LETTER OF OFFER

This Document is important and requires your immediate attention

*This Letter of Offer (LO) is sent to you as a shareholder(s) of **VINAY CEMENTS LIMITED.** If you require any clarifications about the action to be taken, you may consult your Stock Broker or investment consultant or Manager/Registrar to the Offer. 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.*

OPEN OFFER

By

Mr. Ritesh Bawri
Resident of: 12C, Sunny Park, Ballygunge Circular Road, Kolkata-700 019 Tel : 033- 24559044, Fax No. 033-22900096
Mr. Vinay Bawri
Resident of: 12C, Sunny Park, Ballygunge Circular Road, Kolkata-700 019 Tel : 033- 24559044, Fax No. 033-22900096
Ms. Mala Bawri
Resident of: 12C, Sunny Park, Ballygunge Circular Road, Kolkata-700 019 Tel : 033- 24559044, Fax No. 033- 22900096
Ms. Nisha Bawri Singh
Resident of: Supra Court, 35, Landsdown Terrace Kolkata- 700 026 Tel : 033-24657282, Fax No. 033-22900096.

(herein after collectively referred to as "Acquirers")

to the shareholders of

VINAY CEMENTS LIMITED ("VCL or Target Company")

(Regd. Office: Jamunanagar, Umrangshu, N.C.Hills, Asom)
Phone –(03670) 288251, Fax (03670) 288151

for the purchase of upto 37,79,974 fully paid-up Equity Shares of Rs.10/- each, representing 20% of the post preferential voting equity share capital of the Target Company at a price of Rs. 36.95 (inclusive of interest amount of Rs. 1.95) per share. These shares will be acquired in cash from the existing shareholders except parties to the agreement and other promoters/promoters group, in accordance with regulation 20(2)(a) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1997 and subsequent amendments thereof, from the existing equity shareholders of VCL.

Please Note:

1. This Offer is being made pursuant to and in compliance with Regulation 11(1) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereof (hereinafter referred to as "Regulations").
2. The Offer is subject to receiving the necessary approval(s), if any, from the Reserve Bank of India, under the Foreign Exchange Management Act, 1999 and subsequent amendments thereto, for acquiring shares tendered by non-resident shareholders, if any. In case of acceptances from Non-Resident shareholders, the Acquirers would after the closure of the Offer, make the requisite applications to RBI to obtain its approval for transfer of such shares of VCL to the Acquirers. As on the date, to the best of the knowledge of the Acquirers, there are no other statutory approvals and / or consents required. However, the Offer would be subject to all-statutory approvals as may be required and / or may subsequently become necessary to acquire at any later date.
3. If there is any upward revision in the Offer Price/Size at any time up to seven working days prior to the date of closure of the Offer i.e, 24/10/2007 or withdrawal of the Offer in terms of the regulation, the same would also be informed by way of a Public Announcement in the same newspapers where the Original Public Announcement dated 06/02/2007 had appeared. Such revised Offer Price would be payable for all the shares tendered any time during the Offer & accepted under the Offer.
4. **Shareholders, who have accepted the Offer by tendering the requisite documents in terms of the Public Announcement / Letter of Offer, can withdraw the same upto 31/10/2007 i.e. three working days prior to the date of Closure of the Offer.**
5. **There has been no competitive bid.**
6. The offer is not subject to a minimum level of acceptance by the shareholders of VCL.
7. **No competitive bid has been announced as on the date of this Letter of Offer.**
8. The Procedure for acceptance is set out in Para 8 of this Letter of Offer. A Form of Acceptance and a Form of Withdrawal is enclosed with this Letter of Offer.
9. The Public Announcement, Corrigendums to the Public Announcement, Letter of Offer (including Form of Acceptance cum Acknowledgement and Form of Withdrawal) would also be available at SEBI's website www.sebi.gov.in.

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
VC CORPORATE ADVISORS PRIVATE LIMITED SEBI REGN NO:INM000011096 (Contact Person: Mr. Tanmay Kumar Saha) 31, Ganesh Chandra Avenue, 2nd Floor, Suit No. 2C, Kolkata – 700 013 Tel :- (033) 2225 3940/41, Fax : (033) 2225 3941 Email : mail@ vccorporate.com	**MAHESHWARI DATAMATICS PRIVATE LIMITED** SEBI REGN NO: INR000000353 (Contact Person Mr. Rajagopal) 6, Mangoe Lane, 2nd Floor, Kolkata – 700 001 Phone No: (033) 2243 5029/5809 Fax : (033) 2248 4787 E-mail: mdpl@cal.vsnl.net.in

A SCHEDULE OF SOME OF THE MAJOR ACTIVITIES RELATING TO THE OFFER IS GIVEN BELOW:

Activity	Original Date& Day	Revised Date & Day
Date of Public Announcement	06.02. 2007 (Tuesday)	06.02. 2007 (Tuesday)
Specified date (for the purpose of determining the names of shareholders to whom the Letter of Offer will be sent)	09.02.2007 (Friday)	09.02.2007 (Friday)
Date by which the Letter of Offer will be dispatched to shareholders	20.03.2007 (Tuesday)	11.10.2007 (Thursday)
Date of Opening of the Offer	28.03.2007 (Wednesday)	17.10.2007 (Wednesday)
Date of Closing of the Offer	16.04. 2007 (Monday)	05.11.2007 (Monday)
Last Date for a Competitive Bid	27.02. 2007 (Tuesday)	27.02. 2007 (Tuesday)
Last Date for revising the Offer Price / No. of Shares	04.04.2007 (Wednesday)	24.10.2007 (Wednesday)
Last Date for withdrawal of acceptance by shareholders who have accepted the Offer	11.04.2007 (Wednesday)	31.10.2007 (Wednesday)
Date of communicating rejection / acceptance and payment of consideration for applications accepted.	30.04.2007 (Monday)	19.11.2007 (Monday)

Risk Factors relating to the transaction, the proposed offer and probable risks involved in associating with the Acquirers: -

1. The offer involves an offer to acquire upto 20% of the post preferential voting equity share capital of VCL from the eligible persons for the Offer. In the case of oversubscription in the offer, as per the Regulations, acceptance would be determined on a proportionate basis and hence there is no certainty that all the shares tendered by the shareholders in the Offer will be accepted.

2. In the event that either (a) a regulatory approval is not received in a timely manner, (b) there is any litigation leading to stay on the Offer, or (c) SEBI instructs the Acquirers not to proceed with the Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this LO. Consequently, the payment of consideration to the public shareholders of VCL whose Shares have been accepted in the Offer as well as the return of Shares not accepted by the Acquirers may be delayed. In case of the delay, due to non-receipt of the statutory approvals, as per Regulation 22(12) of the Regulations, SEBI, may, if satisfied that the non-receipt of approval was not due to the willful default or negligence or failure to diligently pursue on the part of the Acquirers, grant an extension for the purpose of completion of the Offer subject to the Acquirers paying interest to the shareholders, as may be specified by the SEBI. Further, shareholders should note that after the last date of withdrawal i,e 31/10/2007, the shareholders who have lodged the shares would not be able to withdraw them even if the acceptance of the Shares under the Offer and dispatch of consideration gets delayed. The tendered shares and documents would be held by the Registrar to the Offer, till such time as the process of acceptance of tenders and the payment of consideration is completed.

   As the date hereof, no statutory approvals are required by the Acquirers to acquire the Equity Shares tendered pursuant to this Offer. If any statutory approvals are required or become applicable, the Offer would be subject to receipt of such other statutory approvals. In terms of Regulation 27 of the Regulations, the Acquirers will not proceed with the Offer in the event that statutory approvals (other than RBI permission, if required, for offer of shares by NRIs, in which case, the payment of consideration to NRIs may be delayed/offer by NRIs may not be accepted) that are required are not obtained.

3. The Acquirers intend to acquire upto 37,79,974 fully paid-up Equity Shares of Rs.10/- each, representing 20% of the post preferential voting equity share capital at a price of Rs. 36.95 (inclusive of interest amount of Rs. 1.95) per share under the Regulations. Further, the Shares tendered in the Offer in demat form will lie to the credit of a designated escrow account and the shares tendered in physical form will lie with the Registrar to the Offer, till the completion of the Offer formalities. The Acquirers make no assurance with respect to the market price of the shares both during the Offer period and upon the completion of the Offer, and disclaim any responsibility with respect to any decision by the shareholders on whether or not to participate in the Offer.

   The risk factor set forth above pertains to the acquisition and the Offer and not in relation to the present or future business operations of the Target Company or other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a shareholder in the Offer. Shareholders of the Target Company are advised to consult their stockbroker or investment consultant, if any, for further risk with respect to their respective participation in the Offer.

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DEFINITIONS/ABBREVIATIONS

Acquirers	Mr. Ritesh Bawri, Mr. Vinay Bawri, Ms. Mala Bawri & Ms. Nisha Bawri Singh
Act	The Companies Act, 1956
Agreement or SSA	Share Subscription Agreement dt 31.01.2007
ASE	Ahmedabad Stock Exchange Limited
BSE	Bombay Stock Exchange Limited
Corrigendum to PA	Corrigendum to the Public Announcement dt. 27.03.2007 and 06.10.2007
CSE	Calcutta Stock Exchange Association Limited
DSE	The Delhi Stock Exchange Association Limited
DP or Depository Participant	Shree Bahubali International Limited
FEMA	Foreign Exchange Management Act, 1999
FoA or Form of Acceptance	Form of Acceptance –cum-Acknowledgment accompanying this Letter of Offer
FoW or Form of Withdrawal	Form of Withdrawal accompanying this Letter of Offer
GSE	The Gauhati Stock Exchange Limited
LO	Letter of Offer
Manager to the Offer	VC Corporate Advisors Private Limited
MSE	Madras Stock Exchange Ltd
NRI(s)	Non- Resident Indians
Offer or Open Offer	Cash Offer being made by the Acquirers to acquire upto 37,79,974 fully paid-up Equity Shares of Rs.10/- each, representing 20% of the post preferential voting equity share capital of the Target Company at a price of Rs. 36.95 (inclusive of interest amount of Rs. 1.95) per share
Offer Period	From Wednesday, 31/01/2007 to Monday, 19/11/2007
Offer Price	Rs. 36.95 (inclusive of interest amount of Rs. 1.95) payable in cash
PA	Public Announcement
Persons eligible to participate in the Offer	All owners (registered and unregistered) of shares of VCL except the parties to the Agreement and other Promoters/Promoters Group.
RBI	Reserve Bank of India
RCL	RCL Cements Limited
Registrar	Maheshwari Datamatics Private Limited
Regulations	Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent Amendments thereof.
SEBI	Securities & Exchange Board of India
Specified date	Date for the purpose of determining the names of Shareholders, as appearing in the Register of Members of VCL or the Records of the Depositories, to whom the Letter of Offer should be sent, i.e. 09/02/2007
VCL / Target Company	Vinay Cements Limited

1. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE EQUITY SHAREHOLDERS OF VCL TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS OR THE COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRERS DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER VC CORPORATE ADVISORS PRIVATE LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 17.02.2007 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILLING OF THIS LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER.

2. DETAILS OF THE OFFER:

2.1 Background of the Offer:

2.1.1 This Open Offer is being made by the Acquirers pursuant to Regulation 11(1) of Regulations, to the shareholders of Vinay Cements Limited.

