

LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as a registered equity shareholder of Star Cement Limited (referred to as “**Star Cement**” or the “**Company**”) as on the Record Date in accordance with Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended (referred to as the “**Buyback Regulations**”). If you require any clarifications about the action to be taken, you should consult your Stock Broker or Investment Consultant or the Manager to the Buyback Offer (**Narnolia Financial Advisors Limited**) or to the Registrar to the Buyback Offer (**Maheshwari Datamatics Private Limited**). Please refer to the section on “Definitions” for the definition of capitalized terms used therein.



STAR CEMENT LIMITED

CIN: L26942ML2001PLC006663

Regd. Office: Vill: Lumshnong, P.O.: Khaliehriat, Dist.: East Jaintia Hills, Meghalaya – 793210

Corporate Office: Satyam Towers, Unit No. 9B, 1st Floor, 3 Alipore Road, Kolkata – 700027

Phone No: (033) 24015556 Fax No: (033) 24015556

Website: www.starcement.co.in; E-mail: investors@starcement.co.in; **Company Secretary and Compliance Officer** :Mr. Debabrata Thakurta

Cash offer to buyback not exceeding 68,00,000 (Sixty Eight Lakhs Only) fully paid up equity shares of face value of Re. 1/- each representing 1.62% of the present outstanding equity shares of the Company from all the existing public shareholders/beneficial owners of the Company as on the record date i.e. July 05, 2019 on a proportionate basis through the tender offer route at a price of Rs. 150/- (Rupees One Hundred Fifty only) per equity share for an aggregate amount of up to Rs. 102,00,00,000/- (Rupees One Hundred Two Crores Only).

- The Buyback is in accordance with the provisions contained in the Article 32 of the Articles of Association of the Company, Sections 68, 69, 70 and all other applicable provisions, if any, of the Companies Act, 2013 (the “**Companies Act**”), the Companies (Share Capital and Debentures) Rules, 2014 (hereinafter referred to as the “**Share Capital Rules**”) and in compliance with the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended (the “**Buyback Regulations**”) including any amendments, statutory modifications or re- enactments thereof, and such other approvals, permissions and exemptions as may be required, from time to time, from the National Stock Exchange of India Limited (“**NSE**”) and the BSE Limited (the “**BSE**”) where the equity shares of the Company are listed and from any other statutory and /or regulatory authority, as may be required and which may be agreed to by the Board and/ or any other committee thereof. The Buyback would be undertaken in accordance with Circular No. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with circular no. CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 (the “**SEBI Circular**”) issued by the Securities and Exchange Board of India, which prescribes mechanism for tendering of shares through Online trading platform of the Stock Exchange. In this regard, the Company will request BSE to provide the Acquisition Window. For the purpose of this Buyback, BSE would be the Designated Stock Exchange.
- The Buyback Offer Size is 9.76% of the fully paid up equity share capital and free reserves of the Company based on Standalone accounts for the financial year ended March 31, 2019 and is within the statutory limits of 10% of the fully paid-up equity share capital and free reserves as per the last standalone audited accounts of the Company.
- This letter of Offer will be sent to the Equity Shareholder(s)/Beneficial Owner(s) of Equity shares of the Company as on the Record Date i.e., July 05, 2019.
- The procedure for Tender and Settlement is set out in paragraph 20 of this Letter of Offer. The Form of Acceptance-cum-Acknowledgement (“**Tender Form**”) is enclosed together with this Letter of Offer.
- For mode of payment of consideration to the Equity Shareholders refer Paragraph 20.22 of Letter of Offer.
- A copy of the Public Announcement and this Letter of Offer (including Tender Form) will be available on the website of Securities and Exchange Board of India- www.sebi.gov.in
- Equity Shareholders are advised to refer to paragraph 17 (Details of Statutory Approvals) and paragraph 21 (Note on Taxation) before tendering their Equity Shares in the Buyback.

All future correspondence in relation to Buyback, if any should be addressed to the Manager to the Buyback Offer or the Registrar to the Buyback Offer at the respective addresses mentioned below:

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|--|---|--|---|
| | <p>MANAGER TO THE OFFER: NARNOLIA FINANCIAL ADVISORS LIMITED 201, 2ND Floor, Marble Arch 236B, A.J.C Bose Road, Kolkata – 700020 Tel No: (033) 4050 1500 Fax: (033) 4050 1549 Email: mgoenka@narnolia.com Website: www.narnolia.com Contact Person: Mr. Manav Goenka SEBI REGN NO: INM000010791</p> | | <p>REGISTRAR TO THE OFFER: MAHESHWARI DATAMATICS PRIVATE LIMITED 23 R. N. Mukherjee Road, 5th Floor Kolkata -700001 Tel No: (033) 22482248, 22435029 Fax: (033) 22484787 Email: mdpldc@yahoo.com Website: http://www.mdpl.in Contact Person: Mr. S. Rajagopal SEBI REGN NO: INR0000000353</p> |
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| BUYBACK OPENS ON | TUESDAY, OCTOBER 22, 2019 |
| BUYBACK CLOSES ON | TUESDAY, NOVEMBER 05, 2019 |
| LAST DATE OF RECEIPT OF COMPLETED APPLICATIONS, FORMS AND OTHER SPECIFIED DOCUMENTS BY THE REGISTRAR | THURSDAY, NOVEMBER 07, 2019 |

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1. SCHEDULE OF ACTIVITIES OF THE OFFER

| ACTIVITY | DATE | DAY |
|---|-------------------|------------|
| Date of Board Meeting Approving the Proposal of the Buyback | June 21, 2019 | Friday |
| Date of Publication of Public Announcement for the Buyback | June 25, 2019 | Tuesday |
| Record date for determining the Buyback entitlement and the names of the eligible shareholders | July 05, 2019 | Friday |
| Date of Opening of the buyback Offer | October 22, 2019 | Tuesday |
| Date of Closing of the Buyback Offer | November 05, 2019 | Tuesday |
| Last date of receipt of the completed tender forms and other specified documents by the Registrar | November 07, 2019 | Thursday |
| Last Date of verification by the Registrar to the Buyback Offer | November 13, 2019 | Wednesday |
| Last date of providing acceptance to the Stock Exchange by the Registrar to the Buyback Offer | November 14, 2019 | Thursday |
| Last date of Settlement of Bids on the Stock Exchange | November 15, 2019 | Friday |
| Last date of payment to shareholders / dispatch of Share certificate(s)/return of unaccepted demat shares by Stock Exchange to Selling Member | November 15, 2019 | Friday |
| Last date of Extinguishment of equity shares | November 22, 2019 | Friday |

2. DEFINITION OF KEY TERMS

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| Acceptance | Acceptance of Equity Shares, tendered by Eligible Persons in the Buyback Offer |
| Act | The Companies Act, 2013 and any amendment thereof |
| Additional Shares / Additional Equity Shares | Eligible Equity Shares tendered by an Eligible Person over and above the Buyback Entitlement of such shareholder. |
| Company / Star Cement | Star Cement Limited |
| Board of Directors/ Board | Board of Directors of the Company, or the Committee of Directors or Buyback Committee for the purpose of the Buyback. |
| NSE | National Stock Exchange of India Limited |
| BSE | BSE Limited |
| Buyback Entitlement | The number of Equity Shares that a Shareholder is entitled to tender in the Buyback Offer, based on the number of Equity Shares held by that Shareholder, on the Record date and the Ratio of Buyback applicable in the category, to which such Shareholder belongs to. |
| Buyback Offer | Offer by Star Cement Limited to buy back up to maximum of 68,00,000 fully paid-up Equity Shares of face value of Re. 1/- each at a price of Rs. 150/- per Equity Share from all the Equity Shareholders/beneficial owners of the Company through Tender Offer process, on a proportionate basis. |
| CDSL | Central Depository Services (India) Limited |
| DP | Depository Participant |
| Eligible Person(s) | Person(s) eligible to participate in the Buyback Offer and would mean all Equity Shareholders / Beneficial Owner(s) of Equity Shares of the Company as on the Record Date i.e., July 05, 2019 |
| Equity Shares / Shares | Fully paid up Equity Shares of face value of Re. 1/- each of Star Cement Limited |
| Escrow Account | The Escrow Account opened with RBL Bank Limited, Kolkata |
| Form/ Tender Form | Form of Acceptance-cum-Acknowledgement |
| LOF/ Offer Document | Letter of Offer |
| Non-Resident Shareholders | Includes Non-Resident Indians (NRI), Foreign Institutional Investors (FII) and Overseas Corporate Bodies (OCB) |
| NSDL | National Securities Depository Limited |
| Offer Price / Buyback Price | Price at which Equity Shares will be bought back from the Shareholders i.e. Rs. 150/- per fully paid up Equity Share, payable in cash |
| Offer Size / Buyback Size | Number of Equity Shares proposed to be bought back (i.e. 68,00,000 Equity Shares) multiplied by the Offer Price (i.e. Rs. 150/- per Equity Share) aggregating to Rs. 102,00,00,000 /- (Rupees One Hundred Two Crores Only). |
| PA / Public Announcement | Public Announcement regarding the Buyback dated June 21, 2019, published in Business Standard (English), Meghalaya Times (English), Business Standard (Hindi) and U Nongsain Hima (Khasi) on June 25, 2019 |
| RBI | Reserve Bank of India |
| Record Date | The date for the purpose of determining the entitlement and the names of the Shareholders, to whom the Letter of Offer and Tender Offer Form will be sent and who are eligible to participate in the proposed Buyback offer in accordance with the Regulations. The Record Date in this Buy Back offer is July 05, 2019 |
| Registrar to the Offer/ Registrar to the Buyback | Maheshwari Datamatics Private Limited |

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|---|---|
| Regulations / SEBI Regulations / SEBI Buyback Regulations / Buyback Regulations | Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 including any statutory modifications or re-enactments thereof |
| SEBI | Securities and Exchange Board of India |
| Small Shareholder | A Shareholder, who holds Equity Shares whose market value, on the basis of closing price of shares or other specified securities on the Recognized Stock Exchanges in which the highest trading volume in respect of such security as on Record Date i.e. July 05, 2019 is not more than Two Lakh rupees. |
| Stock Exchanges/Stock Exchange | NSE and BSE, being the Stock Exchanges where the equity shares of the Company are listed. |
| Narnolia/ Manager to the Buyback Offer | Narnolia Financial Advisors Limited |

3. DISCLAIMER CLAUSE

As required, a copy of the Draft Letter of Offer has been submitted to Securities and Exchange Board of India (SEBI). It is to be distinctly understood that submission of the Draft Letter of Offer to SEBI should not, in any way be deemed or construed that the same has been cleared or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of the Company to meet the Buyback commitments or for the correctness of the statements or opinions expressed in the Offer document. The Manager to the Buyback Offer, Narnolia Financial Advisors Limited has certified that the disclosures made in the Offer document are generally adequate and are in conformity with the provisions of Companies Act and Buyback Regulations. This requirement is to facilitate investors to take an informed decision for tendering their Equity Shares in the Buyback.

