Equity Ratio**	0.38:1	0.41:1

* For calculation of EPS and Book Value per share the face value Pre-Buyback of Shares is Rs.100/- per share whereas Post Buyback face value is Rs.1000/- per share and hence figures are not comparable

** Debts includes temporary Bank Overdraft

Note: The above figures have been arrived at assuming completion of the Buy-back Offer to the fullest extent



11. BASIS OF CALCULATING THE BUY-BACK PRICE

The Buy Back price of Rs. 4500/- per equity share has been approved at the meeting of the Board of Directors held on 18/11/2008. The Offer Price has been arrived at considering the audited financials as on 31st March 2008. The Book Value of the equity shares is Rs. 3438.50 per equity share (Face Value of Rs. 1000/- per equity share), the Earning per share is Rs. 320.00 (Face Value of Rs. 1000/- per equity share) and the Return on Net Worth is 9.23%. The shares of the Company were last traded on 05/02/2002 at a price of Rs. 450.00 (Face value of Rs. 100/- per equity share) at the Calcutta Stock Exchange Association Ltd. Since there was no trading in the equity shares of the Company on the date of intimation of the date of Board Meeting, the closing market price of the equity shares as on the date of intimation of the date of Board Meeting for considering Buy Back to the stock exchange is not applicable.

The buy-back price as proposed above will not impair the growth of the company and also contribute to the overall enhancement of the shareholder value. The Offer Price is justified as the same is at a premium of 30.87 % to the book value per share of Rs. 3438.50 (face value of Rs. 1000/- per equity share) as at 31st March 2008.

12. 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. 105.75 Lacs (Rupees One Crore Five Lacs Seventy Five Thousand only). The funds would be made available from the internal accruals of the Company.

The Company has opened an Escrow Account in terms of Regulation 10 of the Regulations in the name and style "Binani Metals Limited – Buyback - 2008 Escrow A/c" with Axis Bank, Fort, Mumbai bearing A/c no. 004010202938035 and deposited therein a sum of Rs. 105.75 lacs being 100% of the offer size which shall be used to make payments to the successful share holders whose equity shares are accepted in the Buy Back Offer.

13. DETAILS OF THE ESCROW ACCOUNT AND THE AMOUNT DEPOSITED THEREIN

- 13.1 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. 105.75 Lacs (Rupees One Crore Five Lacs Seventy Five Thousand only). The Company has sufficient liquid funds to fulfill the financial obligation under the Buy-Back Offer. Presently the Company has opened an Escrow Account in terms of Regulation 10 of the Regulations in the name and style "Binani Metals Limited – Buyback - 2008 Escrow A/c" with Axis Bank, Fort, Mumbai bearing A/c no. 004010202938035 and deposited therein a sum of Rs. 105.75 lacs being 100% of the offer size. The manager to the offer has been empowered by the Company to operate the Escrow Account in accordance with the Regulations.
- 13.2 BML has adequate and firm financial resources to fulfill the obligations under the Buy- Back Offer. The financial obligation under the offer is being fulfilled through internal resources of the Company. M/s. Abrol & Maheshwary, Chartered Accountants and Statutory Auditors of the Company, having their office at Kirti Building, 2nd Floor, 31, Dr. V.B. Gandhi Marg, Fort, Mumbai – 400 023. Tel: (022) 2284 3103/ 2288 0024; Membership No. 30739, have certified vide their certificate dated 18/12/2008 that the Company has an immediate access to liquid assets which can be used for the acquisition of shares under the current Buy-Back Offer.
- 13.3 Based on the above, the Manager to the Offer is satisfied about the ability of the company to implement the offer in accordance with the Regulations.

14. CAPITAL STRUCTURE AND SHAREHOLDING PATTERN

- 14.1 As on the date of this Public Announcement, the Authorized share Capital of the Company consists of 40,000 equity shares of Rs. 1000 each aggregating to Rs. 400.00 lacs. The Issued capital of the Company consists of 37,864 equity shares of Rs. 1000/- each aggregating to Rs. 378.64 lacs whereas the Subscribed & Paid up capital of the Company consists of 37,782 equity shares of Rs. 1000/- each



aggregating to Rs. 377.82 lacs. There are 398 (face value of Rs, 100/- per equity share) partly paid up equity shares and the calls in arrears towards these shares is to the tune of Rs. 19,700/-. 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.