2.1.2. The Acquirers have entered into a Share Subscription Agreement (the 'Agreement') with Target Company on 31st January 2007, with respect to subscription and allotment on a preferential basis (Ritesh Bawri 32,45,508 Equity Shares, Vinay Bawri 31,49,286 Equity Shares, Mala Bawri 15,69,176 Equity Shares, and Nisha Bawri Singh 9,35,900 Equity Shares), representing in aggregate 88,99,870 Equity Shares constituting 47.09 % of post preferential voting equity share capital of the Target Company at a price of Rs. 35/- per share in accordance with SEBI (DIP) Guidelines, 2000 for preferential issues and subsequent amendments thereto. In lieu of the consideration, the Acquirers have agreed to sell, 36,32,600 equity shares of RCL Cements Limited, an unlisted company ("RCL") (Ritesh Bawri 13,24,697 equity shares, Vinay Bawri 12,85,423 equity shares, Mala Bawri 6,40,480 equity shares, and Nisha Bawri Singh 3,82,000 equity shares), representing in aggregate 99.98 % of the Equity share capital of RCL @ Rs.85.75 per share. Further pursuant to the shareholders approval by way of special resolution passed at their meeting held on 02.03.2007 and in-principle approval letter dated 29th June, 2007 received from the BSE, VCL at its Board Meeting held on 30.06.2007 allotted 88,99,870 Equity Shares of Rs. 10/- each at an issue price of Rs. 35/- per share to the Acquirers (Ritesh Bawri 32,45,508 Equity Shares, Vinay Bawri 31,49,286 Equity Shares, Mala Bawri 15,69,176 Equity Shares, and Nisha Bawri Singh 9,35,900 Equity Shares). In lieu of the consideration, the Target Company acquired 36,32,600 equity shares of RCL from the Acquirers on 30th June, 2007.

For the purpose of this offer, there are no persons acting in concert as per the provisions of Regulations 2(1)(e) of the Regulations.

The Acquirers hold 24,75,785 equity shares of VCL representing 24.76 % of the fully paid up equity share capital as on the date of PA. The Acquirers form part of the promoter group of VCL. The Acquirers together with other promoters (herein after collectively referred to as "Promoter group") held 52,65,380 equity shares of VCL representing 52.65 % of the fully paid up equity share capital as on the date of PA. As a result of the preferential allotment, the holding of the Acquirers and promoter group has increased to 113,75,655 Equity Shares and 141,65,250 equity shares representing 60.19% and 74.95 % respectively, of the post preferential voting equity share capital of the Target Company. Further assuming full acceptance under the Open Offer, the holdings of the Acquirers and the promoter group shall increase to 151,55,629 equity shares and 179,45,224 equity shares in the Target Company representing 80.19 % and 94.95 % respectively of the post preferential fully paid up voting equity share capital of the Target Company. The Acquirers have not acquired any equity shares of VCL during the 12 months preceding the date of this public announcement.

As on date of PA, the Manager to the Offer M/s. VC Corporate Advisors Private Limited does not hold any shares in the Target Company. The Manager to the offer undertakes not to deal in the equity shares of VCL upto a period of fifteen days after closure of the Offer.

Some of the main features of the Agreement are mentioned below : -

a) The Target Company has agreed to acquire from the Acquirers a total of 36,32,600 equity shares (Ritesh Bawri 13,24,697, Vinay Bawri 12,85,423, Mala Bawri 6,40,480, and Nisha Bawri 3,82,000), of RCL Cements Limited (RCL) @ Rs. 85.75/- per share for a total value of Rs. 31,14,95,450/-(Rupees Thirty one Crores fourteen Lacs ninety-five thousand four hundred fifty only). In lieu of the consideration payable, the Board of Directors of the Target Company, at its meeting held on 31st January, 2007 has agreed to issue and allot a total of 88,99,870 fully paid up equity shares of Rs. 10/- each to the Acquirers (Ritesh Bawri 32,45,508 equity shares, Vinay Bawri 31,49,286 equity shares, Mala Bawri 15,69,176 equity shares and Nisha Bawri Singh 9,35,900 equity shares) on preferential allotment basis at a price of Rs. 35/- per share (including premium of Rs. 25/-) aggregating to Rs. 31,14,95,450/- (Rupees Thirty one Crores fourteen Lacs ninety-five thousand four hundred fifty only) in accordance with the guidelines for preferential issue under SEBI (Disclosure of Investors Protection) Guidelines, 2000 and subsequent amendments thereto.

b) That the Acquirers subject to the terms and conditions hereinafter contained have agreed to acquire 88,99,870 equity shares of Rs. 10/- each of VCL @ Rs. 35/- per equity shares in lieu of sell, transfer and assign a total of 36,32,600 equity shares (Ritesh Bawri 13,24,697, Vinay Bawri 12,85,423, Mala Bawri 6,40,480, and Nisha Bawri Singh 3,82,000) of RCL in favour of the Target Company @ Rs 85.75/- per share for a total consideration of Rs. 31,14,95,450/- (Rupees Thirty one Crores fourteen Lacs ninety-five thousand four hundred fifty only).

c) That the shares of RCL under this Agreement as stated above have already been pledged by the Acquirers with Infrastructure Leasing & Financial Services Limited (IL&FS) against the term loan availed by RCL. The Acquirers have already approached and received the No Objection Certificate for acquisition of 51% equity shares of RCL. The Target Company has also approached and received the No Objection Certificate, subject to certain conditions from UTI Bank Limited (UTI), being its Banker for the acquisition of 51% shares of RCL. Both the Acquirers and Target Company have also approached for the sale and acquisition of more than 51% equity shares of RCL, forming part of this agreement vide their letter dated 31st January 2007 to IL&FS and UTI respectively.

d) That the Target Company has agreed to put the shares of RCL under pledge with IL&FS on the same terms and conditions on which they are already pledged by the Acquirers.

e) That the Acquirers shall comply with all the requirements of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto.

f) That in case of any non-compliance of the provisions of the SEBI (SAST) Regulations, 1997, the acquisition of the shares by the Acquirers and the issue of the shares by the Target Company may not be acted upon.

2.1.3. The allotment of shares under the Preferential issue as specified in para 2.1.2 above was subject to various conditions precedent being fulfilled, including approval of the shareholders, Financial Institutions / Banks etc. Consequently, the Board of Directors of the Target Company at its meeting held on 31.01.2007 decided to convene an Extraordinary General Meeting ('EGM') of its shareholders on 02.03.2007, to approve the Preferential Issue by way of Special Resolution under Section 81(1A) of the Companies Act 1956 and other applicable provisions and to authorize the Board to allot the shares as required under Regulations 23(1)(b) of the Regulations. Pursuant to the shareholders approval by way of a special resolution passed at their meeting held on 02.03.2007 and in-principal approval letter dated 29th June, 2007 received from the BSE, VCL at its board meeting held on 30.06.2007 allotted 88,99,870 Equity Shares of Rs. 10/- each at an issue price of Rs. 35/- per share to the Acquirers. In lieu of the consideration, VCL acquired 36,32,600 equity shares of RCL from the Acquirers on 30th June, 2007. The details of the acquisition of equity shares of RCL are as follows :--

Name of the Shareholder	No. of shares of RCL Cements Ltd. acquired by Target Company	Percentage of shareholding
Ritesh Bawri	13,24,697	36.46
Vinay Bawri	12,85,423	35.38
Mala Bawri	6,40,480	17.63
Nisha Bawri Singh	3,82,000	10.51
	36,32,600	**99.98**

These shares were earlier pledged by Acquirers with IL&FS Limited for securing term loan of Rs. INR 100 million by RCL Cements Limited. At present the aforesaid shares of RCL are owned by Target Company and are not under any encumbrance.

2.1.4. IL&FS and UTI Bank Ltd., subject to certain conditions have given their no objection for acquisition of 99.98% Equity Shares of RCL by the Target Company vide their letter dtd. February 14, 2007 and February 16, 2007 respectively. Pursuant to the above The Target Company acquired 36,32,600 equity shares of RCL from the Acquirers on 30th June, 2007. These shares were earlier pledged by Acquirers with IL&FS Limited for securing term loan of Rs. INR 100 million by RCL . At present the aforesaid shares of RCL are owned by Target Company and are not under any encumbrance. Further the 88,99,870 Equity Shares of VCL allotted to the Acquirers, in terms of the Share Subscription Agreement dated 31st January, 2007, by VCL on 30th June, 2007, have been pledged in favour of IL&FS Ltd. Statement of Holdings of the Acquirers all dt. 01/10/2007 received from IL&FS Ltd. have confirmed the same.

2.1.5. The Acquirers will comply with the Regulations and complete the Offer formalities irrespective of the compliance or fulfillment or outcome of the Agreement and its related conditions.

2.1.6. As per the available information and the confirmation received from the Acquirers, the Promoters and the Target Company, we confirm that there has not been any action taken against them including prohibition from dealing in securities, in terms of the direction issued u/s 11B of the SEBI Act or under any other regulations made under the SEBI Act.

2.2. Details of the proposed Offer:

2.2.1. The Public Announcement dated 06/02/2007, Corrigendum to the Public Announcement dt. 27/03/2007 & 06/10/2007 in respect of the Offer was made in all editions of Financial Express (English Daily), Jansatta (Hindi Daily) and Navshakti (Marathi Daily- Mumbai edition only) in compliance with Regulation 15(1) of the Regulations. However the aforesaid Public Announcement could not be published in the Ajir Asom (Assamese Paper) on Tuesday, February 6, 2007 due to certain technical fault as confirmed by Ad Agency & the News Paper and the same was duly published on Wednesday i.e. February 07, 2007.

2.2.2. The Acquirers propose to acquire from the existing equity shareholders of VCL (other than the parties to the Agreement) upto 37,79,974 fully paid-up Equity Shares of Rs.10/- each, representing 20% of the post preferential voting equity share capital of the Target Company at a price of Rs.36.95 (inclusive of interest amount of Rs. 1.95) per share ("Offer Price") payable in cash. VCL does not have any partly paid up shares.

2.2.3. The shares will be acquired by the Acquirers, free from all liens, charges and encumbrances and together with all the rights attached thereto, including the right to all dividends, bonus and rights declared hereafter.

2.2.4. The Offer is not subject to any minimum level of acceptances. The Acquirers will accept all fully paid up equity shares of VCL in terms of this Offer upto a maximum of 37,79,974 equity shares.

2.2.5. Since the date of the PA to the date of this Letter of Offer, the Acquirers have not acquired any shares of VCL except 8899870 equity shares allotted to them on 30.06.2007 by way of preferential allotment by the Target company.

2.2.6. The Public Announcement made on 06/02/2007, Corrigendum to the Public Announcement dt. 27/03/2007 & 06/10/2007 are available on the SEBI web-site at www.sebi.gov.in

2.3. Object of the Offer:

The Acquirers are promoters and in the management control of VCL and RCL. Both VCL and RCL are presently engaged in the Cement business. The acquisition of the shares of RCL by VCL shall form the strategy of consolidation into the related business, which would help VCL Synergy of operations and economies of scale & also to exploit short to medium term business opportunities. Through this acquisition and synergy, RCL shall become the subsidiary of the VCL and shall facilitate it in broadening its revenue stream and networth. VCL in lieu of the acquisition of 99.98 % equity shares of RCL from the Acquirers has agreed to allot 88,99,870 equity shares of VCL on preferential allotment basis to the Acquirers and therefore the present Open Offer to the shareholders of VCL is being made by the Acquirers pursuant to Regulation 11(1) of the Regulations.

3. BACKGROUND OF THE ACQUIRERS:

3.1 Mr. Ritesh Bawri

3.1.1 Mr. Ritesh Bawri, aged about 34 years, residing at 12C, Sunny Park, Ballygunge Circular Road, Kolkata – 700 019, Tel : 033- 24559044, Fax No. 033-22900096, has more than 6 years of experience in the Cement Industry. He is an MBA from the University of Michigan and holds a Bachelors degree in Arts with honors in Economics.

3.1.2 As per certificate dated January 16, 2007 given by Mr. Himadri Pradhan, Proprietor of M/s Himadri Pradhan & Co., (Membership No.062158) Chartered Accountants, having office at Vill + P.O Ghoshpur (Itkhola), Dist :- 24 Pgn(N) , Pin: 743289 Ph: (03216) 246588 (O) 9330863692 (M) E-mail:- himadripradhan@hotmail.com, the networth of Mr. Ritesh Bawri is Rs. 1676.01 Lacs as at December 31, 2006.