It should be clearly understood that while the Company is primarily responsible for the correctness, adequacy and disclosures of all relevant information in the Offer Document, the Manager to the Buyback Offer is expected to exercise due diligence to ensure that the Company discharges its duty adequately in this behalf and towards this purpose, the Manager to the Buyback Offer, Narnolia Financial Advisors Limited has furnished to SEBI a Due Diligence Certificate dated June 28, 2019 in accordance with Buyback Regulations which read as follows:

“We have examined various documents and materials contained in the annexure to this letter, as part of the due-diligence carried out by us in connection with the finalization of the Public Announcement and the Draft Letter of Offer. On the basis of such examination and the discussions with the Company, we hereby state that:

- The Public Announcement and the Draft Letter of Offer are in conformity with the documents, materials and papers relevant to the Buyback offer;
- All the legal requirements connected with the said offer including SEBI (Buy Back of Securities) Regulations, 2018, as amended, have been duly complied with;
- The disclosures in the Public Announcement and the Draft Letter of Offer are, to the best of our knowledge, true, fair and adequate in all material respects for the shareholders of the Company to make a well informed decision in respect of the captioned Buyback offer.
- Funds used for buy back shall be as per the provisions of the Companies Act, 2013.”

The filing of Offer Document with SEBI, does not, however, absolve the Company from any liabilities under the provisions of the Companies Act, 2013, as amended or from the requirement of obtaining such statutory or other clearances as may be required for the purpose of the proposed Buyback.

Promoters / Directors declare and confirm that no information / material likely to have a bearing on the decision of investors has been suppressed / withheld and / or incorporated in the manner that would amount to mis-statement / misrepresentation and in the event of it transpiring at any point of time that any

information / material has been suppressed / withheld and / or amounts to a mis-statement/ misrepresentation, the Promoters / Directors and the Company shall be liable for penalty in terms of the provisions of the Companies Act, 2013 as amended and the SEBI (Buy- Back of Securities) Regulations, 2018, as amended.

Promoters / Directors also declare and confirm that funds borrowed from Banks and Financial Institutions will not be used for the Buyback.

Disclaimer for U.S. Persons:

The information contained in this Letter of Offer is exclusively intended for persons who are not U.S. Persons as defined in Regulations of the U.S. Securities Act of 1933, as amended, and who are not physically present in the United States of America. This Letter of Offer does not in any way constitute an offer to sell, or an invitation to sell, any securities in the United States of America or in any other jurisdiction in which such offer or invitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. Potential users of the information contained in this Letter of Offer are requested to inform themselves about and to observe any such restrictions.

Disclaimer for persons in other foreign countries:

This Letter of Offer has not been filed, registered or approved in any jurisdiction outside India. This Letter of Offer does not in any way constitute an offer to sell, or an invitation to sell, any securities in any jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation would subject the Company or the Manager to the Offer to any new or additional requirements or registrations. Potential users of the information contained in this Letter of Offer are requested to inform themselves about and to observe any applicable legal requirement or restrictions.

This Letter of Offer has been prepared for the purposes of compliance with the SEBI Buyback Regulations. Accordingly, the information disclosed herein may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws and regulations of any jurisdiction outside of India. The Company and the Manager to the Buyback are under no obligation to update the information contained herein at any time after the date of this Letter of Offer. The Letter of Offer shall be dispatched to all Eligible Shareholders (Equity Shareholders as on the Record Date) either through email or physically. However, receipt of the Letter of Offer by any Equity Shareholder in a jurisdiction in which it would be illegal to make this Offer, or where making this Offer would require any action to be taken (including, but not restricted to, registration of the Letter of Offer under any local securities laws), shall not be treated by such Equity Shareholders as an offer being made to them. Any Equity Shareholder who tenders his, her or its Equity Shares in the Buyback shall be deemed to have declared, represented, warranted and agreed that he, she or it is authorised under the provisions of any applicable local laws, rules, regulations and statutes to participate in the Buyback.

Forward Looking Statement:

This Letter of Offer contains certain forward-looking statements. These forward-looking statements generally can be identified by words or phrases such as 'believe', 'aim', 'anticipate', 'expect', 'estimate', 'intend', 'objective', 'plan', 'project', 'will', 'will pursue', or other words or phrases of similar import. Similarly, statements that describe our objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to, inter-alia, regulatory changes pertaining to the industries in India in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary

and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the industries in which the Company operates.

4. TEXT OF THE RESOLUTION PASSED AT THE BOARD MEETING

BUYBACK OF EQUITY SHARES

"**RESOLVED THAT** pursuant to the provisions of Section 68, 69, 70 and all other applicable provisions, if any, of the Companies Act, 2013 as amended (the "**Companies Act**"), and in accordance with Article 32 of the Articles of Association of the Company, the Companies (Share Capital and Debentures) Rules, 2014 (the "**Share Capital Rules**") to the extent applicable and in compliance with the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018, as amended (the "**Buy-back Regulations**") and any Statutory modification(s) or re-enactment thereof, for the time being in force and subject to such other approvals, permissions and sanctions of Securities and Exchange Board of India ('**SEBI**'), Registrar of Companies, Assam, Meghalaya and other North Eastern States ("**ROC**") and/ or other authorities, institutions or bodies (the "**Appropriate Authorities**"), as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (the "**Board**" which expression shall include any Committee constituted by the Board to exercise its powers, including the powers conferred by this resolution), the Board hereby approves the buy back by the Company of its fully paid-up equity shares of face value of ₹1 each upto 68,00,000 (Sixty Eight Lacs only) number of Equity Shares (representing 1.62% of the present total number of equity shares in the paid-up equity share capital of the Company) at a price of ₹150 (Rupees One Hundred Fifty Only) per equity share (the "Buy Back Offer Price") payable in cash for an aggregate consideration not exceeding ₹1,02,00,00,000 (Rupees One Hundred and Two Crores Only) (excluding Company's transaction cost such as Brokerage, Securities Transaction Tax, GST, Stamp duty etc.) (the "**Buy-back Offer Size**") being 9.76%, which is not exceeding 10% of the aggregate of the fully paid-up equity share capital and free reserves as per the standalone audited accounts of the Company for the Financial year ended 31st March, 2019 from the Equity shareholders of the Company, as on the record date, on a proportionate basis, through the **Tender Offer** route as prescribed under the Buy-back Regulations;

RESOLVED FURTHER THAT 05th July, 2019 shall be the 'Record Date' for the purposes of the Buy-back ("**Record Date**");

RESOLVED FURTHER THAT all of the shareholders of the Company who hold Equity Shares as on the Record Date shall be eligible to participate in the Buy-back;

RESOLVED FURTHER THAT 'BSE Limited' be and hereby appointed as the 'Designated Stock Exchange' for the purpose of Buy-back;

RESOLVED FURTHER THAT the Company do implement the Buy-back using the "Mechanism for acquisition of shares through Stock Exchange", to the extent legally permissible as notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and CFD/DCR2/CIR/P/2016/131 dated December 09, 2016, including any further amendments thereof;

RESOLVED FURTHER THAT the Buy-back would be subject to maintaining minimum public shareholding requirements as specified in Regulation 38 of the Securities and Exchange of Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 ("**Listing Regulations**") as amended;

RESOLVED FURTHER THAT such Buy-back be made out of the Company's internal accruals as may be permitted by law through "**Tender Offer**" route and as required by the Buy-back Regulations and the Companies Act, the

Company may buy-back equity shares from all the existing members holding equity shares of the Company on a proportionate basis, provided **15% (fifteen percent)** of the number of equity shares which the Company proposes to buy-back or number of equity shares entitlement as per the shareholding of small shareholders as on the record date, whichever is higher, shall be reserved for the small shareholders, as prescribed under proviso to Regulation 6 of the Buy-back Regulations;

RESOLVED FURTHER THAT the Company has complied and shall continue to comply with, Section 70 of the Companies Act, 2013 wherein:

- a) It shall not directly or indirectly purchase its own shares:
 - (i) through any subsidiary company including its own subsidiary companies; or
 - (ii) through any investment company or group of investment companies; or
- b) There are no defaults subsisting in the repayment of deposits, interest payment thereon, redemption of debentures or interest payment thereon or redemption of preference shares or payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking company, in the last three years;
- c) The Company is in compliance with the provisions of Sections 92, 123, 127 and 129 of the Companies Act, 2013;

RESOLVED FURTHER THAT confirmation is hereby made by the Board of Directors that:

- a) all equity shares of the Company are fully paid up;
- b) the Company has not undertaken a buy-back of any of its securities during the period of one year immediately preceding the date of this Board meeting;
- c) the Company shall not issue and allot any shares or other specified securities including by way of bonus, till the date of closure of this Buyback;
- d) the Company shall not raise further capital for a period of one year from the closure of the Buyback offer, except in discharge of its subsisting obligations;
- e) the Company shall not buyback locked-in Equity shares and non-transferable equity shares till the pendency of the lock-in or till the equity shares become transferable;
- f) the Company shall not buy-back its equity shares from any person through negotiated deal whether on or off the stock exchanges or through spot transactions or through any private arrangement in the implementation of the Buyback;
- g) that the aggregate consideration for Buy-back not exceeding ₹1,02,00,00,000 (Rupees One Hundred and Two Crores Only) does not exceed 10% of the aggregate of the fully paid-up equity share capital and free reserves as per the latest standalone audited accounts of the Company for the Financial year ended 31st March, 2019 (the last audited financial statements available as on the date of the Board meeting);
- h) that the maximum number of equity shares proposed to be purchased under the Buy-back i.e., 68,00,000 (Sixty Eight Lacs only) equity shares, does not exceed 10% of the total present number of equity shares in the paid-up share capital of the company;
- i) the ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid-up capital and free reserves after the Buy-back as prescribed under the Companies Act, 2013 and rules made thereunder;
- j) there is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Companies Act, 2013, as on date before any National Company Law Tribunal (NCLT) or Appropriate Authority.

RESOLVED FURTHER THAT as required by Clause (x) of Schedule I under Regulation 5(iv)(b) of the Buy-back Regulations, the Board hereby confirms that the Board of Directors have made a full enquiry into the affairs and prospects of the Company and that based on such full inquiry conducted into the affairs and prospects of the Company, the Board of Directors has formed an opinion that:

- a) immediately, following the date of this Board meeting, there will be no grounds on which the Company could be found unable to pay its debts;
- b) as regards the Company's prospects for the year immediately following the date of this meeting, and having regard to the Board's intention with respect to the management of Company's business during that year and to the amount and character of the financial resources which will in the Board's view be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of this Board meeting;
- c) in forming an opinion as aforesaid, the Board has taken into account the liabilities, as if the Company was being wound up under the provisions of the Companies Act, 2013 and/or the Insolvency and Bankruptcy Code, 2016 (as amended) as the case may be, including prospective and contingent liabilities; and
- d) the debt equity ratio of the Company after Buy Back will be within the limit of 2:1 as prescribed under the Act.