- 14.2 The shareholding pattern of the Company as on the date of this Letter of Offer and post Buy-Back presuming completion of the Buy-Back to the fullest extent is as follows:

Particulars	No. of shares held	% of existing equity capital	No. of shares post Buy-Back	% holding post Buy-Back
A. Promoter Holding				
Indian	25,794	68.27	25,794	72.80
Foreign	763	2.02	763	2.15
Sub Total	26,557	70.29	26,557	74.95
B. Non- Promoter Holding				
Institutions	102	0.27	8,875	25.05
Corporate Bodies	321	0.85		
Trust	1752	4.64		
Individuals				
i. Individual shareholders holding nominal share capital upto Rs. 1 Lac	8,391	22.21		
ii. Individual shareholders holding nominal share capital in excess of Rs. 1 Lac	649	1.72		
NRIs	10	0.03		
Sub Total	11,225	29.71	8,875	25.05
Total	37,782	100.00	35,432	100.00

There are 398 (face value of Rs, 100/- per equity share) partly paid up equity shares and the calls in arrears towards these shares is to the tune of Rs. 19,700/-.

The total number of equity shares proposed to be bought back under the present Buy-Back Offer is 2,350 equity shares of Rs.1000/- each. The Issued capital of the Company post Buy-Back shall consist of 35,514 equity shares of Rs. 1000/- each aggregating to Rs. 355.14 lacs whereas the Subscribed & Paid up capital of the Company shall consist of 35,432 equity shares of Rs. 1000/- each aggregating to Rs. 354.32 lacs.

The promoters/promoter group of the Company do 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 74.95% 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 limit of creeping acquisition per financial year as provided in terms of Regulation 11(2) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as amended.

**14.3 Information about the shareholding of the Promoter Group:**

- a) The aggregate shareholding of the Promoter Group on the date of the public announcement is 26,557 equity shares of Rs.1000/- each constituting 70.29 % 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

15. BRIEF INFORMATION ABOUT THE COMPANY

15.1 Binani Metals Limited, a 67 years old company, was originally incorporated as Binani Metal Works Limited on 25/02/1941 under the Indian Companies Act, 1913-36. The name of the company was changed to Binani Metals Limited on 23/06/1978 and a fresh certificate of incorporation was obtained from Registrar of Companies, West Bengal. The Registered Office of the Company is situated at 705, Om Tower, 32, Chowringhee Road, Kolkata, 700 071.

15.2 BML was engaged in the business of trading and commission agency of non ferrous metals. Presently BML is engaged in the business of leasing, investments and investments activities in stocks and securities and intends to make investment in real estate properties.

15.3 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:

Particulars	No. of equity shares	Amount (Rs.)
Equity Share Capital on Inception	4,00,000	40,00,000
The paid-up capital of the company was reduced from Rs. 40,00,000/- divided into 4,00,000 equity shares of Rs. 10/- each to Rs. 11,04,160/- divided into 3,31,248 equity shares of Rs. 3.33 each pursuant to order dated 23/11/1983 of Calcutta High Court		
After reduction of Face value	3,31,248	11,04,160
As per above order dated 23/11/1983 of Calcutta High Court, the equity share capital of the company was further reduced to 1,01,163 equity shares of Rs. 100/- each details of which are as follows:		
After reduction of face value and consolidation of 30 equity shares of Rs.3.33 each into 1 equity share of Rs. 100/- each issued to the then existing share holders of BML	9,813	9,81,300
Fractional shares arising on consolidation allotted to Trustees of BML	1,229	1,22,900
Shares allotted to Equity shareholders of Metal Distributors Ltd. as per the scheme of Amalgamation as approved by Calcutta High Court order dated 23/11/1983	79,050	79,05,000
Shares allotted to Equity shareholders of Electro Equipments Ltd. as per the scheme of Amalgamation as approved by Calcutta High Court order dated 23/11/1983	9,968	9,96,800
Fractional shares arising as a result of Scheme of amalgamation allotted to the trustees	1,103	1,10,300
Total share capital of the company as on 23/06/1984	1,01,163	1,01,16,300



b) Details of present Equity share Capital are as follows:

Sr. No	Date of Allotment	Face Value (Rs.)	No. of Shares	Cumulative Shares	Type of Issue	Consideration
1.	23/06/1984	100	1,01,163	1,01,163	As per the order dated 23/11/1983 of the Calcutta High Court	Cash
2.	Buy-Back	100	(6,502)	94,661	Buyback of equity shares pursuant to the Letter of Offer dated 07/10/1999.	Cash
3.	05/05/2006	100	2,83,161	3,77,822	Rights Issue	Cash
4	25/08/2008	1000	-	37,782	In terms of special resolution passed at the Annual General Meeting held on 23/06/2008 the face value of equity shares was consolidated from Rs. 100/- to Rs. 1000/- with effect from 25/08/2008.	-
TOTAL			37,782			

15.4 Board of Directors of the Company

Name, Age, Designation, Occupation	Experience (Years)	Qualification	Date of Appointment /re-appointment	Other directorship
Mr. Braj Binani (49 years) Chairman Occupation: Industrialist	27 Yrs.	B.Com. (Hons)	23/10/2001	<ul style="list-style-type: none"> • Binani Industries Ltd. • Binani Cement Ltd. • Binani Zinc Ltd. • Goa Glass Fibre Ltd. • Wada Industrial Estate Ltd.
Mr. P. R. Damani (72 years) Director Occupation: Industrialist	52 Yrs.	B.Com.	13/02/1984	<ul style="list-style-type: none"> • The Jamshri Ranjitsinghji Spg. & Wvg. Mills Co. Ltd. • Sambhaw Holdings Ltd. • Rashtriya Metals Industries Ltd. • Nandini Apartments Private Ltd. • Lotus Properties Pvt. Ltd.
Dr. Kala Pant (73 years) Director Occupation: Advisor	50 Yrs.	B.Sc. , Ph. D.	23/10/2007	<ul style="list-style-type: none"> • Temptation Foods Limited • NRB Bearings Limited • Gujarat Sidhee Cement Ltd.
Ms. Nidhi Binani (24 years) Director Occupation: Industrialist	3 Yrs.	B.A. in Economics	28/03/2005	<ul style="list-style-type: none"> • Triton Trading Co. Private Limited
Mr. J. D. Mehta (83 years) Executive Vice Chairman Occupation: Service	64 Yrs.	B.Com.	29/11/1996 (Reappointed from time to time)	<ul style="list-style-type: none"> • Asian Industry & Information Services Pvt. Ltd. • Sambhaw Holdings Ltd. • Spiral Travels Pvt. Ltd. • Metal Refineries (India)



Name, Age, Designation, Occupation	Experience (Years)	Qualification	Date of Appointment /re-appointment	Other directorship
				Pvt. Ltd. • Gallant Holdings Private Limited • Lucknow Properties and Finance Private Limited • Divakar Infrastructure Private Limited • Atithi Tie-up Private Limited
Mr. Vinod Juneja (59 years) Managing Director Occupation: Service	34 Yrs.	M.Com., LL.B., Ph. D.	01/07/2007	• Shristi Infrastructure Development Corporation Ltd. • Kribhco Shyam Fertilizers Limited

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

Name	Nature of Change	Effective date	Reasons
Shri F.A.A. Jasdanwalla	Resigned	24/04/2007	Retired as Director due to old age and health reason
Dr. Kala Pant	Appointed as Additional Director *	23/10/2007	Appointed to fill the vacancy caused by retirement of Shri F.A.A. Jasdanwalla

* Appointed as Director at the Annual General Meeting held on 23.06.2008

16. FINANCIAL INFORMATION ABOUT THE COMPANY

The financial information of the Company as per the audited results for the last three years and six months ended period 30/09/2008 are as follows:

Particulars As per audited accounts	Year Ended			Six months period ended 30/09/2008
	31/03/2006	31/03/2007	31/03/2008	
Total Income	142.27	460.96	938.39	4961.57
Total Expenses	101.90	342.74	792.10	4850.02
Depreciation	2.33	6.27	10.74	22.31
Profit / (Loss) before tax	38.04	111.95	135.55	89.24
Less: Provision for tax	3.03	7.15	8.87	-
Less: Provision for Fringe Benefits Tax	0.91	0.93	5.04	3.66
Less: Deferred Tax	(0.09)	(3.18)	1.79	(3.08)
Less: Provision of Income Tax for earlier years	(10.85)	0.44	-	-
Profit/(Loss) after tax	45.05	106.61	119.85	88.66
Prior Period Adjustments	-	-	-	-
Balance carried to Balance Sheet	78.50	85.70	83.04	171.71
Equity share capital	94.66	377.03	377.60	377.63