3.1.3. As on the date of this Public Announcement, Mr. Ritesh Bawri is the chairman of VCL. He undertakes not to participate in any matters concerning or relating to the Offer including any preparatory steps leading to the Offer. He is an EX-CEO of Cijen Inc, a California based Software Company. He is presently the Managing Director of Calcom Cement India Limited. He is not on the Board of any other listed company nor is he a full time director in any other Company.

3.2 Mr. Vinay Bawri

3.2.1. Mr. Vinay Bawri, aged about 31 years, residing at 12C, Sunny Park, Ballygunge Circular Road, Kolkata-700019, Tel : 033- 24559044, Fax No. 033-22900096, has more than 6 years of experience in Cement Industry. He holds a Master degree in Arts with honors in Economics.

3.2.2. As per certificate dated January 16, 2007 given by Mr. Himadri Pradhan, Proprietor of M/s Himadri Pradhan & Co., (Membership No.062158) Chartered Accountants, having office at Vill + P.O Ghoshpur (Itkhola), Dist: - 24 Pgn(N) , Pin: 743289 Ph: (03216) 246588 (O) 9330863692 (M) E-mail:- himadripradhan@hotmail.com, the networth of Mr. Vinay Bawri is Rs. 1637.56 Lacs as at December 31, 2006.

3.2.3. Mr. Vinay Bawri is presently the Joint Managing Director of Calcom Cement India Limited. He is not on the Board of any other listed company nor is he a full time director in any other Company.

3.3 Ms. Mala Bawri

3.3.1. Ms. Mala Bawri aged about 35 years, residing at 12C, Sunny Park, Ballygunge Circular Road, Kolkata-700019, Tel : 033- 24559044, Fax No. 033-22900096. She holds a Bachelors degree in Arts with honors in Economics.

3.3.2. As per certificate dated January 16, 2007 given by Mr. Himadri Pradhan, Proprietor of M/s Himadri Pradhan & Co., (Membership No.062158) Chartered Accountants, having office at Vill + P.O Ghoshpur (Itkhola), Dist :- 24 Pgn(N) , Pin: 743289 Ph: (03216) 246588 (O) 9330863692 (M) E-mail:- himadripradhan@hotmail.com, the networth of Ms. Mala Bawri is Rs. 813.25 Lacs as at December 31, 2006.

3.3.3. Ms. Mala Bawri is one of the founder members of a start up company, Cijen Inc, engaged in software solution for Consumer Relationship Management. She is not on the Board of any other listed company nor is she a full time director in any other Company.

3.4 Ms. Nisha Bawri Singh

3.4.1 Ms. Nisha Bawri Singh aged about 37 years, residing at Supra Court, 35,Landsdown Terrace Kolkata- 700 026, Tel : 033-24657282, Fax No. 033-22900096. She is a graduate from St. Mary's College of Shillong and has more than 5 years of experience in investment activities.

3.4.2. As per certificate dated January 16, 2007 given by Mr. Himadri Pradhan, Proprietor of M/s Himadri Pradhan & Co., (Membership No.062158) Chartered Accountants, having office at Vill + P.O Ghoshpur (Itkhola), Dist :- 24 Pgn(N) , Pin: 743289 Ph: (03216) 246588 (O) 9330863692 (M) E-mail:- himadripradhan@hotmail.com, the networth of Mr. Nisha Bawri Singh is Rs. 538.06 Lacs as at December 31, 2006.

3.4.3. She is not on the Board of any other listed company nor is she a full time director in any other Company.

3.5 The Acquirers have not entered into any formal agreement with respect to the present acquisition and are acting together under an informal understanding. Mr Ritesh Bawri, Mr. Vinay Bawri, Ms. Mala Bawri and Ms. Nisha Bawri Singh are real brothers & sisters.

3.6 The Acquirers have complied with the applicable provisions of Chapter II of the Regulations within the time specified in the Regulations except compliance of regulation 7(1A) for the period 2002 to 2006 wherever applicable. For non-compliance with chapter II, SEBI may initiate suitable action at a later stage.

3.7 For the purpose of this Offer there are no persons acting in concert as per the provisions of regulations 2(1)(e) of the Regulations.

3.8 The Acquirers do not have a controlling stake in any other listed company as on date.

3.9 The Acquirers have promoted certain unlisted Companies which are not participating in the proposed acquisition of shares in VCL, the particulars of which are given as under:

3.9.1. **Calcom Cement India Limited** was incorporated on 20th September 2004 under the Companies Act 1956 in the State of Asom and obtained Certificate of Commencement of Business on 1st November 2004. The Company is in the process of setting up a 0.75 mtpa clinkerisation unit and a 1.40 mtpa cement-grinding unit in the State of Asom with an estimated project cost of Rs. 41440 lacs.

Brief financials based on Audited Accounts for the year ended 31/03/2006 & period ended 31/03/2005 are given below:

(Amount -Rs. In Lacs)

Particulars	**31.03.2006**	**20.09.2004 to 31.03.2005**	**31.03.2004**
Equity Share Capital	4040.34	10.00	N.A.
Reserves (excluding Revaluation reserves)	(-) 76.62	(-) 0.40	N.A.
Total Income	-	-	N.A.
Profit After Tax (PAT)	-	-	N.A.
Earnings Per Share (EPS) in Rs.	-	-	N.A.
Net Asset Value (NAV) per share in Rs. (Equity shares of Rs.10/- each)	9.81	9.60	N.A.

The Company is not a Sick Industrial Company.

3.9.2. **RCL Cements Limited** was incorporated on 15th December 1997 in the State of Asom under the Companies Act 1956 as 'RCL Cements Private Limited '. The name of the Company was subsequently changed to the present name w.e.f 30th April 2002 vide fresh certificate of Registration issued by Registrar of Companies Asom, Meghalaya etc. Shillong. The Company is engaged in the business of Manufacturing of Ordinary Portland Cement. RCL Cements Ltd. is an-unlisted company.

Brief financials based on Audited Accounts for the last three years are given below:

(Amount -Rs. In Lacs)

Particulars	**31.03.2006**	**31.03.2005**	**31.03.2004**
Equity Share Capital	363.32	363.32	363.32
Reserves (excluding revaluation reserves)	3494.35	2900.06	2312.75
Total Income	3610.08	3481.93	4048.00
Profit After Tax (PAT)	595.88	588.89	656.89
Earnings Per Share (EPS) in Rs.	16.40	16.21	18.08
Net Asset Value (NAV) per share in Rs. (Equity shares of Rs.10/- each)	106.18	89.82	73.66

The Company is not a Sick Industrial Company.

3.9.3. **SCL Cements Private Limited**, was incorporated on 8th October 1999 in the State of Meghalaya under the Companies Act 1956 with the object of carrying on the business of manufacturing of cement, minerals and allied products. The Company has not yet started any business operations.

Brief financials based on Audited Accounts for the last three years are given below:

(Amount -Rs. In Lacs)

Particulars	**31.03.2006**	**31.03.2005**	**31.03.2004**
Equity Share Capital	1.00	1.00	1.00
Reserves (excluding revaluation reserves)	(-) 0.43	(-) 0.41	(-) 0.38
Total Income	-	-	-
Profit After Tax (PAT)	(-) 0.02	(-) 0.03	(-) 0.16
Earnings Per Share (EPS) in Rs.	- ve	- ve	- ve
Net Asset Value (NAV) per share in Rs. (Equity shares of Rs.10/- each)	5.67	5.88	6.14

The Company is not a Sick Industrial Company.

3.9.4. **Saroj Exim Private Limited**, was incorporated on 18th January 2006 in the State of West Bengal under the Companies Act 1956 with the object of carrying on the business of leather, electronic, electronics components, ferrous and non-ferrous metals, iron and steel etc. The Company is yet to start any commercial activity.

Brief financials based on Audited Accounts for the period ended 31/03/2006 are given below:

(Amount -Rs. In Lacs)

Particulars	**31.03.2006**	**31.03.2005**	**31.03.2004**
Equity Share Capital	1.00	N. A.	N. A.
Reserves (excluding revaluation reserves)	(-) 0.81	N. A.	N. A.
Total Income	-	N. A.	N. A.
Profit After Tax (PAT)	-	N. A.	N. A.
Earnings Per Share (EPS) in Rs.	-	N. A.	N. A.
Net Asset Value (NAV) per share in Rs. (Equity shares of Rs.10/- each)	1.90	N. A.	N. A.

The Company is not a Sick Industrial Company.

3.9.5. **Saroj Commotrade Private Limited**, was incorporated on 18th January 2006 in the State of West Bengal under the Companies Act 1956 with the object of carrying on the business of chemicals, spices, agricultural products, industrial raw materials etc. The Company is yet to start any commercial activity.

Brief financials based on Audited Accounts for the period ended 31/03/2006 are given below:

(Amount -Rs. In Lacs)

Particulars	**31.03.2006**	**31.03.2005**	**31.03.2004**
Equity Share Capital	1.00	N. A.	N. A.
Reserves (excluding revaluation reserves)	(-) 0.81	N. A.	N. A.
Total Income	-	N. A.	N. A.
Profit After Tax (PAT)	-	N. A.	N. A.
Earnings Per Share (EPS) in Rs.	-	N. A.	N. A.
Net Asset Value (NAV) per share in Rs. (Equity shares of Rs.10/- each)	1.90	N. A.	N. A.

The Company is not a Sick Industrial Company.

3.9.6. **Saroj Vinimay Private Limited**, was incorporated on 18th January 2006 in the State of West Bengal under the Companies Act 1956 with the object of carrying on the business of chemicals, spices, agricultural products, industrial raw materials etc. The Company is yet to start any commercial activity.

Brief financials based on Audited Accounts for the period ended 31/03/2006 are given below:

(Amount -Rs. In Lacs)

Particulars	**31.03.2006**	**31.03.2005**	**31.03.2004**
Equity Share Capital	1.00	N. A.	N. A.
Reserves (excluding revaluation reserves)	(-) 0.81	N. A.	N. A.
Total Income	-	N. A.	N. A.
Profit After Tax (PAT)	-	N. A.	N. A.
Earnings Per Share (EPS) in Rs.	-	N. A.	N. A.
Net Asset Value (NAV) per share in Rs. (Equity shares of Rs.10/- each)	1.90	N. A.	N. A.

The Company is not a Sick Industrial Company.

3.9.7. **Saroj Vanijya Private Limited**, was incorporated on 18th January 2006 in the State of West Bengal under the Companies Act 1956 with the object of carrying on the business of chemicals, spices, agricultural products, industrial raw materials etc. The Company is yet to start any commercial activity.

Brief financials based on Audited Accounts for the period ended 31/03/2006 are given below:

(Amount -Rs. In Lacs)

Particulars	**31.03.2006**	**31.03.2005**	**31.03.2004**
Equity Share Capital	1.00	N. A.	N. A.
Reserves (excluding revaluation reserves)	(-) 0.81	N. A.	N. A.
Total Income	-	N. A.	N. A.
Profit After Tax (PAT)	-	N. A.	N. A.
Earnings Per Share (EPS) in Rs.	-	N. A.	N. A.
Net Asset Value (NAV) per share in Rs. (Equity shares of Rs.10/- each)	1.90	N. A.	N. A.

The Company is not a Sick Industrial Company.

3.9.8. **J C Textiles & Finance Private Limited** was incorporated on 1st July 1992 under the Companies Act 1956 with the object of carrying on the business of textiles goods and financial activities. The Company is not carrying on any activity at present.

Brief financials based on Audited Accounts for the last three years are given below:

(Amount -Rs. In Lacs)

Particulars	31.03.2006	31.03.2005	31.03.2004
Equity Share Capital	22.02	22.02	22.02
Reserves (excluding revaluation reserves)	(-) 2.03	(-) 1.94	(-) 1.79
Total Income	-	-	-
Profit After Tax (PAT)	(-) 0.09	(-) 0.14	(-) 0.19
Earnings Per Share (EPS) in Rs.	- ve	-ve	-ve
Net Asset Value (NAV) per share in Rs. (Equity shares of Rs.10/- each)	9.08	9.12	9.19

The Company is not a Sick Industrial Company.