RESOLVED FURTHER THAT the proposed Buy-back be implemented from the existing shareholders including the Promoter(s)/Promoter Group of the Company as have been disclosed under the shareholding pattern filings made by the Company under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations 2011, as amended ("SEBI Takeover Regulations") as the Board may consider appropriate, from out of its internal accruals of the Company and by such mechanisms as may be permitted by Law, and on such terms and conditions as the Board / Buy-back Committee may decide from time to time, and in the absolute discretion of the Board / the Buy-back Committee, as it may deem fit;

RESOLVED FURTHER THAT Company shall not use borrowed funds, directly or indirectly, whether secured or unsecured, of any form and nature, from Banks and Financial Institutions for paying the consideration to the equity shareholders who have tendered their equity shares in the Buy-back;

RESOLVED FURTHER THAT the Company shall not Buy-back the locked-in equity shares or other specified securities, if any and non-transferable equity shares or other specified securities, if any, till the pendency of the lock-in or till the equity shares or other specified securities become transferable;

RESOLVED FURTHER THAT the draft of the 'Declaration of Solvency' along with the annexures including the Statement of Assets and Liabilities as at 31st March, 2019, prepared in the prescribed form and supporting Affidavit and other documents in terms of Section 68(6) of the Companies Act and Regulation 8 of the Buyback Regulations, the draft of which as placed before the meeting and Mr. Sajjan Bhajanka, Chairman & Managing Director and Mr. Sanjay Agarwal, Managing Director of the Company be and are hereby authorized to finalize and sign the same for and on behalf of the Board of Directors and file the same with the Registrar of Companies, Stock Exchanges and SEBI in accordance with applicable laws;

RESOLVED FURTHER THAT the Buy-back from shareholders who are persons resident outside India including the Foreign Institutional Investors, Overseas Corporate Bodies, if any, shall be subject to such approvals, if, and to the extent necessary or required including approvals from Reserve Bank of India ("RBI") under Foreign Exchange Management Act, 1999 (as amended) and the rules and regulations framed there under, if any;

RESOLVED FURTHER THAT as per the provisions of Section 68(8) of the Companies Act, 2013, the Company will not issue same kind of shares or other specified securities within a period of 6 months after the completion of the Buyback except by way of bonus issue or in the discharge of subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into equity shares;

RESOLVED FURTHER THAT no information/ material likely to have a bearing on the decision of the investors has been suppressed/ withheld and/ or incorporated in the manner that would amount to mis-statement/

misrepresentation and the event of it transpiring at any point of time that any information/ material has been suppressed/ withheld and/ or amounts to mis-statement/misrepresentation, the Board and the Company shall be liable for penalty in terms of the provisions of the Companies Act, 2013 and Buy-back Regulations;

RESOLVED FURTHER THAT the buy-back is being proposed keeping in desire to enhance overall shareholders value and the buyback would lead to decrease in number of equity shares;

RESOLVED FURTHER THAT the approval of Board for appointment of intermediaries such as Manager to the Offer i.e., Narnolia Financial Advisors Limited, Registrar to the Offer i.e., Maheshwari Datamatics Private Limited and Company's Broker to the Offer i.e., Narnolia Financial Advisors Limited be and is hereby accorded;

RESOLVED FURTHER THAT a Committee be constituted ("Buy-back Committee") comprising of Mr. Sajjan Bhajanka, Chairman and Managing Director, Mr. Sanjay Agarwal, Managing Director and Mr. Mangilal Jain, Independent Director and that Mr. Debabrata Thakurta, Company Secretary shall act as the Secretary to the Buy-back Committee. Further, the Buy-back Committee is hereby authorized, to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, expedient, usual or proper in the best interests of the shareholders, including but not limited to:

- a) finalizing the terms of buyback like the mechanism for the buy-back, record date, entitlement ratio, the schedule of activities for Buyback including finalizing the date of opening and closing of Buy-back, the timeframe for completion of the buy-back;
- b) to enter into escrow arrangements as may be required in terms of the Buy-back Regulations;
- c) opening, operation and closure of all necessary accounts, including bank accounts, depository accounts (including escrow account) for the purpose of payment and authorizing persons to operate the said accounts and take all such necessary actions as may be required to get the Bank Guarantee issued from any Commercial Bank;
- d) preparation, signing and filing of public announcement, the draft letter of offer/ letter of offer with the SEBI, ROC, the Stock Exchanges and other Appropriate Authority;
- e) making all applications to the Appropriate Authorities for their requisite approvals including approvals as may be required from the Reserve Bank of India under the Foreign Exchange Management Act, 1999 and the rules and regulations framed there under, if any;
- f) extinguishment of dematerialized shares and physical destruction of share certificates and filing of certificate of extinguishment required to be filed in connection with the Buyback on behalf of the Company and/ or the Board, as required under applicable law;
- g) appoint any intermediaries / agencies / persons as may be required for the purposes of the Buyback and decide and settle the remuneration for all such intermediaries/ agencies/persons, including the payment of commission, brokerage, fee, charges etc. and enter into agreements/ letters in respect thereof;
- h) to affix the Common Seal of the Company wherever required on relevant documents required to be executed for the Buy-back of shares in accordance with the provisions of the Articles of Association of the Company;
- i) sign, execute and deliver such other documents, deeds and writings and to do all such acts, matters and things as it may, in its absolute discretion deem necessary, expedient or proper, to be in the best interest of the shareholders for the implementation of the Buy-back and to initiate all necessary actions for preparation and issue of various documents and such other undertakings, agreements, papers, documents and correspondence as may be necessary for the implementation of the Buyback, to the SEBI, RBI, ROC, Stock Exchanges, Depositories and/or other Appropriate Authorities;
- j) obtaining all necessary certificates and reports from Statutory Auditors and other third parties as required under applicable law;
- k) dealing with Stock Exchanges (including their clearing corporations), where the shares of the Company are listed and to sign, execute, and deliver such documents as may be necessary or desirable in connection with implementation of the Buy-back using "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and CFD/DCR2/CIR/P/2016/131 dated December 09, 2016;
- l) to delegate all or any of the authorities conferred on them to any Director(s)/ Office(s)/Authorized Signatory(ies)/ Representative(ies) of the Company;

- m) to give such directions, clarifications as may be necessary or desirable and to settle any questions or difficulties whatsoever that may arise in relation to the Buy-back;
- n) to settle and resolve any queries or difficulties raised by SEBI, Stock Exchanges, ROC and any other authorities whatsoever in connection to any matter incidental to and ancillary to the Buy-back;

RESOLVED FURTHER THAT the quorum for any meeting of the Buy-back Committee for implementing the Buy-back shall be any two Directors;

RESOLVED FURTHER THAT in terms of Regulation 24(ii) of the Buy-back Regulations, Mr. Debabrata Thakurta, Company Secretary be and is hereby appointed as the Compliance Officer for the purpose of Buy-back;

RESOLVED FURTHER THAT nothing contained herein shall confer any right on any shareholder to offer and/ or any obligation on the Company or the Board or the Buy-back Committee to buy-back any shares and / or impair any power of the Company or the Board or the Buy-back Committee to terminate any process in relation to such buyback, if so permissible by Laws;

RESOLVED FURTHER THAT the Company do maintain a register of securities bought back wherein details of equity shares bought back, consideration paid for the equity shares bought back, date of cancellation of equity shares and date of extinguishing and physically destroying of equity shares and such other particulars as may be prescribed, shall be entered and that the Company Secretary of the Company be and is hereby authorised to authenticate the entries made in the said register;

RESOLVED FURTHER THAT any of the Directors of the Company and /or the Company Secretary for the time being be and are hereby severally authorized to file necessary e-forms with the Registrar of Companies, Assam, Meghalaya and other North Eastern States and other regulatory authorities as may be required under the Companies Act and the Buy-back Regulations and to do all such acts, deeds and things as may be necessary to give effect to the above resolutions."

5. DETAILS OF PUBLIC ANNOUNCEMENT

The Public Announcement dated June 21, 2019 was published on June 25, 2019 in the following newspapers, in accordance with Regulation 7(i) of the Buyback Regulations, within two working days from the date of passing of the Resolution in the meeting of Board of Directors for the Buyback, on June 21, 2019.

| Publication | Language | Edition |
|-------------------|----------|--------------------|
| Business Standard | English | All India editions |
| Meghalaya Times | English | Shillong edition |
| Business Standard | Hindi | All India editions |
| U Nongsain Hima | Khasi | Shillong edition |

The Company will publish further notices or corrigenda, if any, in the abovementioned newspapers.

A copy of the Public Announcement is available on the Company's website i.e., www.starcement.co.in, the website of SEBI i.e., www.sebi.gov.in and on the websites of Stock Exchanges, i.e., www.bseindia.com and www.nseindia.com.

6. DETAILS OF THE BUYBACK

6.1 Star Cement Limited has announced the Buyback of not exceeding 68,00,000 Equity shares from all the existing public shareholders/ beneficial owners of equity shares, on a proportionate basis, through the Tender Offer route at a price of Rs. 150/- (Rupees One Hundred And Fifty Only) per equity share payable in cash for an aggregate amount of Rs. 102,00,00,000/- (Rupees One Hundred Two Crores Only) (excluding Company's transaction cost such as brokerage, securities transaction tax, GST, stamp duty etc.). The maximum number of equity shares proposed to be bought back represents 1.62% of the present total number of equity shares in the Paid-Up Equity share capital of the Company.