Particulars As per audited accounts	Year Ended			Six months period ended 30/09/2008
	31/03/2006	31/03/2007	31/03/2008	
Reserves & Surplus	894.00	912.20	921.54	1010.20
Miscellaneous Expenditure	7.20	3.60	-	-
Networth	981.46	1285.63	1299.14	1387.83
Total debt	-	6.87	492.17	374.34

Note: Reserves & Surplus consists of Free Reserves of Rs. 781.91 lacs as on 31/03/2008

Financial Ratios

Particulars As per audited accounts	Year Ended			Six months period ended 30/09/2008 *
	31/03/2006	31/03/2007	31/03/2008	
Earnings Per Share (Rs.)	47.59	30.00	32.00	235.00
Return on Networth (%)	4.59	8.29	9.23	6.39
Book Value per share (Rs.)	1036.81	340.27	343.85	3673.25
Total Debt / Equity Ratio (Rs.)	-	0.005:1	0.38:1	0.27:1
Total Debt / Networth (Rs.)	-	0.005:1	0.38:1	0.27:1

* Consequent upon the consolidation of equity shares, the face value of equity shares have been changed from Rs. 100/- to Rs. 1000/- per share w.e.f. 25/08/2008, the number of shares were reduced to 37,782. Accordingly the Earning Per Share and the Book Value are not comparable with previous year figures

The Company shall abide by the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, whenever applicable, including Regulation 23 of the said Regulations.

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

17. STOCK MARKET DATA

The equity shares of the Company are listed on the Calcutta Stock Exchange Association Ltd. (CSE). Presently there is no trading in the equity shares of the Company. The equity shares of BML were last traded on the stock exchange on 05/02/2002 at a price of Rs. 450.00 per equity share (face value of Rs. 100/- per equity share).

18. 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.

19. DETAILS OF REGISTRAR TO THE BUY BACK & COLLECTION CENTRE

All applications and documents in respect of this Buy-Back offer should be submitted to the Registrar to the Buy-back at the following address by hand delivery/registered post only on any working day (from Monday to Friday) between 10:30 a.m. to 4:30 p.m.



LINK INTIME INDIA PVT. LIMITED

Unit : Binani Metals Limited
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West),
Mumbai- 400 078
Tel.: (022) 2596 3838
Fax: (022) 2594 6969
E-mail: bmlbuyback@linkintime.co.in
Contact Person: Mr. Nilesh Chalke

The documents should be submitted to the Registrar to the Buy-back so as to reach on or before the close of business hours on 04/03/2009.

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

20. PROCESS AND METHODOLOGY FOR BUYBACK PROGRAMME

- The Company proposes to buy-back 2,350 fully paid up equity shares of Rs.1000/- 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 and 77B of the Companies Act, 1956 and the SEBI (Buy-Back of Securities) Regulations, 1998 at a price of Rs. 4500/- per share payable in cash for an aggregate amount not exceeding Rs. 105.75 Lacs (Rupees One Crore Five Lacs and Seventy Five Thousand Only). The buy-back size represents 9.12% of the paid-up equity share capital and free reserves of the company as on 31/03/2008. Total number of equity shares proposed to be bought back is 2,350 equity shares of Rs.1000/- each being 6.22% of the total paid-up capital of the Company.
- As on date there are 398 (face value of Rs. 100/- equity share) partly paid shares to the extent of Rs. 19,700/- in the Company.

The shareholders holding partly paid up shares are also allowed to participate in the Buy Back Offer. The Buy Back Offer price for the partly paid up share holders will be proportionately reduced by the amount of calls in arrears and interest due thereon till the date of closure of Offer i.e; upto 04/03/2009. E.g: If a shareholder is holding 1 (one) partly paid up equity shares of Rs. 1000/- each and only Rs. 500/- is paid up on the shares then the Buy Back price for the shareholder would be Rs. 4500/- Less Rs. 500/- Less interest on Rs. 500/- @12 % from 05/06/2006 (04/06/2006 being the last date of payment of calls in arrears) till 04/03/0009 (the date of closure of the present Offer).