3.9.9. **Rotomac Textiles & Investments Private Limited** was incorporated on 3rd July 1992 in the State of West Bengal under the Companies Act 1956 with the object of carrying on the business of textiles goods and financial activities. The Company is not carrying on any activity at present.

Brief financials based on Audited Accounts for the last three years are given below:

(Amount -Rs. In Lacs)

Particulars	31.03.2006	31.03.2005	31.03.2004
Equity Share Capital	0.50	0.50	0.50
Reserves (excluding revaluation reserves)	(-) 1.45	(-) 1.40	(-) 1.28
Total Income	-	-	-
Profit After Tax (PAT)	(-) 0.05	(-) 0.12	(-) 0.15
Earnings Per Share (EPS) in Rs.	-ve	-ve	-ve
Net Asset Value (NAV) per share in Rs. (Equity shares of Rs.10/- each)	(-) 19.00	(-) 18.04	(-) 15.63

The Company is not a Sick Industrial Company.

3.10. Disclosures in terms of Regulation 16(ix) :

3.10.1 This offer has been made pursuant to Regulation 11(1) and other provisions of Chapter III and in compliance with the Regulations.

3.10.2. The Acquirers do not have any plans to dispose off or otherwise encumber any assets of VCL in the next two years except such disposals or encumbrances in the ordinary course of business of the Target Company and / or for the purposes of restructuring, rationalizing and / or streamlining various operations, assets, liabilities, investments, businesses or otherwise of VCL.

3.10.3. The Acquirers undertake not to sell, dispose off or otherwise encumber any substantial assets of the Target Company except with the prior approval of the shareholders of the Target Company, and in accordance with and subject to the applicable laws, permissions and consents, if any.

3.11 Future Plans / Strategies of the Acquirers with regard to the Target Company

The Acquirers intend to consolidate their shareholding in the Target Company pursuant to the preferential allotment of equity shares and Open Offer being made to the shareholders of the Target Company in compliance of the Regulations. The Acquirers are promoters and in the management control of VCL and RCL. Both VCL and RCL are presently engaged in the Cement business. The acquisition of the shares of RCL by VCL shall form the strategy of consolidation into the related business, which would help VCL Synergy of operations and economies of scale & also to exploit short to medium term business opportunities. Through this acquisition and synergy, RCL shall become the subsidiary of the VCL and shall facilitate it in broadening its revenue stream and netwoth. Pursuant to the consolidation of holdings in the Target Company the Acquirers intend to implement its growth plans in cement business more aggressively in future and achieve greater synergies, operational efficiencies and optimize product mix.

4. Option in terms of Regulation 21

In the event, pursuant to this offer, the public shareholding in the Target Company falls below 25% of its outstanding equity share capital, the Acquirer will, in accordance with Regulation 21(2) of the Regulations, facilitate the Target Company to raise the level of Public shareholding to the level specified for continuous listing in the Listing agreement with the Stock Exchanges within the specified time and in accordance with the prescribed procedure under clause 40A(viii) of the Listing Agreement and in compliance with the Regulations. The Acquirers have declared and confirmed vide their undertaking dt. 25.08.2007 that none of them have any intention as on date to delist the securities of the Target Company pursuant to the Offer.

5. BACKGROUND OF THE TARGET COMPANY – VCL

5.1. Brief History and Main Areas of Operations:

5.1.1 Vinay Cements Limited was incorporated on July 09, 1986 as a Public Limited Company in the State of Asom and received certificate for commencement of Business on 10th July 1986. The shares of the Target Company were initially listed in August 1989. The Registered Office of the Target Company is situated at Jamunanagar, Umrangshu, N.C.Hills, Asom, Phone No. –(03670) 288251, Fax (03670) 288151. The Corporate Office of Target Company is located at Jindal Towers, Block A, 3rd Floor, 21/1A/3, Darga Road, Park Circus, Kolkata – 700 017, Phone No. (033) 6454 3811 to 13, Fax No. (033) 2290 0096 w.e.f 07/05/2007.

5.1.2. As on date, the issued, subscribed and paid up capital of VCL comprises of 1,88,99,870 fully paid-up equity shares of Rs.10/- each aggregating to Rs.1889.99 lacs. As on the date, there are neither any partly paid-up equity shares nor any outstanding instruments in the nature of warrants / fully convertible debentures / partly convertible debentures etc. which are convertible into equity at any later date of the Target Company.

5.1.3. VCL is presently engaged in the business of manufacturing Clinker, Ordinary Portland Cement and Portland Pozzolona Cement. The Company's manufacturing plant is located at Jamunanagar, Umrangshu, N.C.Hills, Asom.

5.2 VCL came with its first Public Issue in April 1989. As on date the paid-up equity share and voting capital of VCL is Rs.1889.99 Lacs divided into 1,88,99,870 equity shares of Rs.10/- each fully paid-up. There are no partly paid-up shares. The allotment of 88,99,870 shares made on 30.06.2007 are listed on BSE only. VCL has informed that since they have already made delisting applications to all other Stock Exchanges, where these shares are listed, other than BSE, they have not applied for listing of these shares. The equity share capital structure of VCL is as follows:

Paid-up Equity Shares	**No. of Shares / Voting rights**	**% of Shares/Voting Rights**
Fully Paid-up Equity Shares	18899870	100%
Total Paid-up Equity Shares	18899870	100%

5.3 Current capital structure of the company has been built up since inception as per the details given below:

Build up of Equity Share Capital

Date of allotment	**Shares Issued**		**Cumulative paid up capital**	**Mode of allotment**	**Identity of allottees**	**Compliance status**
	Number	**%**				
09/07/1986	300	0.00	300	Initial Subscribers to MA	Promoter and their associates	Complied
16/07/1987	899700	4.76	900000	Private placement	Promoter and their associates	Complied
15/12/1987	750300	3.97	1650300	Private placement	Promoter and their associates	Complied
03/08/1988	349700	1.85	2000000	Private placement	Promoter and their associates	Complied
01/03/1989	1240000	6.56	3240000	Private placement	Promoter and their associates	Complied
23/08/1989	4260000	22.54	7500000	Firm Allotment of Financial Institutions, Public Issue	Financial Institutions and Various Public Shareholders	Complied
25/03/2000	2500000	13.23	10000000	Private Placement	Various parties/ individuals	Complied
30/06/2007	8899870	47.09	18899870	Preferential allotment	Promoter and their associates	Complied
Total	**18899870**	**100**				

5.4 As on the date of PA, there are no outstanding convertible instruments such as warrants / FCDs / PCDs etc.

5.5 The Board of Directors of VCL as on the date of the PA is as follows:

Names of Directors	**Designation**	**Date of Appt**	**Qualification**	**Residential Address**	**Experience**	**No. & % of shares of VCL held as on date of P.A. i.e. 06/02/07**
Mr. Ritesh Bawri	Chairman	29/12/2003	B.A. (H) in Economics, MBA from the University of Michigan	12C, Sunny Park, Kolkata – 700 019	Having more than 6 years of experience in the Cement Industry.	8,55,785 (8.56%)
Mr. Binod Kumar Bawri	Managing Director	09/07/1986	B.A. (H) in Economics,	12C, Sunny Park, Kolkata – 700 019	He is the founder & Chief Mentor of B.K.Group. He has more than 35 years of experience in the Cement Industry.	11,62,720 (11.63%)
Names of Directors	**Designation**	**Date of Appt**	**Qualification**	**Residential Address**	**Experience**	**No. & % of shares of VCL held as on date of P.A. i.e. 06/02/07**

Mr Ranjan Mukherjee*	Director	27/02/2006	B. Com, LLB, FCS, AICWA	39, Ballygunge Circular Road, Kolkata– 700 019	A Corporate Legal Professional having around 22 years of experience in dealing with the various aspects of Company Law. He is an honorary faculty on Corporate Legal Matters of the EIRC ICAI & also specializes in major corporate international trade and business agreements including joint venture in India and also with international players with a specialist focus on international arbitration law.	NIL
Mr. S. Issar	Director	31/10/2006	B. Sc. (Agriculture)	3F, Shyam Kunj, 12, Lord Sinha Road, Kolkata-700019	Having more than 30 years of experience in manufacturing industry. He served as Chairman of Tea Research Association, Terai Branch in 1968-71. He is the winner of Indian Tea Board Trophy in 1969-70 and 1970-71.	NIL
Mr. M. Muthuramalingam	Director	31/01/2004	B.Sc Chemistry (Main), Maths & Physics	Jamuna Nagar, Umrangshu, N.C.Hills , Asom	Having 35 years of experience in Manufacturing Industries	NIL

*Mr. Ranjan Mukherjee has resigned from the directorship w.e.f.15.06.2007

5.6. There has been no merger / demerger or spin off involving VCL during the last 3 years.

5.7 The equity shares of VCL are listed on BSE, CSE, GSE, DSE, MSE & ASE. The Company has not complied regularly with various clauses of the Listing Agreement. The shares of the Target Company were suspended by BSE on 30.04.2003. However subsequently on compliance made by the Target Company, the suspension was lifted on 23.03.2006 by BSE. No penal action has been taken against the company by any other stock exchange till date. The Company has already initiated the process of delisting from CSE, GSE, DSE, MSE & ASE for which approvals are awaited. The shares of the Target Company are presently traded under B2 category of BSE.

5.8 As per the available information, the filing of the returns by the Target Company under Chapter II of the Regulations were not made as per the Regulations in all the years from 1997 to 2006 (both inclusive). For the non-compliance of Chapter II, SEBI may initiate suitable actions in terms of the Regulations and provisions of SEBI Act. The Promoters of the Target Company have complied with Regulation 6 & 8 of the Regulations, however the Target Company doesn't have documentary evidences in record to confirm the compliances of Regulation 6 and 8 by the other major shareholders, wherever applicable. The Promoters of VCL have not complied with the requirements under Regulation 7(1A) of the Regulations for the period 2002 to 2006 wherever applicable and SEBI may initiate suitable action in terms of the Regulations and SEBI Act for the non-compliance. Non-compliance with Chapter II by the Target Company, SEBI may initiate suitable action at a later stage.