- 6.2 The Buyback is in accordance with the provisions contained in the Article 32 of the Articles of Association of the Company, Section 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, 2013 as amended (“**Companies Act**”), the Companies (Share Capital and Debentures) Rules, 2014 as amended (“**Share Capital Rules**”) and in compliance with the Securities and Exchange Board of India (Buyback of Securities) Regulations 2018, (the “**Buyback Regulations**”) including any amendments, statutory modifications or re- enactments thereof, and such other approvals, permissions and sanctions, as may be required, from time to time, from the stock exchanges where the equity shares of the Company are listed and from any other statutory and /or regulatory authority, as may be required and which may be agreed to by the Board and/ or any other committee thereof.
- 6.3 The Buyback would be undertaken in accordance with Circular No. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with SEBI Circular no CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 issued by the Securities and Exchange Board of India which prescribes mechanism for tendering of shares through Online Trading Platform of the Stock Exchange. In this regard, the Company will request BSE to provide the Acquisition Window. For the purpose of this Buyback, BSE would be the designated Stock Exchange.
- 6.4 The Buyback Offer Size is 9.76% of the fully paid-up equity share capital and free reserves as per the standalone audited accounts of the Company for the financial year ended March 31, 2019 and is within the statutory limits of 10% of the fully paid-up equity share capital and free reserves as per the last audited accounts of the Company. The Buyback Offer Size does not include Company’s transaction costs such as brokerage, securities transaction tax, GST, stamp duty etc.
- 6.5 The aggregate shareholding of the Promoters, Promoter Group, directors of the Promoter Group companies holding shares in the Company and of Persons who are in control of the Company as on the Record date (i.e., July 05, 2019) is as follows:

a) Shareholding of the companies/entities forming part of the Promoter Group

| Sl. No. | Name of the Shareholder | No. of Equity Shares | Percentage (%) |
|----------|--------------------------------|----------------------|----------------|
| A | PROMOTERS | | |
| 1 | Sajjan Bhajanka | 4,73,16,047 | 11.286 |
| 2 | Sanjay Agarwal | 1,72,87,635 | 4.124 |
| 3 | Rajendra Chamaria | 2,01,74,305 | 4.812 |
| 4 | Prem Kumar Bhajanka | 3,82,22,553 | 9.117 |
| 5 | Hari Prasad Agarwal | 32,39,560 | 0.773 |
| | Sub-Total (A) | 12,62,40,100 | 30.112 |
| B | PROMOTER GROUP | | |
| 6 | Santosh Bhajanka | 1,83,69,835 | 4.382 |
| 7 | Sonu Kajaria | 13,69,913 | 0.327 |
| 8 | Payal Agrawal | 13,30,000 | 0.317 |
| 9 | Shraddha Agarwal | 10,79,720 | 0.258 |
| 10 | Sriram Merchants Pvt. Ltd. | 89,64,027 | 2.138 |
| 11 | Sriram Vanijya Pvt. Ltd. | 1,13,07,899 | 2.697 |
| 12 | Keshav Bhajanka | 1,63,490 | 0.039 |
| 13 | Divya Agarwal | 1,92,70,037 | 4.597 |
| 14 | Auroville Investments Pvt Ltd | 24,53,850 | 0.585 |
| 15 | Sumangal International Pvt Ltd | 1,01,96,844 | 2.432 |
| 16 | Sumangal Business Pvt. Ltd. | 90,85,549 | 2.167 |
| 17 | Rajesh Kumar Agarwal | 3,91,149 | 0.093 |
| 18 | Sumitra Devi Agarwal | 13,42,412 | 0.320 |
| 19 | Bhawna Agarwal | 23,56,347 | 0.562 |
| 20 | Hari Prasad Agarwala and Ors | 17,36,216 | 0.414 |
| 21 | Brijdham Merchants Pvt. Ltd. | 1,02,99,506 | 2.457 |

| | | | |
|----|----------------------------------|---------------------|---------------|
| 22 | Nancy Choudhary | 1,70,000 | 0.041 |
| 23 | Yash Bhajanka | 44,48,561 | 1.061 |
| 24 | Sachin Chamaria | 1,00,50,000 | 2.397 |
| 25 | Rahul Chamaria | 69,25,000 | 1.652 |
| 26 | Kamakhya Chamaria | 53,29,750 | 1.271 |
| 27 | Laxmi Chamaria | 42,50,691 | 1.014 |
| 28 | Prahlad Rai Vinay Kumar HUF | 42,50,000 | 1.014 |
| 29 | Renu Chamaria | 38,14,894 | 0.910 |
| 30 | Hardeo Das Kamakhya Prasad HUF | 33,00,000 | 0.787 |
| 31 | Rajendra Udyog HUF | 32,78,250 | 0.782 |
| 32 | Amritansh Chamaria | 32,00,000 | 0.763 |
| 33 | Kailash Prasad Chamaria | 30,72,250 | 0.733 |
| 34 | Gouri Shankar Kailash Prasad HUF | 29,00,000 | 0.692 |
| 35 | Gayatri Chamaria | 25,70,000 | 0.613 |
| 36 | G S Chamaria and Sons HUF | 4,00,000 | 0.095 |
| 37 | Vinay and Company | 2,90,625 | 0.069 |
| 38 | Prahlad Rai Chamaria | 3,17,485 | 0.076 |
| 39 | Ratna Chamaira | 2,39,606 | 0.057 |
| 40 | Saroj Kejriwal | 75,000 | 0.018 |
| 41 | Rishi Raj Shah | - | - |
| 42 | Amit Agarwal | - | - |
| 43 | Pushpa Agarwala | - | - |
| 44 | Jagdish Prasad Shah | - | - |
| | Sub-Total (B) | 15,85,98,906 | 37.831 |
| | Grand Total (A+B) | 28,48,39,006 | 67.944 |

b) Shareholding of Directors of the Promoter Group Companies [mentioned in point (a) above]:

| Sl.No. | Name of Directors of Companies forming part of Promoter and Promoter Group | No. of Equity Shares | Percentage (%) |
|---|--|----------------------|----------------|
| SRIRAM MERCHANTS PVT. LTD. | | | |
| 1 | Sajjan Bhajanka | 4,73,16,047 | 11.286 |
| 2 | Santosh Bhajanka | 1,83,69,835 | 4.382 |
| 3 | Keshav Bhajanka | 1,63,490 | 0.039 |
| SRIRAM VANIJYA PVT. LTD. | | | |
| 1 | Sajjan Bhajanka | 4,73,16,047 | 11.286 |
| 2 | Santosh Bhajanka | 1,83,69,835 | 4.382 |
| 3 | Keshav Bhajanka | 1,63,490 | 0.039 |
| AUROVILLE INVESTMENTS PVT. LTD. | | | |
| 1 | Sanjay Agarwal | 1,72,87,635 | 4.124 |
| 2 | Divya Agarwal | 1,92,70,037 | 4.597 |
| SUMANGAL INTERNATIONAL PVT. LTD. | | | |
| 1 | Sanjay Agarwal | 1,72,87,635 | 4.124 |
| 2 | Divya Agarwal | 1,92,70,037 | 4.597 |
| SUMANGAL BUSINESS PVT. LTD. | | | |
| 1 | Sanjay Agarwal | 1,72,87,635 | 4.124 |
| 2 | Divya Agarwal | 1,92,70,037 | 4.597 |
| BRIJDHAM MERCHANTS PVT. LTD. | | | |
| 1 | Rajesh Kumar Agarwal | 3,91,149 | 0.093 |
| 2 | Hari Prasad Agarwal | 32,39,560 | 0.773 |
| 3 | Sumitra Devi Agarwal | 13,42,412 | 0.320 |

c) Shareholding of Directors and Key Managerial Personnel of the Company:

| Name | Designation | No. of Shares | % of Shareholding |
|------------------------|-------------------------|---------------|-------------------|
| Sajjan Bhajanka | Managing Director | 4,73,16,047 | 11.286 |
| Sanjay Agarwal | Managing Director | 1,72,87,635 | 4.124 |
| Rajendra Chamaria | Managing Director | 2,01,74,305 | 4.812 |
| Pankaj Kejriwal | Director | 1,02,547 | 0.024 |
| Prem Kumar Bhajanka | Director | 3,82,22,553 | 9.117 |
| Pramod Kumar Shah | Independent Director | - | - |
| Mangilal Jain | Independent Director | 4,655 | 0.001 |
| Santanu Ray | Independent Director | - | - |
| Plistina Dkhar | Independent Director | 997 | 0.000 |
| Ibaridor Katherine War | Independent Director | - | - |
| Sanjay Kumar Gupta | Chief Executive Officer | 4,222 | 0.001 |
| Manoj Agarwal | Chief Financial Officer | 3,237 | 0.001 |
| Debabrata Thakurta | Company Secretary | - | - |

- d) In terms of the Buyback Regulations, under the Tender Offer, the Promoter and Persons in Control have the option to participate in the Buyback. In this regard, the Promoter and Persons in Control vide their letters dated June 21, 2019, have expressed their intention to tender Equity Shares in the Buyback and offer upto an aggregate maximum number of 80,00,000 Equity Shares or such lower number of Equity Shares in accordance with the provisions of the Buyback Regulations. Their maximum participation in the Buyback has been detailed in paragraph 9.4 of this DLOF.
- e) The pre-Buyback shareholding as on Record Date of Promoter and Persons in Control of the Company is 67.94% of the total number of outstanding Equity Shares of the Company. Assuming response to the Buyback is to the extent of 100% (full acceptance) from all the Equity Shareholders upto their entitlement, the aggregate shareholding of the Promoters/Promoter Group, post Buyback will be 68.10% of the Post Buyback Equity Share Capital of the Company.
- f) The Company confirms that on completion of the Buyback, the shareholding of the Equity Shareholders other than Promoter and Persons in Control shall not fall below the minimum level required as per the Regulation 38 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended from time to time.

7. AUTHORITY FOR THE BUYBACK

The Buyback is in accordance with the provisions contained in the Article 32 of the Articles of Association of the Company, Section 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, 2013 as amended (“**Companies Act**”), the Companies (Share Capital and Debentures) Rules, 2014 as amended (“**Share Capital Rules**”) and in compliance with the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018, (the “**Buyback Regulations**”) including any amendments, statutory modifications or re-enactments thereof, and such other approvals, permissions and sanctions, as may be required, from time to time, from the stock exchanges where the equity shares of the Company are listed and from any other statutory and /or regulatory authority, as may be required and which may be agreed to by the Board and/ or any other committee thereof.

The Board of Directors at their meeting on June 21, 2019 passed a resolution approving Buyback of Equity Shares of the Company.

8. NECESSITY OF THE BUYBACK

Share buyback is the acquisition by a Company of its own shares. The objective is to return surplus cash to the shareholders holding equity shares of the Company. The Board at its meeting held on June 21, 2019, considered all relevant factors, including the strategic and operational cash requirements in the medium term, present debt to equity ratio of the Company, the increase in accumulated free reserves and considering these, the Board decided to allocate a sum of Rs. 102,00,00,000/- (Rupees One Hundred Two Crores Only) for distributing to the shareholders holding equity shares of the Company through the Buyback.

After considering several factors and benefits to the shareholders holding equity shares of the Company, the Board decided to recommend Buyback of not exceeding 68,00,000 (Sixty Eight Lakhs Only) equity shares (representing 1.62% of the total number of shares in the present paid-up equity share capital of the Company) at a price of Rs. 150/- (Rupees One Hundred And Fifty Only) per equity share for an aggregate consideration of Rs. 102,00,00,000/- (Rupees One Hundred Two Crores Only). Buyback is a more efficient form of distributing surplus cash to the shareholders holding equity shares of the Company, inter-alia, for the following reasons:

- (i). The Buyback will help the Company to distribute surplus cash to its shareholders holding equity shares broadly in proportion to their shareholding, thereby, enhancing the overall return to shareholders;
- (ii). The Buyback, which is being implemented through the Tender Offer route as prescribed under the Buyback Regulations, would involve allocation of 15% of the outlay to small shareholders. The Company believes that this reservation of 15% for small shareholders would benefit public shareholders, who would get classified as "Small Shareholder";
- (iii). The Buyback would help in improving return on equity, by reduction in the equity base, thereby leading to long term increase in shareholders' value;
- (iv). The Buyback gives an option to the shareholders holding equity shares of the Company, who can choose to participate and get cash in lieu of equity shares to be accepted under the Buyback Offer or they may choose to not participate and enjoy a resultant increase in their percentage shareholding, post the Buyback Offer, without additional investment;
- (v). The Buyback will help in optimizing the capital structure.