- 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 26,557 equity shares of Rs.1000/- each out of total 37,782 equity shares of Rs.1000/- each i.e. 70.29% 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 74.95% of the post Buy Back equity share capital of the Company.

21. PROCEDURE FOR TENDER / OFFER AND SETTLEMENT

- a) The Offer is open to all the fully paid up shareholders of the Company. The Letter of Offer and Tender/Offer Form will be mailed to all the shareholders of the Company whose names appear on the Register of Members of the Company and who are beneficial owner/s of shares as per the records made available to the Company by NSDL/CDSL as on 16/01/2009 (Specified Date).
- 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 holds the shares in street name. In case the tenderer is an unregistered shareholder, he should submit the transfer deed complete in all respects, along with the share certificate(s).
- d) In case the entire shares tendered by an investor being less than the minimum market lot the same shall be accepted in full. Thereafter, the acceptances will be on proportionate basis in a manner to ensure that the acceptances are in market lot.
- e) 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.
- f) As on date of the public announcement, there are no equity shares of the company which are under lock-in.
- g) **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.**
- h) 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.
- i) The intimation regarding non-acceptance of the shares and share certificates for the rejected shares will be dispatched to shareholders by 13/03/2009. In case the money payable to a tenderer exceeds Rs. 1500/-, the instrument shall be sent by registered post.
- j) The mode of payment would be by cash and the consideration would be paid by way of Pay order/ demand draft/ warrant.
- 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 04/03/2009.
- m) The Regulations do not provide for withdrawal of Forms once they are submitted.**
- n) Consideration will be paid by crossed account payee demand draft /pay order to those shareholders whose offer has been accepted by the Company. The demand draft/pay order will be drawn in the name of the first named person in case of joint shareholders.
- o) 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.
- p) 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.
- q) 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.
- r) 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.
- s) 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):
 - a. Duly attested death certificate / succession certificate in case any shareholder has expired.
 - b. Duly attested Power of Attorney, if any person other than the shareholder has signed the Form.
 - c. 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).
- 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 Company 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 Company will open a Escrow Depository Account for the purpose of the Buyback. The details of which are as under:

Depository	Central Depository Services (India) Limited
DP ID	12024300
DP NAME	Keynote Capitals Limited
Beneficiary Client ID	00010083
Client Account Name	Binani Metals Limited - Buyback of Equity Shares - 2008

- b) 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 BML is INE 129H01022.
- 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 then the delivery instruction given by shareholders to their DPs will be acted upon and 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 20/03/2009, 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.

22. NOTE ON TAXATION

- 22.1 *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.
- 22.2 *Company:* There are no specific tax benefits to the Company on account of Buy-back.



23. 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 intensions 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 18th November, 2008.

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

Sd/-
J. D. Mehta
Executive Vice Chairman

Sd/-
Vinod Juneja
Managing Director

24. AUDITORS REPORT

The text of the Report dated 18/11/2008 received M/s. Abrol & Maheshwary, Chartered Accountants and the Statutory Auditors of the Company, having their office at Kirti Building, 2nd Floor, 31, Dr. V.B. Gandhi Marg, Fort, Mumbai – 400 023. Tel: (022) 2284 3103/ 2288 0024; Membership No. 30739 is reproduced below:

"In connection with the proposal of the Company to buy back its equity shares and in pursuance of the provisions of section 77A and 77B of the Companies Act 1956 and the Securities & Exchange Board of India (Buy Back of Securities) Regulations 1998, we have examined the audited financial statements of the Company for the year ended 31/03/2008 as approved by the Board of Directors of the Company & inquired into the state of affairs of the Company.

We have also examined the relevant records, ratios, analysis, reports and according to the information, explanation given to us and on the basis of such verification of records as we consider appropriate we hereby report that:

1. In our opinion the amount of maximum permissible capital payment being Rs. 1,15,95,051/- which is 30.71% of the total paid up capital of the Company and 10% of the total paid up capital and free reserves of the Company for the equity shares to be bought back is properly determined in accordance with sec. 77A(2) (c) of the Companies Act, 1956.
2. The above calculations / workings of this limits and the proposed buy back of equity shares of the Company is subject to the Company complying with terms of the Companies Act, 1956 and



subsequent amendment thereto and / or any other rules and regulations prescribed and enforce for the time being.