5.9 Financial Information:

The financial information of VCL for the last 3 financial years ending 31/03/2007 is as follows:

Profit & Loss Statement **(Rs. in Lacs)**

For the Year Ended	**31st March 2007 (Audited)**	**31st March 2006 (Audited)**	**31st March, 2005 (Audited)**
Income from Operations	4889.67	4024.47	3117.72
Other Income	1028.25	553.19	344.80
Total Income	5917.92	4577.66	3462.52
Total Expenditure	4515.53	3785.36	3104.97
Profit/(Loss) before Interest, Depreciation and Tax	1402.39	792.30	357.55
Depreciation	243.78	218.68	202.23
Interest	109.95	65.08	34.39
Profit/(Loss) before Tax	1048.66	508.54	120.93
Provision for Tax (including deferred tax)	27.49	-	6.13
Profit/(Loss) after tax	1021.17	508.54	114.80
Prior period Adjustments	(221.44)	83.41	308.79
Profit (Loss) after tax and prior period adjustments	799.73	591.95	423.59

Balance Sheet **(Rs. in Lacs)**

For the Year Ended	**31st March 2007 (Audited)**	**31st March 2006 (Audited)**	**31st March, 2005 (Audited)**
Sources of funds			
Paid up equity share capital	1000.00	1000.00	1000.00
Reserves & Surplus (excluding revaluation reserves)	3144.98	2345.25	1053.30
Less: Total Miscellaneous Exp. Not written off	-	-	2.41
Net Worth	4144.98	3345.25	2050.89
Secured loans	809.86	682.03	511.92
Unsecured loans/ others	12.51	14.32	155.81
Deferred Tax (Net)	-	-	-
Total	**4967.35**	**4041.60**	**2718.62**
Uses of funds			
Net Fixed Assets (Net of Revaluation)	1929.26	2044.85	2302.86
Investments	731.34	592.59	4.59
Net Current Assets	2306.75	1404.16	411.17
Total	**4967.35**	**4041.60**	**2718.62**

Financial Data

For the Year Ended	31st March 2007 (Audited)	31st March 2006 (Audited)	31st March, 2005 (Audited)
Dividend	Nil	Nil	Nil
Earning Per Share (Rs.)	8.00	5.92	4.24
Return on Networth (%)	19.29	17.70	20.65
Book Value Per Share (Rs.)	41.45	33.45	20.51

Source: Audited Financial Statements

Note:

(i) EPS = Profit after tax / Number of equity shares outstanding at the end of the year

(ii) Return on Net Worth = Profit after Tax /Net Worth

(iii) Book Value per Share = Net Worth / No. of equity shares

(iv) Reason for fall/rise in Total Income and PAT in the relevant year if applicable:- Year wise reason for the fall in the Total income & PAT is cited below:-

Year ended March 31, 2005 compared to year ended March 31, 2004

The fall in total income from Rs. 4371.01 Lacs for the year ended March 31, 2004 to Rs. 3462.52 Lacs for the year ended March 31, 2005 was mainly due to reduction in the volume sold during the year due to natural calamities. The operation of the Company was severely hampered due to the worst flood in forty years in the State of Asom where it has its operations which resulted in lower output from its plant. However, net profit after tax for the year ended March 31, 2005 increased to Rs 423.59 Lacs as compared to Rs 240.70 Lacs for the year ended March 31, 2004 due to reduction in selling expenses, and remission granted by Term Lending Financial Institutions.

Year ended March 31, 2006 compared to year ended March 31, 2005

Total income increased from Rs 3462.52 Lacs for the year ended March 31, 2005 to Rs 4577.66 Lacs for the year ended March 31, 2006. The same is basically attributable to higher sales realization coupled with higher sales volume and higher other income component at Rs. 553.19 Lacs as compared to Rs.344.80 Lacs during the previous financial year 2004-05. All these factors led to higher net profit after tax of Rs 591.95 Lacs for the year ended March 31, 2006 as compared to Rs. 423.59 Lacs for the year ended March 31, 2005. Further during the year sundry Debtors increased from 943.30 Lacs as on March 31, 2005 to 1589.58 Lacs as on March 31, 2006. Similarly in the year ended 31st march 2006 Inventories increased from 476.37 Lacs to 631.78 Lacs as compared to the previous year. Again as on 31st March 2006 Sundry Creditors and Advances were deacreased to Rs. 700.50 Lacs and Rs.312.79 Lacs respectively as compared to Rs. 1018.39 Lacs and Rs. 804.97 Lacs respectively in the previous year. However, Loans & Advances as on 31st March 2006 was decreased to Rs. 794.56 Lacs as compared to Rs. 1188.68 Lacs in the previous year and Statutory Liabilities increased by 269.93 lacs in the year ended 31st March 2006 as compared to the previous year. Consequently Net Current Assets increased from 411.17 Lacs for the year ended March 31, 2005 to Rs 1404.16 Lacs for the year ended March 31, 2006.

The Company has assigned its brand and trademark "Vinay" to Calcom Cement India Ltd. for a consideration of Rs. 700.00 lacs under an agreement dated 31.03.2006. The company has however, by another agreement dated 01.04.2006 obtained the licence from Calcom Cement India Ltd. for a period of 30 years to manufacture and sell the cement under the name "Vinay" on payment of a licence fee of Rs. 10/- per ton subject to a maximum of Rs. 12.00 lacs in a year. The consideration of Rs. 700.00 lacs has been transferred to Capital reserve. Consequently and alongwith the net profit for the year, Reserve & surplus increased from 1053.30 Lacs for the year ended March 31, 2005 to 2345.25 Lacs for the year ended March 31, 2006.

Year ended March 31, 2007 compared to year ended March 31, 2006

Total income increased from Rs 4577.66 Lacs for the year ended March 31, 2006 to Rs. 5917.92 Lacs for the year ended March 31, 2007. Such increase was due to increase in Sales volume (Rs. 4889.67 Lacs of at 31.03.2007 as compared to Rs. 4024.47 Lacs at 31.03.2006). During the same period Other Income of VCL also increased from 553.19 Lacs to Rs. 1028.25 Lacs for the year ended March 31, 2007 mainly on account of increase in Central Excise Duty Refund, Exemption of Taxes, Subsidies and interest received during the year. All these factors resulted to higher net profit after tax of Rs. 799.73 Lacs for the year ended March 31, 2007 as compared to Rs. 591.95 Lacs for the year ended March 31, 2006. Further during the year sundry Debtors increased from 1589.58 Lacs as on March 31, 2006 to 1988.40 Lacs as on March 31, 2007. Similarly in the year ended 31st march 2007 Inventories increased from 631.78 Lacs to 671.19 Lacs as compared to the previous year. Loans & Advances as on 31st March 2007 was increased to to Rs. 1219.11 Lacs as compared to Rs. 794.56 Lacs in the previous year. Again as on 31st March 2007 Sundry Creditors and Other Liabilities were decreased to Rs. 358.12 Lacs and Rs.388.74 Lacs respectively as compared to Rs. 700.50 Lacs and Rs. 589.45 Lacs respectively in the previous year. However, Advance from Customers as on 31st March 2007 was increased to Rs. 853.60 Lacs as compared to Rs. 312.79 Lacs in the previous year and on 31st March 2007 Provisions for Taxation and Gratuity were increased to Rs. 8.63 Lacs and Rs. 12.64 Lacs respectively as compared to NIL and Rs. 63.41 Lacs respectively in the previous year. Consequently Net Current Assets increased from 1404.16 Lacs for the year ended March 31, 2006 to Rs 2306.74 Lacs for the year ended March 31, 2007.

5.10 Pre and Post-Offer Shareholding Pattern of VCL (based on Issued, Subscribed & Paid-up Equity Share and Voting Capital) is as under: -

Shareholders' Category	**Share holding Prior to the Agreement/ acquisition and Offer**		**Shares acquired on preferential basis which triggered off the Regulation**		**Shares to be acquired in open Offer (assuming full acceptances)**		**Share holding after Preferential Allotment and Offer (A+B+C)**	
	(A)		**(B)**		**(C)**		**(D)**	
	No. of shares	% $	No. of shares	% ^	No. of shares	% ^	No. of shares	% ^
1. Promoter Group								
a) Parties to Agreement (**Acquirers)**								
i) Mr. Ritesh Bawri	855785	8.56	3245508	17.17	1378440	7.29	5479733	28.99
ii) Mr. Vinay Bawri	855785	8.56	3149286	16.67	1337572	7.08	5342643	28.27
iii) Ms. Mala Bawri	370000	3.70	1569176	8.30	666464	3.53	2605640	13.79
iv) Ms. Nisha Bawri Singh	394215	3.94	935900	4.95	397498	2.10	1727613	9.14
Sub Total	2475785	24.76	8899870	47.09	3779974	20.00	15155629	80.19
b) Promoter other than (a) above	2789595	27.89	-		-	-	2789595	14.76
TOTAL 1 (a + b)	5265380	52.65	8899870	47.09	3779974	20.00	17945224	94.95
2. Public Share Holding (other than 1a &1 b)*								
a) FIs/Banks	1138346	11.39	-	-				
b) NRIs	10025	0.10	-	-				
c) MF's	-	-	-	-				
d) Others	3586249	35.86	-	-	(3779974)	(20.00)	954646	5.05
Total 4(a+b+c+d)	4734620	47.35	-	-	(3779974)	(20.00)	954646	5.05
GRANDTOTAL (1+2+3+4)	**10000000**	**100.00**	**8899870**	**47.09**	**-**	**-**	**18899870**	**100.00**

*The total number of shareholders in Public category is 2899.
$ Percentage shareholding on the basis of pre-preferential paid up capital of the Company.
^ Percentage shareholding on the basis of post-preferential paid up capital of the Company.

Note : The promoters/ promoter group other than the Acquirers will not be participating in the Open Offer made to the shareholders of Target Company.

5.11 The last traded price of the equity shares of VCL as on 06/02/2007 i,e the date of Public Announcement at BSE was Rs. 33.90/- per share. (Source: BSE Website: www.bseindia.com).

5.12 As per available information, the details of the changes in the Promoter's shareholding from the date of the Regulations coming into force to date are set out below:-

Year	Holding as on 1st April	% of voting rights	Acquisition during the year		Inter se transfer		Holding as on 31st March	% of voting rights
			Date of Transfer/Acquisition	No. of Shares	Date of transfer	No. of Shares		
1997-98	2665300	35.5	23.02.98	100000		0	2765300	36.86
1998-99	2765300	36.9	09.01.99	200000		0	2965300	39.54
1999-00	2965300	39.5	25.03.00	200000	25.03.00	185000	3165300	31.65
2000-01	3165300	31.7	06.03.01	475000	06.03.01	150000	3640300	36.40
2001-02	3640300	36.40	04.03.02	475000	04.03.02	150000	4115300	41.15
2002-03	4115300	41.2	30.01.03	475000	30.01.03	150000	4590300	45.90
2003-04	4590300	45.90	26.03.04	475000		0	5065300	50.65
2004-05	5065300	50.7	02.09.04	200100		0	5265400	52.65
2005-06	5265400	52.7		(20)		0	5265380	52.65
2006-07	5265380	52.65				0	5265380	52.65
2007-08	5265380	52.65	30.06.2007	8899870	-	-	*14165250	**74.95

* As on 30.06.2007

** On post preferential Equity Share & voting capital.

Based on the information available, we state that the Acquisition of Equity shares & voting rights along with Inter-Se Transfer of Shares by the Promoters on 6th March 2001, 4th March 2002 and 30th January, 2003 has exceeded the limit permissible under Regulation 11 of the SEBI (SAST) Regulation 1997 from time to time. To that extent the promoters of the Target Company have not complied with the Regulations. For non-compliance with the provisions of the Regulations in respect of acquisitions (between promoters and from public), SEBI may initiate suitable action at a later stage.

5.13 **Corporate Governance:** Ms. Swati Bajaj, Partner of P. S. & Associates, Company Secretaries, vide her Report on Corporate Governance dated 15/06/2007 which formed part of the Annual Report for the year 2006- 2007 confirmed that (a) the company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the Listing Agreement (b) such compliance is neither as assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

5.14 **Pending Litigations: As per the Annual report of VCL for the financial year ended 31.03.2007, we state as follows:-**

5.14.1. The company has pending reconciliation of taxes on sales vis a vis assessments completed up to 2004-05 and returns filed for subsequent years, has taken credit of a sum of Rs.338.39 lacs in profit and loss account as remission for the year which the company treats a capital receipt. Pending reconciliation, any liability on this account remains unascertainable.

5.14.2. Contingent Liabilities as on March 31, 2007 for VCL as per the 2006-07 Annual Report are as follows:

(Rs. In Lakhs)

Sl. No.	Brief Particulars	As on March, 2007
(i)	Various Parties – Under Litigation	67.67
(ii)	Taxes on Sales	Not ascertainable
(iii)	Royalty	471.38
(iv)	Entry Tax	50.67
(v)	Income Tax under appeals	388.56
(vi)	Repayment Guarantee for loans taken by an associate company	1800.00
(vii)	Bank Guarantees on behalf of the Company	11.00

5.14.3. The Company is generally regular in depositing Excise Duty and Cess. VAT and CST collected during the year has been taken by the company as remission under state's schemes. It has not been regular in depositing undisputed amounts of taxes deducted at source, Provident Fund contributions, service tax, royalty, entry tax and professional tax. There are, however, reportedly no undisputed statutory dues payable as on 31st March, 2007 which are outstanding more than 6 months from the date they became payable except service tax.