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

9.1 The Company believes that the Buyback is not likely to cause any material impact on the profitability/earnings of the Company except a reduction in the investment income, which the Company could have otherwise earned on the amount distributed towards Buyback. Assuming there is full response to the buyback, the funds deployed by the Buyback would be Rs. 102,00,00,000/- (Rupees One Hundred Two Crores Only). This shall impact the investment Income earned by the Company, on account of the reduced amount of funds available for investments.

9.2 The buyback will not in any manner impair the ability of the Company in meeting to pursue growth opportunities or meet its cash requirements for business operations.

9.3 In terms of the Buyback Regulations, under the tender offer, the Promoter and Persons in Control have the option to participate in the Buyback. In this regard, the Promoter and Persons in Control vide their letters dated June 21, 2019 have expressed their intention to tender Equity Shares in the Buy-back.

9.4 Maximum number of Equity Shares to be tendered by the Promoter and Persons in Control are as under:

| Sl. No. | Name of the Promoter and Persons in Control | Maximum number of Equity Shares which may be tendered |
|---------|---|---|
| 1 | Sajjan Bhajanka | 15,08,330 |
| 2 | Sanjay Agarwal | 6,58,298 |
| 3 | Rajendra Chamaria | 8,41,420 |
| 4 | Prem Kumar Bhajanka | 10,92,980 |
| 5 | Hari Prasad Agarwal | 1,15,533 |
| 6 | Santosh Bhajanka | 4,38,542 |
| 7 | Sonu Kajaria | 32,704 |
| 8 | Payal Agrawal | 31,752 |
| 9 | Shraddha Agarwal | 25,776 |
| 10 | Sriram Merchants Pvt. Ltd. | 2,13,999 |
| 11 | Sriram Vanijya Pvt. Ltd. | 2,69,955 |
| 12 | Keshav Bhajanka | 3,903 |
| 13 | Divya Agarwal | 4,60,036 |
| 14 | Auroville Investments Pvt Ltd | 58,581 |
| 15 | Sumangal International Pvt Ltd | 2,43,431 |
| 16 | Sumangal Business Pvt. Ltd. | 2,16,901 |
| 17 | Rajesh Kumar Agarwal | 9,338 |
| 18 | Sumitra Devi Agarwal | 32,048 |
| 19 | Bhawna Agarwal | 56,253 |
| 20 | Hari Prasad Agarwala and Ors | 41,449 |
| 21 | Brijdham Merchants Pvt. Ltd. | 2,89,272 |
| 22 | Nancy Choudhary | 4,058 |
| 23 | Yash Bhajanka | 1,06,201 |
| 24 | Sachin Chamaria | 2,39,870 |
| 25 | Rahul Chamaria | 1,65,320 |
| 26 | Kamakhya Chamaria | 1,27,240 |
| 27 | Laxmi Chamaria | 1,01,480 |
| 28 | Prahlad Rai Vinay Kumar HUF | 1,01,460 |
| 29 | Renu Chamaria | 91,070 |
| 30 | Hardeo Das Kamakhya Prasad HUF | 78,780 |
| 31 | Rajendra Udyog HUF | 78,250 |
| 32 | Amritansh Chamaria | 76,400 |
| 33 | Kailash Prasad Chamaria | 73,340 |
| 34 | Gouri Shankar Kailash Prasad HUF | 69,230 |
| 35 | Gayatri Chamaria | 19,750 |
| 36 | G S Chamaria and Sons HUF | 9,550 |
| 37 | Vinay and Company | 2,410 |
| 38 | Prahlad Rai Chamaria | 7,580 |
| 39 | Ratna Chamaira | 5,720 |
| 40 | Saroj Kejriwal | 1,790 |
| | Total | 80,00,000 |

9.5 Details of the date and price of the Equity Shares allotted/acquired/credited/transferred/transmitted to the Promoter and Persons in Control, which are intended to be tendered, are set-out as below:

Sajjan Bhajanka

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (Rs.) | Issue/Acquisition Price (Rs.) | Consideration (Rs.) |
|---------------------|--|----------------------|------------------|-------------------------------|---------------------|
| 12.08.2009 | Purchase | 1,50,833 | 10 | 10 | 15,08,330 |
| 28.03.2016 | Split of shares from Rs. 10 each to Re. 1 each | 15,08,330 | 1 | 1 | 15,08,330 |

Sanjay Agarwal

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (Rs.) | Issue/Acquisition Price (Rs.) | Consideration (Rs.) |
|---------------------|--|----------------------|------------------|-------------------------------|---------------------|
| 08.04.2017 | Allotment pursuant to Scheme of Amalgamation between Star Cement Limited (Transferee Company) and Star Ferro and Cement Limited (Transferor Company) | 6,58,298 | 1 | 3.071 | 20,21,633 |

Rajendra Chamaria

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (Rs.) | Issue/Acquisition Price (Rs.) | Consideration (Rs.) |
|---------------------|--|----------------------|------------------|-------------------------------|---------------------|
| 14.03.2007 | Purchase | 9,975 | 10 | 10 | 99,750 |
| 31.07.2007 | Purchase | 74,167 | 10 | 10 | 7,41,670 |
| 28.03.2016 | Split of shares from Rs. 10 each to Re. 1 each | 8,41,420 | 1 | 1 | 8,41,420 |

Prem Kumar Bhajanka

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (Rs.) | Issue/Acquisition Price (Rs.) | Consideration (Rs.) |
|---------------------|--|----------------------|------------------|-------------------------------|---------------------|
| 31.07.2015 | Purchase | 64,841 | 10 | 220.000 | 1,42,65,020 |
| 28.03.2016 | Split of shares from Rs. 10 each to Re. 1 each | 6,48,410 | 1 | 22.000 | 1,42,65,020 |
| 08.04.2017 | Allotment pursuant to Scheme of Amalgamation between Star Cement Limited (Transferee Company) and Star Ferro and Cement Limited (Transferor Company) | 4,44,570 | 1 | 8.911 | 39,61,563 |
| | Total | 10,92,980 | | | |

Hari Prasad Agarwal

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (Rs.) | Issue/Acquisition Price (Rs.) | Consideration (Rs.) |
|----------------------------|--|-----------------------------|-------------------------|--------------------------------------|----------------------------|
| 08.04.2017 | Allotment pursuant to Scheme of Amalgamation between Star Cement Limited (Transferee Company) and Star Ferro and Cement Limited (Transferor Company) | 1,15,533 | 1 | 0.286 | 33,042 |

Santosh Bhajanka

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (Rs.) | Issue/Acquisition Price (Rs.) | Consideration (Rs.) |
|----------------------------|--|-----------------------------|-------------------------|--------------------------------------|----------------------------|
| 08.04.2017 | Allotment pursuant to Scheme of Amalgamation between Star Cement Limited (Transferee Company) and Star Ferro and Cement Limited (Transferor Company) | 4,38,542 | 1 | 0.098 | 42,977 |

Sonu Kajaria

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (Rs.) | Issue/Acquisition Price (Rs.) | Consideration (Rs.) |
|----------------------------|--|-----------------------------|-------------------------|--------------------------------------|----------------------------|
| 08.04.2017 | Allotment pursuant to Scheme of Amalgamation between Star Cement Limited (Transferee Company) and Star Ferro and Cement Limited (Transferor Company) | 32,704 | 1 | 2.085 | 68,195 |

Payal Agrawal

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (Rs.) | Issue/Acquisition Price (Rs.) | Consideration (Rs.) |
|----------------------------|--|-----------------------------|-------------------------|--------------------------------------|----------------------------|
| 08.04.2017 | Allotment pursuant to Scheme of Amalgamation between Star Cement Limited (Transferee Company) and Star Ferro and Cement Limited (Transferor Company) | 31,752 | 1 | 0.431 | 13,669 |

Shraddha Agarwal

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (Rs.) | Issue/Acquisition Price (Rs.) | Consideration (Rs.) |
|----------------------------|--|-----------------------------|-------------------------|--------------------------------------|----------------------------|
| 08.04.2017 | Allotment pursuant to Scheme of Amalgamation between Star Cement Limited (Transferee Company) and Star Ferro and Cement Limited (Transferor Company) | 25,776 | 1 | 0.726 | 18,713 |

Sriram Merchants Pvt. Ltd.

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (Rs.) | Issue/Acquisition Price (Rs.) | Consideration (Rs.) |
|----------------------------|--|-----------------------------|-------------------------|--------------------------------------|----------------------------|
| 08.04.2017 | Allotment pursuant to Scheme of Amalgamation between Star Cement Limited (Transferee Company) and Star Ferro and Cement Limited (Transferor Company) | 2,13,999 | 1 | 0.184 | 39,376 |

Sriram Vanijya Pvt. Ltd.

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (Rs.) | Issue/Acquisition Price (Rs.) | Consideration (Rs.) |
|----------------------------|--|-----------------------------|-------------------------|--------------------------------------|----------------------------|
| 08.04.2017 | Allotment pursuant to Scheme of Amalgamation between Star Cement Limited (Transferee Company) and Star Ferro and Cement Limited (Transferor Company) | 2,69,955 | 1 | 0.073 | 19,707 |

Keshav Bhajanka

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (Rs.) | Issue/Acquisition Price (Rs.) | Consideration (Rs.) |
|----------------------------|--|-----------------------------|-------------------------|--------------------------------------|----------------------------|
| 08.04.2017 | Allotment pursuant to Scheme of Amalgamation between Star Cement Limited (Transferee Company) and Star Ferro and Cement Limited (Transferor Company) | 3,903 | 1 | 3.631 | 14,172 |

Divya Agarwal

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (Rs.) | Issue/Acquisition Price (Rs.) | Consideration (Rs.) |
|----------------------------|--|-----------------------------|-------------------------|--------------------------------------|----------------------------|
| 08.04.2017 | Allotment pursuant to Scheme of Amalgamation between Star Cement Limited (Transferee Company) and Star Ferro and Cement Limited (Transferor Company) | 4,60,036 | 1 | 0.085 | 39,103 |

Auroville Investments Pvt Ltd

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (Rs.) | Issue/Acquisition Price (Rs.) | Consideration (Rs.) |
|----------------------------|--|-----------------------------|-------------------------|--------------------------------------|----------------------------|
| 08.04.2017 | Allotment pursuant to Scheme of Amalgamation between Star Cement Limited (Transferee Company) and Star Ferro and Cement Limited (Transferor Company) | 58,581 | 1 | 0.114 | 6,678 |

Sumangal International Pvt Ltd

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (Rs.) | Issue/Acquisition Price (Rs.) | Consideration (Rs.) |
|----------------------------|--|-----------------------------|-------------------------|--------------------------------------|----------------------------|
| 08.04.2017 | Allotment pursuant to Scheme of Amalgamation between Star Cement Limited (Transferee Company) and Star Ferro and Cement Limited (Transferor Company) | 2,43,431 | 1 | 0.131 | 31,889 |

Sumangal Business Pvt. Ltd.