3. The Board of Directors in their meeting held on 18/11/2008 have formed their opinion, as specified in clause (x) of Schedule I of 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 1 year from the date of Meeting of the Board of Directors of the Company held on 18/11/2008.

We are not aware of anything to indicate that the opinion expressed by the directors in their declaration as to any of the matters mentioned in the declaration is unreasonable in all the circumstances.

Thanking You,
Yours Sincerely,

For ABROL & MAHESHWARY

Chartered Accountants

Sd/-

Anil Maheshwary

Partner

Membership Number: 30739

Dated: 18th November, 2008

Place: Mumbai"

25. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection 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 18/11/2008 between Keynote Corporate Services, Manager to the Buy-Back Offer and the Company.
2. Copy of MOU dated 16/12/2008 between the company and Intime Spectrum Registry Ltd. (now Link Intime India Pvt. Ltd.), Registrar to the Buy-Back Offer.
3. Copy of Escrow Agreement dated 16/12/2008 between Binani Metals Limited, Keynote Corporate Services Limited and Axis Bank Limited.
4. Memorandum and Articles of Association of Binani Metals Limited.
5. Annual report of Binani Metals Limited for the years 2007-08, 2006-07, 2005-06 and audited results for the six months period ended on 30/09/2008.
6. Copy of report dated 18/11/2008 received from M/s. Abrol & Maheshwary, Chartered Accountants and Statutory Auditors of the company, in terms of schedule I and schedule III (24) of the Buy-Back Regulations
7. Copy of resolution passed by the Board of Directors at the meeting held on 18/11/2008.
8. 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.
9. Copy of Networth Certificate dated 18/12/2008 of Binani Metals Limited issued M/s. Abrol & Maheshwary, Chartered Accountants and Statutory Auditors of the company.
10. Copies of undertakings from the Company, pertaining to the Buy-Back Offer



11. Copy of Public Notice published in the newspapers on 20/11/2008 regarding buy-back of equity shares.
12. Copy of Public Announcement published in the newspapers on 19/12/2008 regarding buy-back of equity shares.
13. SEBI observation letter no. CFD/DCR/SG/151163/09 dated 20/01/2009 and reply of Keynote Corporate Services Limited to SEBI vide letter dated 28/01/2009.

26. COMPLIANCE OFFICER AND INVESTOR SERVICE CENTRE

Mr. Rakesh Darji
DGM (Legal) & Company Secretary
Binani Metals Limited
Mercantile Chambers, Ground Floor,
12, J.N. Heredia Marg, Ballard Estate,
Mumbai – 400 001.
Tel: 022-3026 3000/01/02; Fax: 022-2263 4960
E-mail: bmlbuyback@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 11 a.m. and 4.30 p.m.

27. REMEDIES AVAILABLE TO THE INVESTORS

- 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, Registrar of Companies, Nizam Palace, Acharya Jagdish Chandra Bose Road, Kolkata, West Bengal-700 020.

28. 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



29. 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 18/11/2008.

By Order of the Board
For and on Behalf of Board of Directors of Binani Metals Limited

Sd/-
Mr. Braj Binani
Chairman

Sd/-
Mr. P. R. Damani
Director

Sd/-
Dr. Kala Pant
Director

Sd/-
Ms. Nidhi Binani
Director

Sd/-
Mr. J. D. Mehta
Executive Vice Chairman

Sd/-
Mr. Vinod Juneja
Managing Director

COMPANY SECRETARY

Sd/-
Rakesh Darji
DGM (Legal) & Company Secretary

Place: Mumbai

Date: 28/01/2009

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TENDER / OFFER FORM
(For SHAREHOLDERS HOLDING SHARES IN DEMATERIALIZED FORM)

Offer Opens on: February 03, 2009
Offer Closes on: March 04, 2009

Date: _____

To,
Link Intime India Pvt. Ltd.
Unit: Binani Metals Limited
C- 13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (West), Mumbai- 400 078