5.15. **Compliance Officer**: Mr. P. R. Sivasankar, Company Secretary of the Company is acting as the compliance officer and his address is Jindal Towers, Block A, 3rd Floor, 21/1A/3, Darga Road, Park Circus, Kolkata – 700 017, Phone No. (033) 6454 3808, 64543811 to 13, Fax No. (033) 2290 0096. e-mail:- pr.sivasankar@vinaycements.com

6 OFFER PRICE & FINANCIAL ARRANGEMENTS:

6.1. Justification of Offer Price:

6.1.1. The Equity Shares of VCL are frequently traded on BSE in terms of the Regulations.

6.1.2. The Annualized trading turnover during the period August 1, 2006 to January 31, 2007, the six calendar months prior to February 2007 (the month in which PA was made) was as follows:

Name of Stock Exchange	Total no of shares traded during the 6 calendar months prior to the month in which PA was made	Total No. of listed Shares As on the date of PA	Annualised Trading Turnover (in terms of % to total listed shares)
BSE	1,20,80,130*	1,00,00,000	241.60
CSE	NIL	1,00,00,000	N.A
GSE	NIL	1,00,00,000	N.A
DSE	NIL	1,00,00,000	N.A
MSE	NIL	1,00,00,000	N.A
ASE	NIL	1,00,00,000	N.A

Source: www.bseindia.com* / Management Confirmation

6.1.3. The equity shares of VCL are listed on Bombay Stock Exchange ("BSE"), Calcutta Stock Exchange (CSE), Guwahati Stock Exchange (GSE), Delhi Stock Exchange (DSE), Madras Stock Exchange (MSE) and Ahmedabad Stock Exchange (ASE). (Source Annual Reports). The Target Company has initiated the process of delisting from CSE, GSE, DSE, MSE & ASE for which approval is awaited. Based on the information available the shares of VCL are frequently traded on BSE (source www.bseindia.com) within the meaning of explanation (i) to regulation 20(5) of the Regulations. However the shares of the Company are infrequently traded on all other Stock Exchanges. In accordance with Regulation 20(4) & 20(5) of the Regulations, the offer price of Rs.36.95 (Rupees Thirty Six and Paise Ninety Five only) inclusive of interest amount of Rs.1.95 per fully paid up equity shares is justified in view of the following parameters:

a)	Negotiated price payable under the Agreement	Not applicable
b)	Proposed acquisition price under the Preferential Issue	Rs 35/- per share
c)	Highest price paid by the Acquirers for acquisition including by way of allotment in a public or rights issue or preferential issue, if any during the 26 weeks period preceding the date of PA.	Not Applicable
d)	The average of weekly high and low of the closing prices of the equity shares during the 26 weeks preceding the date of the Board meeting which authorized the preferential issue i.e 31.01.2007	Rs.25.57/-
e)	The average of daily high and low prices of the shares during 2 weeks preceding the date of the Board meeting which authorized the preferential issue i.e 31.01.2007	Rs.34.98/-
f)	Other parameters with reference to the Target Company	Year ended March 31, 2006*
	Return on Net Worth	17.69
	Book Value (Rs.)	33.45
	Earnings Per Share (Rs.)	5.92
	Price/ Earnings (P/E) Ratio based on Offer Price	5.91
	The average Industry PE for the sector in which VCL Operates (source:- Capital Market Journal Jan 01-14, 2007)	21.4

* As per Annual report of the Company for the year ended March 31, 2006.

Mr. Sunil Kumar Dokania, Chartered Accountant, membership No. 062097, Proprietor of M/s Dokania Sunil & Co., Chartered Accountants, Phone No. (033) 2234 5998 (O) Fax No (033) 2211 0299 (O) 98311 19041 (M) E-mail: - dokania_s@yahoo.com and having office at 7/1A, Grant Lane, 2nd Floor, R.No. 205, Kolkata-700012 have vide their report dated 09.03.2007 have stated that based on the decision of Hon'ble Supreme Court of India in case of Hindustan Lever Employee Union vs. HLL, 1995 (83 Com Cases, 30) the fair value per share would be Rs. 28.09.

In view of the above, the Offer price of Rs 36.95 (inclusive of interest amount of Rs. 1.95) per share offered by the Acquirers to the shareholders of VCL under the proposed Open Offer is justified in terms of Regulations 20(11).

6.1.4. The calculation of the weekly high and low of the closing prices of the Equity Shares, during the 26 weeks preceding the date of the Board meeting which authorized the Preferential Issue, i.e. 31/01/2007 on the Stock Exchange where the Equity Shares of the Target Company are most frequently traded, i.e. BSE are given below:

Week No.	Week Ended	Weekly High	Weekly Low	Average	Weekly Volume
1	8-Aug-06	15.83	15.00	15.42	81,461
2	15-Aug-06	15.03	14.50	14.77	22,728
3	22-Aug-06	15.39	14.05	14.72	41,326
4	29-Aug-06	15.04	14.15	14.60	80,290
5	5-Sep-06	17.60	14.54	16.07	507,312
6	12-Sep-06	20.10	18.15	19.13	1,001,945
7	19-Sep-06	18.95	16.40	17.68	127,192
8	26-Sep-06	23.95	19.85	21.90	1,156,226
9	3-Oct-06	29.00	25.10	27.05	835,464
10	10-Oct-06	35.15	30.45	32.80	1,019,569
11	17-Oct-06	31.75	28.60	30.18	950,931
12	24-Oct-06	29.20	26.55	27.88	478,941
13	31-Oct-06	29.80	28.00	28.90	445,456
14	7-Nov-06	27.15	26.20	26.68	426,517
15	14-Nov-06	27.65	25.05	26.35	254,776
16	21-Nov-06	29.00	26.65	27.83	512,266
17	28-Nov-06	27.10	26.40	26.75	232,343
18	5-Dec-06	32.85	28.45	30.65	873,792
19	12-Dec-06	31.85	27.45	29.65	398,101
20	19-Dec-06	29.95	27.30	28.63	205,496
21	26-Dec-06	29.40	26.95	28.18	279,497
22	2-Jan-07	29.15	28.20	28.68	118,326
23	9-Jan-07	31.65	29.80	30.73	511,562
24	16-Jan-07	33.80	30.30	32.05	461,905
25	23-Jan-07	36.75	32.75	34.75	758,457
26	30-Jan-07	34.65	31.15	32.90	196,426
	Average		**25.57**		

(source : www.bseindia.com)

The calculation of the daily high and low of the prices of the Equity Shares, during the 2 weeks preceding the date of the Board meeting which authorized the Preferential Issue, i.e. 31/01/2007 on the Stock Exchange where the Equity Shares of the Target Company are most frequently traded, i.e. BSE are given below:

Day No.	Date	Day High	Day Low	Average	Daily Volume
1	17-Jan-07	35.45	34.15	34.80	151,670
2	18-Jan-07	38.95	35.75	37.35	310,589
3	19-Jan-07	37.45	34.90	36.18	112,504
4	22-Jan-07	37.80	35.05	36.43	75,327
5	23-Jan-07	37.00	32.65	34.83	108,367
6	24-Jan-07	33.75	30.75	32.25	79,589
7	25-Jan-07	34.25	31.75	33.00	62,845
8	29-Jan-07	36.00	34.00	35.00	53,992
	Average			**34.98**	

(source : www.bseindia.com)

6.1.5. The Acquirers have not entered into any non-compete agreement.

6.1.6. The Acquirers would be responsible for ensuring compliance with the Regulations for the consequences arising out of the acquisition of shares, if any, made after the date of Public Announcement (i.e. 06/02/2007) in terms of Regulation 20(7) of the Regulations. However, no such acquisition shall be made by the Acquirers during 24/10/2007 to 05/11/2007.

6.1.7. It is ensured that the Offer Price shall not be less than the highest price paid by the Acquirers for any Acquisition of shares of VCL from the date of Public Announcement upto 7 working days prior to the closure of the Offer viz. 24/10/2007.

6.2. Financial arrangements:

6.2.1. The total fund requirement for the Offer is Rs 13,96,70,040/- (Rupees Thirteen Crores Ninety Six Lacs Seventy Thousand Forty Only) inclusive of interest of Rs. 73,70,950/- calculated @ 10% per annum on Rs. 35/- per share, for 203 days i.e. for the period starting from April 30,2007 i.e, Original Scheduled date of payment till November 19, 2007 i.e the revised date of payment to the eligible shareholders whose Equity Shares shall be accepted in the Open Offer. In accordance with Regulation 28 of the Regulations, the Acquirers have opened an Escrow account with Axis Bank Ltd. (Formerly UTI Bank Limited) Dalhousie Square Branch, Kolkata 700 001 and deposited therein Rs. 3,31,00,000/- (Rupees Three Crore Thirty One Lacs Only) and again on September 28, 2007 Rs. 19,00,000/- (Rs. Nineteen Lacs only) were deposited into the said Escrow account of Axis Bank (Formerly UTI Bank Limited) aggregating to Rs. 3,50,00,000/- (Rs. Three Crores Fifty Lacs only) being more than 25% of the total consideration payable to shareholders under the Offer.

6.2.2. The Acquirers have adequate financial resources and have made firm financial arrangement for the implementation of the Offer in full out of their own sources / networth and no borrowings from Banks/ FIs or Foreign sources is envisaged. Mr. Himadri Pradhan, Proprietor of M/s Himadri Pradhan & Co., (Membership No.062158) Chartered Accountants, having office at Vill + P.O Ghoshpur (Itkhola), Dist: - 24 Pgn(N), Pin: 743289 Ph: (03216) 246588 (O) 9330863692 (M) E-mail:- himadripradhan@hotmail.com vide certificate dated 01.10.2007 has certified that sufficient resources are available with the Acquirers for fulfilling the obligations under this “Offer” in full.

6.2.3. The Manager to the Offer, VC Corporate Advisors Private Limited, Kolkata has been duly authorized by the Acquirers to operate & realize the value of Escrow Account in terms of the Regulations.

6.2.4. The Manager to the Offer confirms that the firm arrangements for the funds and money for payment through verifiable means are in place to fulfill the offer obligations.

7. TERMS AND CONDITIONS OF THE OFFER:

7.1. The Letter of Offer (“LO”) together with the Form of Acceptance and Form of Withdrawal will be mailed to those equity shareholders of VCL (other than the parties to the agreement and promoters group shareholders) whose names appear on the Register of the Members of VCL and to those beneficial owners of the Equity shares of VCL, whose names appear as beneficiaries on the records of the respective Depositories, at the close of the business hours on 09/02/2007 (the “Specified Date”).

7.2. All the owners of the shares, registered or unregistered (except the parties to the agreement) are eligible to participate in the Offer as per the procedure set out in Para 8 below. Eligible persons can participate in the Offer by offering their shareholding in whole or in part. No indemnity is required from the unregistered owners.

7.3. Accidental omission to dispatch this LO or the non-receipt or delayed receipt of this LO will not invalidate the Offer in anyway.

7.4. Subject to the conditions governing this Offer, as mentioned in the LO, the acceptance of this Offer by the shareholder(s) must be absolute and unqualified. Any acceptance to the Offer, which is conditional or incomplete, is liable to be rejected without assigning any reason whatsoever.

7.5. Locked-in Shares:

The 24,75,785 Equity Shares belonging to the Acquirers are locked in upto 31.12.2007 as per as per Regulation 13.3 of Chapter XIII of SEBI (DIP) Guidelines, 2000. Further out of 88,99,870 Equity shares allotted to the Acquirers on 30.06.2007 on preferential allotment basis 37,79,974 Equity Shares are locked in for a period of three years i.e, upto 29.06.2010 and balance 51,19,896 equity shares are locked in for a period of one year i.e, upto 29.06.2008.The above mentioned shares are also pledged by the Acquirers with IL&FS Ltd. Statement of Holdings of the Acquirers all dt. 01/10/2007 received from IL&FS Ltd. have confirmed the same. Apart from the above, 27,89,595 number of shares held by Promoters/promoter group other than the Acquirers have also been pledged with the IL&FS Limited.