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (Rs.) | Issue/Acquisition Price (Rs.) | Consideration (Rs.) |
|----------------------------|--|-----------------------------|-------------------------|--------------------------------------|----------------------------|
| 08.04.2017 | Allotment pursuant to Scheme of Amalgamation between Star Cement Limited (Transferee Company) and Star Ferro and Cement Limited (Transferor Company) | 2,16,901 | 1 | 0.095 | 20,606 |

Rajesh Kumar Agarwal

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (Rs.) | Issue/Acquisition Price (Rs.) | Consideration (Rs.) |
|----------------------------|--|-----------------------------|-------------------------|--------------------------------------|----------------------------|
| 08.04.2017 | Allotment pursuant to Scheme of Amalgamation between Star Cement Limited (Transferee Company) and Star Ferro and Cement Limited (Transferor Company) | 9,338 | 1 | 0.821 | 7,666 |

Sumitra Devi Agarwal

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (Rs.) | Issue/Acquisition Price (Rs.) | Consideration (Rs.) |
|----------------------------|--|-----------------------------|-------------------------|--------------------------------------|----------------------------|
| 08.04.2017 | Allotment pursuant to Scheme of Amalgamation between Star Cement Limited (Transferee Company) and Star Ferro and Cement Limited (Transferor Company) | 32,048 | 1 | 0.515 | 16,505 |

Bhawna Agarwal

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (Rs.) | Issue/Acquisition Price (Rs.) | Consideration (Rs.) |
|----------------------------|--|-----------------------------|-------------------------|--------------------------------------|----------------------------|
| 08.04.2017 | Allotment pursuant to Scheme of Amalgamation between Star Cement Limited (Transferee Company) and Star Ferro and Cement Limited (Transferor Company) | 56,253 | 1 | 0.160 | 9,000 |

Hari Prasad Agarwala and Ors

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (Rs.) | Issue/Acquisition Price (Rs.) | Consideration (Rs.) |
|----------------------------|--|-----------------------------|-------------------------|--------------------------------------|----------------------------|
| 08.04.2017 | Allotment pursuant to Scheme of Amalgamation between Star Cement Limited (Transferee Company) and Star Ferro and Cement Limited (Transferor Company) | 41,449 | 1 | 0.600 | 24,869 |

Brijdham Merchants Pvt. Ltd.

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (Rs.) | Issue/Acquisition Price (Rs.) | Consideration (Rs.) |
|----------------------------|--|-----------------------------|-------------------------|--------------------------------------|----------------------------|
| 08.04.2017 | Allotment pursuant to Scheme of Amalgamation between Star Cement Limited (Transferee Company) and Star Ferro and Cement Limited (Transferor Company) | 2,89,272 | 1 | 0.197 | 56,987 |

Nancy Choudhary

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (Rs.) | Issue/Acquisition Price (Rs.) | Consideration (Rs.) |
|----------------------------|--|-----------------------------|-------------------------|--------------------------------------|----------------------------|
| 08.04.2017 | Allotment pursuant to Scheme of Amalgamation between Star Cement Limited (Transferee Company) and Star Ferro and Cement Limited (Transferor Company) | 4,058 | 1 | 36.603 | 1,48,535 |

Yash Bhajanka

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (Rs.) | Issue/Acquisition Price (Rs.) | Consideration (Rs.) |
|----------------------------|--|-----------------------------|-------------------------|--------------------------------------|----------------------------|
| 08.04.2017 | Allotment pursuant to Scheme of Amalgamation between Star Cement Limited (Transferee Company) and Star Ferro and Cement Limited (Transferor Company) | 1,06,201 | 1 | 1.306 | 1,38,699 |

Sachin Chamaria

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (Rs.) | Issue/Acquisition Price (Rs.) | Consideration (Rs.) |
|----------------------------|--|-----------------------------|-------------------------|--------------------------------------|----------------------------|
| 03.09.2009 | Purchase | 23,987 | 10 | 10 | 2,39,870 |
| 28.03.2016 | Split of shares from Rs. 10 each to Re. 1 each | 2,39,870 | 1 | 1 | 2,39,870 |

Rahul Chamaria

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (Rs.) | Issue/Acquisition Price (Rs.) | Consideration (Rs.) |
|----------------------------|--|-----------------------------|-------------------------|--------------------------------------|----------------------------|
| 15.05.2006 | Purchase | 16,532 | 10 | 10 | 1,65,320 |
| 28.03.2016 | Split of shares from Rs. 10 each to Re. 1 each | 1,65,320 | 1 | 1 | 1,65,320 |

Kamakhya Chamaria

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (Rs.) | Issue/Acquisition Price (Rs.) | Consideration (Rs.) |
|---------------------|--|----------------------|------------------|-------------------------------|---------------------|
| 31.03.2004 | Allotment | 12,724 | 10 | 10 | 1,27,240 |
| 28.03.2016 | Split of shares from Rs. 10 each to Re. 1 each | 1,27,240 | 1 | 1 | 1,27,240 |

Laxmi Chamaria

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (Rs.) | Issue/Acquisition Price (Rs.) | Consideration (Rs.) |
|---------------------|--|----------------------|------------------|-------------------------------|---------------------|
| 15.09.2003 | Allotment | 10,148 | 10 | 10 | 1,01,480 |
| 28.03.2016 | Split of shares from Rs. 10 each to Re. 1 each | 1,01,480 | 1 | 1 | 1,01,480 |

Prahlad Rai Vinay Kumar HUF

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (Rs.) | Issue/Acquisition Price (Rs.) | Consideration (Rs.) |
|---------------------|--|----------------------|------------------|-------------------------------|---------------------|
| 15.09.2003 | Allotment | 10,000 | 10 | 10 | 1,00,000 |
| 31.03.2004 | Allotment | 146 | 10 | 10 | 1,460 |
| 28.03.2016 | Split of shares from Rs. 10 each to Re. 1 each | 1,01,460 | 1 | 1 | 1,01,460 |

Renu Chamaria

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (Rs.) | Issue/Acquisition Price (Rs.) | Consideration (Rs.) |
|---------------------|--|----------------------|------------------|-------------------------------|---------------------|
| 15.05.2006 | Purchase | 9,107 | 10 | 10 | 91,070 |
| 28.03.2016 | Split of shares from Rs. 10 each to Re. 1 each | 91,070 | 1 | 1 | 91,070 |

Hardeo Das Kamakhya Prasad HUF

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (Rs.) | Issue/Acquisition Price (Rs.) | Consideration (Rs.) |
|---------------------|--|----------------------|------------------|-------------------------------|---------------------|
| 23.02.2006 | Allotment | 7,878 | 10 | 10 | 78,780 |
| 28.03.2016 | Split of shares from Rs. 10 each to Re. 1 each | 78,780 | 1 | 1 | 78,780 |

Rajendra Udyog HUF

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (Rs.) | Issue/Acquisition Price (Rs.) | Consideration (Rs.) |
|---------------------|--|----------------------|------------------|-------------------------------|---------------------|
| 31.03.2004 | Allotment | 7,825 | 10 | 10 | 78,250 |
| 28.03.2016 | Split of shares from Rs. 10 each to Re. 1 each | 78,250 | 1 | 1 | 78,250 |

Amritansh Chamaria

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (Rs.) | Issue/Acquisition Price (Rs.) | Consideration (Rs.) |
|---------------------|--|----------------------|------------------|-------------------------------|---------------------|
| 31.03.2004 | Allotment | 5,000 | 10 | 10 | 50,000 |
| 15.05.2006 | Purchase | 2,640 | 10 | 10 | 26,400 |
| 28.03.2016 | Split of shares from Rs. 10 each to Re. 1 each | 76,400 | 1 | 1 | 76,400 |

Kailash Prasad Chamaria

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (Rs.) | Issue/Acquisition Price (Rs.) | Consideration (Rs.) |
|---------------------|--|----------------------|------------------|-------------------------------|---------------------|
| 15.05.2006 | Purchase | 7,334 | 10 | 10 | 73,340 |
| 28.03.2016 | Split of shares from Rs. 10 each to Re. 1 each | 73,340 | 1 | 1 | 73,340 |

Gouri Shankar Kailash Prasad HUF

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (Rs.) | Issue/Acquisition Price (Rs.) | Consideration (Rs.) |
|---------------------|--|----------------------|------------------|-------------------------------|---------------------|
| 15.09.2003 | Allotment | 6,923 | 10 | 10 | 69,230 |
| 28.03.2016 | Split of shares from Rs. 10 each to Re. 1 each | 69,230 | 1 | 1 | 69,230 |

Gayatri Chamaria

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (Rs.) | Issue/Acquisition Price (Rs.) | Consideration (Rs.) |
|---------------------|--|----------------------|------------------|-------------------------------|---------------------|
| 23.02.2006 | Allotment | 1,975 | 10 | 10 | 19,750 |
| 28.03.2016 | Split of shares from Rs. 10 each to Re. 1 each | 19,750 | 1 | 1 | 19,750 |

G S Chamaria and Sons HUF

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (Rs.) | Issue/Acquisition Price (Rs.) | Consideration (Rs.) |
|---------------------|--|----------------------|------------------|-------------------------------|---------------------|
| 15.09.2003 | Allotment | 955 | 10 | 10 | 9,550 |
| 28.03.2016 | Split of shares from Rs. 10 each to Re. 1 each | 9,550 | 1 | 1 | 9,550 |

Vinay and Company

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (Rs.) | Issue/Acquisition Price (Rs.) | Consideration (Rs.) |
|---------------------|--|----------------------|------------------|-------------------------------|---------------------|
| 31.07.2003 | Purchase | 241 | 10 | 10 | 2,410 |
| 28.03.2016 | Split of shares from Rs. 10 each to Re. 1 each | 2,410 | 1 | 1 | 2,410 |

Prahlad Rai Chamaria

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (Rs.) | Issue/Acquisition Price (Rs.) | Consideration (Rs.) |
|---------------------|--|----------------------|------------------|-------------------------------|---------------------|
| 15.05.2006 | Purchase | 758 | 10 | 10 | 7,580 |
| 28.03.2016 | Split of shares from Rs. 10 each to Re. 1 each | 7,580 | 1 | 1 | 7,580 |