For Collection Centre use			
Centre Code	Inward No.	Date	Stamp

Dear Sirs,

Ref: Letter of Offer dated 28/01/2009 to buy back shares of Binani Metals Limited

- I/We (having read and understood the Letter of Offer dated 28/01/2009) 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 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 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.
- Please select (✓) any one, as applicable:**
 - I/we confirm that the shares offered by me/us are fully paid up.
 - I/we confirm that the shares offered by me/us are partly paid up and that I/We agree to accept the Buy Back Offer price after proportionate reduction of the amount of calls in arrears and interest due thereon from 05/06/2006 till the date of closure of Offer i.e; 04/03/2009. (Refer point no 7.2 on page 8 of the Letter of Offer)

10. 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		

11. 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		

- 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 10(b) above to Binani Metals Limited - Buyback of Equity Shares – 2008, Client Id No. 00010083 held with Keynote Capitals Limited DP ID. No. 12024300. **A copy of delivery instruction issued to the DP, duly endorsed by the DP is enclosed.**
- 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 mandatory filled)

Name of the Bank	Branch and City	Account Number (Indicate type of account)

15. 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			
Signature			
Address of the Sole / First Shareholder			
Telephone No. / E Mail			

BINANI METALS LIMITED – BUY BACK OFFER – ACKNOWLEDGEMENT

(to be filled by the shareholder)

Received from Mr. / Ms. _____

Please quote Client Id & DP No. for future correspondence

DP Id No.		
Client Id No.		
Number of shares offered for buyback	In Figures	In Words
Collection Centre Stamp & date		

INSTRUCTIONS

1. This Offer will open on 03/02/2009 and close on 04/03/2009 (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.
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 CDSL shall use the information contained in the Table A. Details of the account opened with Depository Participants (DP) are given below:

TABLE A

Depository	Central Depository Services (India) Limited
DP ID	12024300
DP NAME	Keynote Capitals Limited
Beneficiary Client ID	00010083
Client Account Name	Binani Metals Limited - Buyback of Equity Shares - 2008

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 04/03/2009 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 CDSL:** - 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 and "00010083" against Client ID. The date of execution entered in the delivery instruction should be 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 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, 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

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.

TENDER / OFFER FORM
(FOR SHAREHOLDERS HOLDING SHARES IN PHYSICAL FORM)

Offer Opens on: February 03, 2009
Offer Closes on: March 04, 2009

DATE: _____

To,
Link Intime India Pvt. Ltd.
Unit: Binani Metals Limited
C- 13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (West), Mumbai- 400 078

For Collection Centre use			
Centre Code	Inward No.	Date	Stamp

Dear Sirs,

Ref: Letter of Offer dated 28/01/2009 to buy back shares of Binani Metals Limited

- I/We (having read and understood the Letter of Offer dated 28/01/2009) 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.
- Please select (✓) any one, as applicable:**
 - I/we confirm that the shares offered by me/us are fully paid up.
 - I/we confirm that the shares offered by me/us are partly paid up and that I/We agree to accept the Buy Back Offer price after proportionate reduction of the amount of calls in arrears and interest due thereon from 05/06/2006 till the date of closure of Offer i.e; 04/03/2009. (Refer point no 7.2 on page 8 of the Letter of Offer)

13. Details of shares held and offered for Buy back :

	In figures	In Words
Number of Shares held		
Number of shares offered for Buy back		
Total No. of Certificates submitted		

14. 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					
5					
Total					

In case the number of share certificates enclosed exceed 5 nos., please attach a separate sheet giving details in the same format as above.

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

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

16. 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)

Yours faithfully,

	Sole / First Shareholder	Second holder (if any)	Third holder (if any)
Name in Full			
*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)

BINANI METALS LIMITED – BUY BACK OFFER – ACKNOWLEDGEMENT

(to be filled by the shareholder)

Received from Mr./ Ms. _____

Please quote folio no. for future correspondence

Folio No.	In Figures	In Words
Number of shares tendered		
Number of share certificates submitted		
Collection Centre Stamp & date		

INSTRUCTIONS

1. This Offer will open on 03/02/2009 and close on 04/03/2009, the last dated 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.
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 04/03/2009. Shareholders residing at locations where there are no collection centers 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.

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.

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