7.6. Eligibility for accepting the Offer:

The Offer is made to all the public shareholders (other than the parties to the agreement and promoters group shareholders) whose names appeared in the register of shareholders on 09/02/2007 and also to those beneficial owners (“Demat holders”) of the equity shares of VCL, whose names appeared as beneficiaries on the records of the respective depositories at the close of the business hours on 09/02/2007 and also to those persons who own shares any time prior to the closure of the Offer, but are not registered shareholders(s).

7.7. Statutory Approvals and conditions of the Offer:

a) The Offer is subject to receiving necessary approval(s), if any, from Reserve Bank of India under Foreign Exchange Management Act, 1999 and subsequent amendments thereto for acquiring equity shares tendered by non-resident shareholders, if any.

b) No approval is required to be obtained from Banks / Financial Institutions for the purpose of this offer.

c) As on the date of this PA, to the best of the knowledge of the Acquirers, there are no other statutory approvals and / or consents required. However, the Offer would be subject to all-statutory approvals as may be required and / or may subsequently become necessary to acquire at any later date.

d) In case of non receipt of any approval, SEBI may, if satisfied that non receipt of the requisite approvals was not due to any willful default or neglect of the Acquirers or failure of the Acquirers to diligently pursue the application for the approval, grant extension of time for the purpose, subject to the Acquirers agreeing to pay interest to the shareholders as directed by SEBI, in terms of regulation 22(12) of SEBI (SAST) Regulations, 1997. Further, if delay occurs on account of willful default by the Acquirers in obtaining the requisite approvals, regulation 22(13) of the Regulations will also become applicable.

7.8. In case of delay due to non-receipt of the statutory approvals within time, SEBI has a power to grant extension of time to the Acquirers for payment of consideration to shareholders subject to the Acquirers agreeing to pay interest to the shareholders for delay in payment of consideration beyond 19/11/2007.

7.9. Shareholders, who have accepted the Offer by tendering the requisite documents in terms of the Public Announcement / Letter of Offer, can withdraw the same upto three working days prior to the closure of the Offer i.e. 31/10/2007.

7.10. The instructions and provisions contained in Form of Acceptance constitute an integral part of the terms of this Offer.

8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER:

8.1. The Shareholder(s) of VCL who qualify and who wish to avail of this Offer will have to send their shares to the Registrar to the Offer as mentioned in the Form of Acceptance at the following address:

MAHESHWARI DATAMATICS PRIVATE LIMITED
SEBI REGN NO: INR000000353
(Contact Person Mr. Rajagopal)
6, Mangoe Lane,
2nd Floor,
Kolkata – 700 001
Phone No: (033) 2243 5029/5809
Fax : (033) 2248 4787
E-mail: mdpl@cal.vsnl.net.in

Acceptances may be sent by Registered Post or by hand so as to reach the Registrar to the Offer on or before 05/11/2007. Shareholders may send their acceptances by hand accordingly:

Working Days	Timings	Mode of Delivery
Monday – Friday	10.30 a.m. to 5.00 p.m.	Hand Delivery
Saturday	10.30 a.m. to 1.30 p.m.	Hand Delivery

Delivery made by Registered Post would be received on all working days except Sunday & Public Holidays.

8.2. Shareholders who wish to tender their shares under this Offer should enclose the following documents duly completed. Shareholders should also provide all relevant documents, which are necessary to ensure transferability of the shares in respect of which the application is being sent.

8.2.1. For Equity Shares held in physical form:

(i) Registered shareholders should enclose:

- **Form of Acceptance cum Acknowledgement** duly completed & signed in accordance with the instructions contained therein, by all shareholders whose names appear in the share certificate(s).
- **Original Share Certificates**
- **Valid share transfer Form(s**) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with VCL and duly witnessed at the appropriate place. A blank share transfer form is enclosed along with this LO.

(ii) Unregistered owners should enclose:

- **Form of Acceptance cum Acknowledgement** duly completed & signed in accordance with the instructions contained therein.
- **Original Share Certificate(s)**

- **Broker contract note.**

- **Valid share transfer form(s) as received from the market**. The details of the buyer should be left blank failing which; the same will be invalid under the Offer. Unregistered shareholders should not sign the transfer deed. All other requirements for valid transfer will be preconditioned for acceptance. No indemnity is required from unregistered shareholders.

8.2.2. For equity shares held in Demat Form:
Beneficial owners should enclose:

- **Form of Acceptance cum Acknowledgement** duly completed & signed in accordance with the instructions contained therein, by all the beneficial owners whose names appear in the beneficiary account, as per the records of the respective depositories.

- **Photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off- market " mode**, duly acknowledged by DP in favour of the special depository account (please see below) before the close of the business hours on 05/11/2007.

The Registrar to the Offer, M/S. Maheshwari Datamatics Private Limited has opened a special depository account with Shree Bahubali International Ltd. The details of the special depository account are as under:

DP Name	Shree Bahubali International Ltd.
DP ID	IN300773
Client ID	10185436
Account name	Maheshwari Datamatics Pvt. Ltd. Escrow A/c VCL - Open Offer
Depository	National Securities Depository Limited

8.3. For each delivery instruction, the beneficial owner should submit a separate Form of Acceptance. **In the case of Demat shares, the shareholders are advised to ensure that their shares are credited in favour of special depository account, before the closure of the Offer. The Form of acceptance of such Demat shares not credited in favour of the special depository Account before the closure of the Offer is liable to be rejected.**

8.4. The share Certificate(s), share transfer form, Form of Acceptance, Form of Withdrawal and other documents, if any should be sent only to the Registrar to the Offer, as mentioned above. **They should not be sent to the Manager to the Offer or the Acquirers or the Target Company.**

8.5. In case of non-receipt of the Letter of Offer, the eligible persons may obtain a copy of the same from Registrar to the Offer or Manager to the Offer on providing suitable documentary evidence of acquisition of shares of VCL. The Public Announcement, LO, Form of Acceptance Cum Acknowledgement and Form of Withdrawal will be available on SEBI website at www.sebi.gov.in, from the Offer opening date. The eligible persons can download these documents from the SEBI's website & apply using the same. Alternatively, they may send their consent to participate in the Offer, to the Registrar to the Offer, on a plain paper stating the name & address of the first holder, name(s) & address(s) of joint holders, if any, regd. folio no, share certificate no., distinctive nos., no. of the shares held, no. of the shares Offered along with documents as mentioned above so as to reach the Registrar to the Offer on or before closure to the Offer i.e. 05/11/2007. Unregistered owners should not sign the transfer deeds & the transfer deed should be valid. In case of beneficial owners, they may send their applications in writing to the Registrar to the Offer, on a plain paper stating their name, address, no of shares held, no. of shares offered, DP name, DP ID No., beneficiary account number, and a photocopy of the delivery instructions in "Off-market" mode or counterfoil of the delivery instructions in "Off- market " mode, duly acknowledged by DP in favour of special depository account, so as to reach the Registrar to the Offer , on or before the closure of the Offer.

8.6. Non resident shareholders should also enclose copy of permission received from RBI for the shares held by them in VCL and 'no-objection' certificate / tax clearance certificate from the Income Tax authorities under Income Tax Act, 1961, indicating the amount of tax to be deducted by the Acquirers before remitting the consideration. In case the aforesaid 'no-objection' certificate is not submitted, the Acquirers will arrange to deduct tax at the maximum marginal rate as may be applicable to the shareholder, on the entire consideration amount payable.

8.7. The Acquirers shall complete all procedures relating to the Offer including payment of consideration to the shareholders by 19/11/2007. In case of delay due to non-receipt of the statutory approvals within time, SEBI has a power to grant extension of time to the Acquirers for payment of consideration to shareholders subject to the Acquirers agreeing to pay interest to the shareholders for delay in payment of consideration beyond 19/11/2007.

8.8. Payment of consideration will be made by crossed account payee cheques /demand drafts / pay orders and will be sent by registered post/ucp as the case may be, to those shareholders / unregistered owners & at their sole risk, whose shares/ share certificates & other documents are found in order & accepted by Acquirers in part or in full except in case of joint holders, cheques / demand drafts/ pay orders, in the name of first holder. It is advised that shareholders provide bank details in the Form of Acceptance cum Acknowledgement, so that same can be incorporated in the cheques / demand drafts / pay orders.

8.9. Unaccepted share certificates, transfer forms & other documents, if any, will be returned by registered post at the shareholders/ unregistered owners sole risk to the sole / first shareholder. Shares held in Demat Form to the extent not accepted will be credited back to the beneficial owners' depository account with the respective DP as per the details furnished by the beneficial owners.

8.10. In case the shares tendered in the Offer are more than the shares to be acquired under the Offer, the acquisition of shares from each shareholder will be in accordance with Regulation 21(6) of the Regulations, on a proportionate basis. The marketable lot for both physical and demat shares is 1(one).

8.11. The Registrar will hold in trust the share certificates, shares lying to the credit of the special depository account, Form of Acceptance cum Acknowledgement, if any, and the transfer form(s) on behalf of the shareholders of VCL who have accepted the Offer, till the cheques / drafts for the consideration and / or the unaccepted shares / share certificates are dispatched / returned.

8.12. In case any person has lodged shares of VCL for transfer & such transfer has not yet been affected, the concerned person may apply as per the instructions in Para 8.5 above together with the acknowledgement of lodgment shares for transfer. Such persons should also instruct VCL to send the transferred share certificate(s) directly to the Registrar to the Offer. The applicant should ensure that the certificate(s) reached the Registrar to the Offer on or before the Offer closing date.

8.13. In case any person has tendered his physical shares in VCL for dematerialisation & such dematerialisation has not yet been effected, the concerned shareholder may apply in the Offer as per instructions mentioned above together with a photocopy of the completed dematerialisation request form acknowledged by shareholders DP. Such shareholders should ensure the credit of the shares to the special depository account on or before the Offer closing date together with a copy of delivery instructions acknowledged by the DP in favour of Special depository account.

8.14. In case the shareholder has already sold his Shares, he may kindly forward this Offer document to the transferee or to the broker through whom the shares were sold.

8.15. The shareholders, who are desirous of withdrawing their acceptances tendered in the Offer, can do so upto three working days prior to the date of closure of the Offer, i.e. on or before 31/10/2007 in terms of Regulation 22(5A).

8.16. The withdrawal option can be exercised by submitting the document as per the instruction below, so as to reach the Registrar to the Offer on or before 31/10/2007. The withdrawal option can be exercised by submitting the form of withdrawal.

8.17. In case of non-receipt of the form of withdrawal, the withdrawal option can be exercised by making an application on plain paper along with the following details:

a. In case of physical shares: Name, address, distinctive numbers, folio nos., number of shares tendered / withdrawn.

b. In case of dematerialised shares: Name, address, number of shares tendered / withdrawn, DP name, DP ID, Beneficiary account no. and a photocopy of delivery instruction in “off market” mode or counterfoil of the delivery instruction in “off market” mode, duly acknowledged by the DP in favour of the Special Depository Account.