Ratna Chamaira

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (Rs.) | Issue/Acquisition Price (Rs.) | Consideration (Rs.) |
|---------------------|--|----------------------|------------------|-------------------------------|---------------------|
| 15.05.2006 | Purchase | 572 | 10 | 10 | 5,720 |
| 28.03.2016 | Split of shares from Rs. 10 each to Re. 1 each | 5,720 | 1 | 1 | 5,720 |

Saroj Kejriwal

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (Rs.) | Issue/Acquisition Price (Rs.) | Consideration (Rs.) |
|---------------------|-----------------------|----------------------|------------------|-------------------------------|---------------------|
| 21.05.2019 | Gift Received | 1,790 | 1 | NA | NA |

Notes:

- a) With effect from March 28, 2016, one equity share of face value of Rs. 10/- each has been split into ten equity shares of face value of Re. 1/- each
 - b) The Scheme of Amalgamation between Star Cement Limited (Transferee Company) and Star Ferro and Cement Limited (Transferor Company) was sanctioned by the NCLT, Guwahati Bench vide its Order dated February 07, 2017. The allotment of equity shares pursuant to the scheme was made on April 08, 2017.
- 9.6 Assuming the response to the Buyback is 100% (full acceptance) from all the Eligible Sellers in proportion to their respective Buyback Entitlement, the aggregate shareholding of the Promoter and Persons in Control post the Buyback may increase to 68.10% from 67.94% prior to Buyback.
- 9.7 Assuming the response to the Buyback is 100% (full acceptance) from all the Eligible Sellers in proportion to their respective Buyback Entitlement, the aggregate shareholding of the Equity Shareholders other than Promoter and Persons in Control, post the Buyback may decrease to 31.90% from 32.06% prior to Buyback.
- 9.8 The Buyback of Equity shares of the Company will not result in a change in control or otherwise effect the existing management structure of the Company.
- 9.9 Consequent to the Buyback and based on the number of Equity shares bought back from the Non- resident Shareholders, Indian Financial Institutions, Mutual Funds and the Public including other bodies corporate, their shareholding would undergo a change.
- 9.10 The debt-equity ratio post buyback will be compliant with the permissible limit of 2:1 prescribed by the Companies Act, even if the response to the buyback is to the extent of 100% (full acceptance).
- 9.11 The Company shall not issue any equity shares or other securities (including by way of Bonus) till the date of closure of buyback.

9.12 The Company shall not raise further capital for a period of one year from the closure of Buyback except in discharge of subsisting obligations.

9.13 The Promoter and Persons in Control of the Company shall not deal in the Equity Shares of the Company on Stock Exchanges or off market, including by way of inter-se transfer(s) of Equity Shares among the Promoter and Persons in Control during the period from the date of passing the board resolution of the Buyback i.e. June 21, 2019 till the closing of the Buyback.

9.14 The Company, in compliance with regulation 4(v) of the Buyback Regulations, is not undertaking this Buyback so as to delist its Equity Shares or other specified securities from the Stock Exchanges

9.15 Salient Financial Parameters consequent to the Buyback based on the latest standalone and consolidated audited results as on March 31, 2019 are as under:

| Parameters | Standalone | | Consolidated | |
|---|--------------------------|---------------------------|--------------------------|---------------------------|
| | Pre Buyback [^] | Post Buyback [^] | Pre Buyback [^] | Post Buyback [^] |
| Net worth (Rs in lakhs) | 1,04,487.34 | 94,287.34 | 1,71,712.26 | 1,61,512.26 |
| Return on Net worth | 24.49% | 27.14% | 17.40% | 18.50% |
| Earnings Per Equity Share (Basic & Diluted) * (Rs.) | 6.10 | 6.20 | 7.13 | 7.24 |
| Book value per share * (Rs.) | 24.92 | 22.86 | 40.96 | 39.16 |
| P/E based as on latest audited financial results \$ | | | | |
| NSE | 20.01 | 19.69 | 17.12 | 16.86 |
| BSE | 19.92 | 19.60 | 17.04 | 16.78 |
| Total Debt/Equity Ratio | 0.15 | 0.17 | 0.04 | 0.05 |

Notes:

[^]Pre and Post Buyback Calculations are based on standalone and consolidated financial numbers as on March 31, 2019. Post Buyback numbers are calculated by reducing the net worth by the proposed buyback amount (assuming full acceptance) without factoring any impact on the Profit & Loss.

*Earnings Per Equity Share and Book Value per share as on March 31, 2019.

\$ P/E ratio based on the closing market price as on June 21, 2019, i.e., being the date on which Board resolution was passed approving Buyback of equity shares, Rs. 122.05 on NSE and Rs. 121.50 on BSE.

Note:

1. Net worth = Equity Capital + Reserves and Surplus excluding capital reserve and comprehensive income
2. Total Debt = Long Term Borrowings + Short Term Borrowings + Current Maturities of Long Term Borrowings+ Working Capital Loans

The key ratios have been computed as below:

| Key Ratios | Basis |
|--------------------------------|---|
| Basic Earnings per share (Rs.) | Net profit after tax attributable to the Equity Shareholders/ Weighted average number of Shares outstanding during the year |
| Book Value per share (Rs.) | Net worth/ Number of Equity Shares subscribed outstanding at year end |
| Return on Net worth (%) | Net profit after tax attributable to the Equity Shareholders/Net Worth (excluding revaluation reserves) |
| Debt-Equity Ratio | Total Debt/Net Worth |
| P/E Ratio | Market Value per Equity Share/ Earnings per Equity Share (Market price considered is based on the closing price on NSE and BSE as of June 21, 2019, being the date on which Board resolution was passed approving Buyback of equity shares, for both pre and post Buyback P/E ratio). |

10. BASIS OF CALCULATING THE BUYBACK PRICE

- 10.1 The Equity Shares are proposed to be bought back through Tender Offer at a price of Rs. 150/- per Equity Share. The Buyback Price represents a premium of 37.21% over the volume weighted average market price of the Equity Shares on the NSE (the Stock Exchange where the maximum volume of trading in the Equity Shares is recorded) for 3 (three) months preceding the date of the intimation of the Board Meeting i.e. June 18, 2019 which was Rs. 109.32 and 20.39% over the volume weighted average market price of the Equity Shares on the NSE for 2 (two) weeks preceding the date of the intimation of the Board Meeting i.e. June 18, 2019 which was Rs. 124.60. The closing market price of the Equity Shares as on the date of the intimation of the Board Meeting i.e. June 18, 2019, was Rs. 118.15 on NSE and Rs. 117.80 on BSE.
- 10.2 For trends in the Market price of the equity shares please refer to paragraph 16.
- 10.3 The Buyback Price is 6.02 times of the book value per Equity Share of the Company as on March 31, 2019 which was Rs. 24.92 per Equity Share based on standalone financial statements.
- 10.4 The basic adjusted earnings per share of the Company pre buyback as on March 31, 2019 is Rs. 6.10 on a standalone basis, which will increase to Rs. 6.20, post buyback assuming full acceptance.
- 10.5 The Return of adjusted net worth of the Company Pre- Buyback as on March 31, 2019 is 24.49% on a standalone basis, which will increase to 27.14% post Buyback assuming full acceptance of the Buyback, as calculated at 9.15 above.

11. SOURCES OF FUNDS FOR THE BUYBACK

- 11.1 Assuming full acceptances, the funds that will be employed by the Company for the purpose of Buyback of 68,00,000 equity shares at a price of Rs. 150/-per equity share would be Rs. 102,00,00,000/- (Rupees One Hundred Two Crores Only).
- 11.2 The funds for the Buyback will be sourced from cash balances available with the Company and/or liquidation of financial instruments held by the Company. These funds have been generated through internal accruals. The Company does not intend to raise additional debt for the explicit purposes of the Buyback. Accordingly, borrowed funds will not be used for the Buyback. However, if required, the Company may borrow funds in the ordinary course of its business.

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

- 12.1 In accordance with the Regulation 9(xi) of the Buyback Regulations, the Company has appointed RBL Bank Limited as the ("Escrow Agent") having its branch at Thapar House, 25, Brabourne Road, Kolkata-700 001.
- 12.2 In accordance with the Escrow Agreement, the Company has opened an Escrow Account in the name and style "STAR CEMENT LIMITED BUY BACK 2019 ESCROW ACCOUNT" bearing Account No. 409001128704 with the Escrow Agent. In accordance with Regulation 9(xi) of the Buyback Regulations, the Company has procured a bank guarantee for Rs. 25,50,00,000/- (Rupees Twenty Five crores and Fifty lakhs only) from RBL Bank Limited in favour of the Manager to the Buyback Offer. The bank guarantee is valid until January 06, 2020 i.e., exceeding 30 days after the Buyback closing date. Further, the Company has deposited Rs. 1,05,00,000/- (Rupees One crore Five lakhs only) in the Escrow Account held with RBL Bank Limited. In accordance with the Buyback Regulations, the Manager to the Buyback Offer is empowered to operate the Escrow Account.
- 12.3 M/s. A K S D & Associates, Chartered Accountants (Firm Registration number 322460E), having office at 70 Ganesh Chandra Avenue, 1st Floor, Kolkata- 700013, signing through their Partner Mr. Arun Kumar

Sharma (Membership Number: 057329) have certified, vide their certificate dated June 21, 2019 that the Company has adequate funds for the purposes of buyback of 68,00,000 Equity Shares at Rs. 150/- each amounting to Rs. 102,00,00,000/-.

- 12.4 Based on the aforementioned certificate, the Manager to the Buyback Offer has satisfied itself regarding the ability of the Company to Implement the Buyback Offer in accordance with the Buyback Regulations.

13. CAPITAL STRUCTURE AND SHAREHOLDING PATTERN

- 13.1 The capital Structure of the Company as on the Record date is as follows:

| Particulars | Amount (Rs) |
|---|--------------|
| Authorized Equity Share Capital | |
| 83,00,00,000 Equity shares of Re. 1/- each | 83,00,00,000 |
| Issued, Subscribed and Paid-up Capital | |
| 41,92,28,997 Equity shares of Re. 1/- each | 41,92,28,997 |

- 13.2 The Company has not bought back any equity shares under any buyback programme, during the 3 years preceding the date of the Public Announcement.

- 13.3 As on the Record date there are no outstanding preference shares, partly paid-up equity shares or outstanding convertible instruments or calls in arrears.