8.18. The shares withdrawn by the shareholders, if any would be returned by registered post, in case of physical shares.

9. DOCUMENTS FOR INSPECTION:

Copies of the following documents will be available for inspection at the Registered office of the Manager to the Offer, M/s. VC Corporate Advisors Private Limited at 31, Ganesh Chandra Avenue, 2nd Floor, Suite No. 2C, Kolkata – 700 013 on any working day between 10.00a.m to 2.00p.m during the period the Offer is open i.e., from 17/10/2007 to 05/11/2007.

i) Memorandum & Articles of Association of VCL along with Certificate of Incorporation.

ii) Letter dated 01/10/2007 from Mr. Himadri Pradhan, Proprietor of M/s Himadri Pradhan & Co., (Membership No.062158) Chartered Accountants, having office at Vill + P.O Ghoshpur (Itkhola), Dist: - 24 Pgn (N), Pin: 743289 Ph: (03216) 246588 (O) 9330863692 (M) E-mail:- himadripradhan@hotmail.com certifying the adequacy of financial resources with Acquirers to fulfill the Open Offer obligations.

iii) Letter dated 16.01.2007 from Mr. Himadri Pradhan, Proprietor of M/s Himadri Pradhan & Co., (Membership No.062158) Chartered Accountants, having office at Vill + P.O Ghoshpur (Itkhola), Dist: - 24 Pgn (N), Pin: 743289 Ph: (03216) 246588 (O) 9330863692 (M) E-mail:- himadripradhan@hotmail.com certifying the networth of the Acquirers.

iv) Audited Annual Reports for the financial year ended 31/03/2005, 31/03/2006, and 31/03/2007 of VINAY CEMENTS LIMITED.

v) Letter of Axis Bank (Formerly UTI Bank), Dalhousie Square Branch, Kolkata 700 001, dated 02/02/2007 and 28/09/2007 confirming the amount kept in the Escrow Account and creation of Lien on the said Escrow account in favour of M/s VC Corporate Advisors Private Limited, Manager to the Offer to operate it.

vi) A copy of the confirmation letter dt. 05/02/2007 received from depository Participant Shree Bahubali International Ltd. confirming opening of a special depository account for the purpose of the Offer.

vii) Copy of the Public Announcement for the Offer dated 06/02/2007 and Corrigendum to the Public Announcement dt 27.03.2007 & 06.10.2007.

viii) Copy of the Memorandum of Understanding between the Acquirers & the Manager to the Offer, dated 31/01/2007.

ix) Copy of Share Subscription Agreement dated 31/01/2007 entered into between the Acquirers and VCL.

x) Copy of Information obtained from BSE website about stock market data.

xi) Copy of SEBI letter no. CFD/DCR/MM/TO/104616/07 dated 24.09.2007 issued in terms of proviso to the Regulation 18(2) of the Regulations.

10. DECLARATION BY THE ACQUIRERS:

10.1. The Acquirers i,e Mr. Ritesh Bawri, Mr. Vinay Bawri , Ms. Mala Bawri and Ms. Nisha Bawri Singh accept full responsibility for the information contained in this letter of Offer and also for their obligations as laid down in Regulation No 22(6) of SEBI Takeover Regulations.

10.2. Acquirers i.e, Mr. Ritesh Bawri, Mr. Vinay Bawri, Ms. Mala Bawri and Ms. Nisha Bawri Singh are severally and jointly responsible for ensuring compliance with SEBI Takeover Regulations.

Sd/-
(Ritesh Bawri)
Sd/-
(Vinay Bawri)
Sd/-
(Mala Bawri)
Sd/-
(Nisha Bawri Singh)

Place: Kolkata
Date: 09/10/2007

Attached: Form of Acceptance cum Acknowledgement & Form of Withdrawal

FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT

To,
M/S. Maheshwari Datamatics Private Limited
6, Mangoe Lane,
2nd Floor,
Kolkata – 700 001

OFFER	
Opens on	October 17, 2007
Closes on	November 5, 2007
Last date of Withdrawal	October 31, 2007

Dear Sir,

Sub: **Open Offer to the shareholders of Vinay Cements Limited (VCL) to acquire from them upto 37,79,974 equity shares of Rs.10/- each aggregating to 20% of the post preferential voting equity share capital of VCL by Mr. Ritesh Bawri, Mr. Vinay Bawri, Ms. Mala Bawri and Ms. Nisha Bawri Singh.**

I/We refer to the Letter of Offer dated 9-10-2007 for acquiring the equity shares held by me/us in VINAY CEMENTS LIMITED.
I/We, the undersigned have read the Letter of Offer and understood its contents including the terms and conditions as mentioned therein.

SHARES IN PHYSICAL FORM

I/We, accept the Offer and enclose the original share certificate(s) and duly signed transfer deed(s) in respect of my/our Shares as detailed below.

Sr. No.	Ledger Folio No.	Certificate No(s).	Distinctive No(s).	No. of shares
Total number of equity shares				

I/We note and understand that the original share certificate(s) and valid share transfer deed will be held in trust for me/us by the Registrar to the Offer until the time the Acquirers(s) gives the purchase consideration as mentioned in the Letter of Offer.
I/We also note and understand that the Acquirers(s) will pay the purchase consideration only after verification of the documents and signatures.

SHARES IN DEMATERIALISED FORM

I / We, holding Shares in the dematerialised form, accept the Offer and enclose the photocopy of the Delivery Instruction in “Off-market” mode, duly acknowledged by the Depository Participant (“DP”) in respect of my/our Shares as detailed below:

DP Name	DP ID	Client ID	No. of Shares	ISIN No.
				INE534C01016
Total number of shares				

I/We have done an off market transaction for crediting the Shares to the special account opened for the purposes of the Offer, for which necessary instructions have been given to my/our DP.
I/We note and understand that the Shares would reside in the depository account opened for the purpose of this Offer until the time the Acquirers accepts the Shares and makes the payment of purchase consideration as mentioned in the Letter of Offer.
I/We confirm that the equity shares of Vinay Cements Limited, which are being tendered herewith by me/us under this Offer, are free from liens, charges and encumbrances of any kind whatsoever.
I/We authorise the Acquirers to accept the shares so offered which they may decide to accept in consultation with the Manager to the Offer and in terms of the Letter of Offer and I/We further authorize the Acquirers to return to me/us, equity share certificate(s) in respect of which the offer is not found valid/not accepted.
I/We authorise the Acquirers and the Registrar to the Offer and the Manager to the Offer to send by Registered Post/UCP as may be applicable at my/our risk, the draft/cheque/warrant, in full and final settlement of the amount due to me/us and/or other documents or papers or correspondence to the sole/first holder at the address mentioned below.
I / We authorize the Acquirers to accept the Shares so offered or such lesser number of Shares that they may decide to accept in terms of the Letter of Offer and I/We authorize the Acquirers to split / consolidate the share certificates comprising the Shares that are not acquired to be returned to me/us and for the aforesaid purposes the Acquirers are hereby authorized to do all such things and execute such documents as may be found necessary and expedient for the /purpose.

Yours faithfully,
Signed and Delivered

	Full Names (s) of the holders	Address	Signature
First/Sole Holder			
Joint Holder 1			
Joint Holder 2			
Joint Holder 3			

Note: In case of joint holdings all must sign. Enclose duly attested power of attorney if any person apart from the shareholder has signed acceptance form or transfer deed(s). A corporation must affix its common seal and enclose necessary certified corporate authorizations. Non-resident shareholders with repatriable benefits must enclose appropriate documentation.

Place: Date:

Bank Details

So as to avoid fraudulent encashment in transit, the shareholder(s) may, at their option, provide details of bank account of the first/sole shareholder and the consideration cheque or demand draft will be drawn accordingly.
Savings/Current/(Others; please specify) : ___________________________Name of the Bank Branch : _________________________________
Account Number :__________________________

--**Tear along this line** --

Acknowledgement slip

Ledger Folio No. __________________________DP ID _______________ Client ID____________________________

Received from ______________________________ ___________an application for sale of __________Equity Share(s) of Vinay Cements Limited together with ________share certificate(s) bearing Certificate Numbers __________________ and _____________transfer deed(s)/ photocopy of “Off-market” delivery instruction duly acknowledged by the DP.

Note : All future correspondence, if any, should be addressed to the Registrar to the Offer at the address mentioned above.

Date of receipt **Signature of the official**

FORM OF WITHDRAWAL

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

From:
Name:
Address:

Tel. No.
Fax No.
E-mail:

OFFER	
Opens on	October 17, 2007
Closes on	November 5, 2007
Last date of Withdrawal	October 31, 2007

To,
M/S. Maheshwari Datamatics Private Limited
6, Mangoe Lane,
2nd Floor,
Kolkata – 700 001

Dear Sir,

Sub: **Open Offer to the shareholders of Vinay Cements Limited (VCL) to acquire from them upto 37,79,974 equity shares of Rs.10/- each aggregating to 20% of the post preferential voting equity share capital of thel of VCL by Mr. Ritesh Bawri, Mr. Vinay Bawri , Ms. Mala Bawri and Ms.Nisha Bawri Singh.**

I/We refer to the Letter of Offer dated 9-10-2007 for acquiring the equity shares held by me/us in Vinay Cements Limited.
I/We, the undersigned have read the Letter of Offer and understood its contents including the terms and conditions as mentioned therein.
I/We, hereby consent unconditionally and irrevocably to withdraw my/our shares from the Offer and I/We further authorise the Acquirers to return to me/us, the tendered equity share certificate(s)/ share(s) at my/our sole risk.
I/We note that upon withdrawal of my/our shares from the Offer, no claim or liability shall lie against the Acquirers /PAC/Manager to the Offer/ Registrar to the Offer.
I/We note that this Form of Withdrawal should reach the Registrar to the Offer before the last date of withdrawal i.e.31/10/2007.
I/We note that the Acquirers /PAC/Manager to the Offer/ Registrar to the Offer shall not be liable for any postal delay/loss in transit of the shares held in physical form and also for the non-receipt of shares held in the dematerialised form in the DP Account due to inaccurate / incomplete particulars / instructions.
I/We also note and understand that the Acquirers /PAC will return the original share certificate(s), share transfer deed(s) and shares only on completion of verification of the documents, signatures and beneficiary position as available from the depositories from time to time.

SHARE HELD IN PHYSICAL FORM

The particulars of tendered original share certificate(s) and duly signed transfer deed(s) are detailed below:

Sr. No.	Ledger folio No.	Certificate No.	Distinctive No.		No. of Shares
			From	To	
Total number of shares					

SHARES HELD IN DEMAT FORM

I/We have tendered the shares in the offer which was done in an off market transaction for crediting the shares to the " Maheshwari Datamatics Pvt. Ltd. Escrow A/c VCL- Open Offer " as per the following particulars:

DP ID : IN300773
DP Name : Shree Bahubali International Limited
Beneficiary ID Number : 10185436

Please find enclosed a photocopy of the depository delivery instruction(s) duly acknowledged by DP. The particulars of the account from which my/our shares have been tendered are as detailed below:

DP Name	DP ID	Client ID	Name of Beneficiary	No. of Shares

I/We note that the shares will be credited back only to that Depository Account, from which the shares have been tendered and necessary standing instructions have been issued in this regard.
I/We confirm that the particulars given above are true and correct.
In case of dematerialised shares, I/We confirm that the signatures have been verified by the DP as per their records and the same have been duly attested.
Yours faithfully,
Signed and Delivered

	Full Names (s) of the holders	**Address**	**Signature**
First/Sole Holder			
Joint Holder 1			
Joint Holder 2			
Joint Holder 3			

Note: In case of joint holdings, all shareholders must sign. A corporate body must sign under its official name. The withdrawal option can be exercised by submitting the Form of Withdrawal, duly signed and completed, along with the copy of acknowledgement slip issued at the time of submission of the Form of Acceptance cum Acknowledgement. Applicants are requested to clearly mark the envelope with the words "Vinay Cements Limited Open Offer" while sending the documents to the registrar to the offer. All future correspondence, if any, should be sent to the registrar to the offer, Maheshwari Datamatics Private. Ltd (unit: Vinay Cements Limited), at their aforesaid address.

Place: Date:

-- **TEAR HERE**--

ACKNOWLEDGEMENT RECEIPT

Received Form of Withdrawal from Mr./ Mrs./Ms. --Folio No.------------- ---------------------

DP ID -------------------------------- Client ID NO. ------------------------------------ Number of shares tendered --

Number of share withdrawn ---

Stamp of Registrar **Signature of official** **Date of Receipt**