- 13.4 The shareholding pattern of the Company pre-buyback, as taken on the Record date i.e., July 05, 2019, as well as Post Buyback shareholding pattern, is as shown below:

| Particulars | Pre- Buyback | | Post Buyback# | |
|---|----------------------|------------------------------------|----------------------|--|
| | No. of equity shares | % of existing equity share capital | No. of equity shares | % of Post-Buyback equity share capital |
| Promoters and persons acting in Concert (Collectively "the Promoters") | 28,48,39,006 | 67.94% | 28,08,82,909 | 68.10% |
| Foreign Investors (Including Non Resident Indians, FIIs and Foreign Mutual Funds) | 49,50,499 | 1.18% | | |
| Financial Institutions/Banks & Mutual Funds promoted by Banks/Institutions | 3,86,39,697 | 9.22% | 13,15,46,088 | 31.90% |
| Others (Public, Public Bodies Corporate etc.) | 9,07,99,795 | 21.66% | | |
| Total | 41,92,28,997 | 100.00% | 41,24,28,997 | 100.00% |

#Note: Assuming the full Acceptance of the Buyback Offer Size in accordance with the Buyback Entitlement for all Eligible Shareholders.

- 13.5 There is no pending scheme of amalgamation or compromise or arrangement pursuant to any provisions of the Act

13.6 No Equity Shares were either purchased or sold by the Promoter and Persons in Control, as mentioned in paragraph 6.5, during a period of six months preceding the date of the Board Meeting i.e. June 21, 2019 except the following:

| Name of the Promoter/ Promoter Group | Aggregate No. of Equity Shares purchased or sold | Nature of Transaction | Maximum Price (Rs.) | Date of Maximum Price | Minimum Price (Rs.) | Date of Minimum Price |
|---|--|--------------------------|---------------------|-----------------------|---------------------|-----------------------|
| PROMOTER | | | | | | |
| Sajjan Bhajanka | 7,500 | Market Purchase | 95.00 | 14.02.2019 | 88.00 | 14.02.2019 |
| | 4,00,000 | Inter-se transfer | 100.00 | 15.02.2019 | 100.00 | 15.02.2019 |
| Sanjay Agarwal | 7,500 | Market Purchase | 95.00 | 14.02.2019 | 87.50 | 14.02.2019 |
| | 4,00,000 | Inter-se transfer | 100.00 | 15.02.2019 | 100.00 | 15.02.2019 |
| Prem Kumar Bhajanka | 7,500 | Market Purchase | 95.05 | 14.02.2019 | 88.00 | 14.02.2019 |
| | 4,00,000 | Inter-se transfer | 100.00 | 15.02.2019 | 100.00 | 15.02.2019 |
| Rajendra Chamaria | (12,00,000) | Inter-se transfer | 100.00 | 15.02.2019 | 100.00 | 15.02.2019 |
| | (3,34,500) | Market Sale | 100.04 | 06.03.2019 | 99.69 | 06.03.2019 |
| | (78,250) | Off Market Gift Given | NA | 05.06.2019 | NA | 05.06.2019 |
| PROMOTER GROUP | | | | | | |
| Sachin Chamaria | (2,75,000) | Market Sale | 100.00 | 06.03.2019 | 100.00 | 06.03.2019 |
| | (4,00,000) | Market Sale | 100.05 | 28.03.2019 | 100.00 | 28.03.2019 |
| Rahul Chamaria | (2,75,000) | Market Sale | 100.00 | 06.03.2019 | 100.00 | 06.03.2019 |
| | (7,25,000) | Market Sale | 100.00 | 28.03.2019 | 100.00 | 28.03.2019 |
| Kamakhya Chamaria | (20,000) | Market Sale | 101.00 | 28.03.2019 | 100.05 | 28.03.2019 |
| Laxmi Chamaria | (2,405) | Market Sale | 100.05 | 15.02.2019 | 98.00 | 15.02.2019 |
| | (10,000) | Market Sale | 100.00 | 08.03.2019 | 100.00 | 08.03.2019 |
| | (5,000) | Market Sale | 101.00 | 11.03.2019 | 101.00 | 11.03.2019 |
| | (7,100) | Market Sale | 105.75 | 14.03.2019 | 105.00 | 14.03.2019 |
| | (4,804) | Market Sale | 102.50 | 22.03.2019 | 102.00 | 22.03.2019 |
| Renu Chamaria | (2,75,000) | Market Sale | 100.02 | 06.03.2019 | 100.00 | 06.03.2019 |
| Vinay and Company | (1,071) | Market Sale | 103.75 | 09.01.2019 | 102.05 | 09.01.2019 |
| | (5,840) | Market Sale | 109.30 | 10.05.2019 | 109.00 | 10.05.2019 |
| | (5,000) | Market Sale | 109.00 | 13.05.2019 | 109.00 | 13.05.2019 |
| | (1,002) | Market Sale | 108.90 | 16.05.2019 | 108.55 | 16.05.2019 |
| | (817) | Market Sale | 112.50 | 20.05.2019 | 112.50 | 20.05.2019 |
| | (1,304) | Market Sale | 117.20 | 23.05.2019 | 116.45 | 23.05.2019 |
| | (3,000) | Market Sale | 117.00 | 24.05.2019 | 116.20 | 24.05.2019 |
| | (9,000) | Market Sale | 120.80 | 28.05.2019 | 119.80 | 28.05.2019 |
| (8,016) | Market Sale | 126.85 | 30.05.2019 | 120.35 | 30.05.2019 | |
| Amit Agarwal | (10,00,000) | Market Sale | 100.00 | 28.03.2019 | 100.00 | 28.03.2019 |
| Pushpa Agarwala | (3,75,000) | Market Sale | 100.00 | 28.03.2019 | 100.00 | 28.03.2019 |
| Jagdish Prasad Shah | (2,25,000) | Off Market Gift Given | NA | 21.05.2019 | NA | 21.05.2019 |
| Saroj Kejriwal | 75,000 | Off Market Gift Received | NA | 21.05.2019 | NA | 21.05.2019 |
| Rajendra Udyog HUF | 78,250 | Off Market Gift Received | NA | 05.06.2019 | NA | 05.06.2019 |

Except as disclosed above, the Promoter and Persons in Control have not purchased or sold any Equity Shares of the Company and there has been no change in their shareholdings for last six months prior to the date of the Board Meeting

13.7 None of the directors of the companies forming part of promoter group as mentioned in paragraph 6.5 have purchased or sold any Equity Shares of the Company and there has been no change in their shareholdings for last six months prior to the date of the Board Meeting except as follows:

| Name of the Shareholder | Aggregate No. of Equity Shares purchased or sold | Nature of Transaction | Maximum Price (Rs.) | Date of Maximum Price | Minimum Price (Rs.) | Date of Minimum Price |
|-------------------------|--|-----------------------|---------------------|-----------------------|---------------------|-----------------------|
| Sajjan Bhajanka | 7,500 | Market Purchase | 95.00 | 14.02.2019 | 88.00 | 14.02.2019 |
| | 4,00,000 | Inter-se transfer | 100.00 | 15.02.2019 | 100.00 | 15.02.2019 |
| Sanjay Agarwal | 7,500 | Market Purchase | 95.00 | 14.02.2019 | 87.50 | 14.02.2019 |
| | 4,00,000 | Inter-se transfer | 100.00 | 15.02.2019 | 100.00 | 15.02.2019 |

13.8 No Equity Shares were either purchased or sold by the Promoter and Persons in Control, as mentioned in paragraph 6.5, during a period of twelve months preceding the date of publication of the Public Announcement i.e. June 25, 2019 except the following:

| Name of the Promoter/ Promoter Group | Aggregate No. of Equity Shares purchased or sold | Nature of Transaction | Maximum Price (Rs.) | Date of Maximum Price | Minimum Price (Rs.) | Date of Minimum Price |
|--------------------------------------|--|-----------------------|---------------------|-----------------------|---------------------|-----------------------|
| PROMOTER | | | | | | |
| Sajjan Bhajanka | 7,500 | Market Purchase | 95.00 | 14.02.2019 | 88.00 | 14.02.2019 |
| | 4,00,000 | Inter-se transfer | 100.00 | 15.02.2019 | 100.00 | 15.02.2019 |
| Sanjay Agarwal | 7,500 | Market Purchase | 95.00 | 14.02.2019 | 87.50 | 14.02.2019 |
| | 4,00,000 | Inter-se transfer | 100.00 | 15.02.2019 | 100.00 | 15.02.2019 |
| Prem Kumar Bhajanka | 7,500 | Market Purchase | 95.05 | 14.02.2019 | 88.00 | 14.02.2019 |
| | 4,00,000 | Inter-se transfer | 100.00 | 15.02.2019 | 100.00 | 15.02.2019 |
| Rajendra Chamaria | (12,00,000) | Inter-se transfer | 100.00 | 15.02.2019 | 100.00 | 15.02.2019 |
| | (3,34,500) | Market Sale | 100.04 | 06.03.2019 | 99.69 | 06.03.2019 |
| | (78,250) | Off Market Gift Given | NA | 05.06.2019 | NA | 05.06.2019 |
| PROMOTER GROUP | | | | | | |
| Sachin Chamaria | (2,75,000) | Market Sale | 100.00 | 06.03.2019 | 100.00 | 06.03.2019 |
| | (4,00,000) | Market Sale | 100.05 | 28.03.2019 | 100.00 | 28.03.2019 |
| Rahul Chamaria | (2,75,000) | Market Sale | 100.00 | 06.03.2019 | 100.00 | 06.03.2019 |
| | (7,25,000) | Market Sale | 100.00 | 28.03.2019 | 100.00 | 28.03.2019 |
| Kamakhya Chamaria | (20,000) | Market Sale | 101.00 | 28.03.2019 | 100.05 | 28.03.2019 |
| Laxmi Chamaria | (2,405) | Market Sale | 100.05 | 15.02.2019 | 98.00 | 15.02.2019 |
| | (10,000) | Market Sale | 100.00 | 08.03.2019 | 100.00 | 08.03.2019 |
| | (5,000) | Market Sale | 101.00 | 11.03.2019 | 101.00 | 11.03.2019 |
| | (7,100) | Market Sale | 105.75 | 14.03.2019 | 105.00 | 14.03.2019 |

| | | | | | | |
|-------------------|-------------|-------------|------------|------------|------------|------------|
| | (4,804) | Market Sale | 102.50 | 22.03.2019 | 102.00 | 22.03.2019 |
| Renu Chamaria | (2,75,000) | Market Sale | 100.02 | 06.03.2019 | 100.00 | 06.03.2019 |
| Vinay and Company | (300) | Market Sale | 103.85 | 03.09.2018 | 103.75 | 03.09.2018 |
| | (500) | Market Sale | 104.55 | 04.09.2018 | 104.40 | 04.09.2018 |
| | (500) | Market Sale | 103.80 | 05.09.2018 | 103.80 | 05.09.2018 |
| | (500) | Market Sale | 104.70 | 06.09.2018 | 104.70 | 06.09.2018 |
| | (3,500) | Market Sale | 106.90 | 10.09.2018 | 104.40 | 10.09.2018 |
| | (300) | Market Sale | 105.70 | 11.09.2018 | 104.80 | 11.09.2018 |
| | (3,200) | Market Sale | 107.00 | 12.09.2018 | 104.15 | 12.09.2018 |
| | (300) | Market Sale | 106.00 | 14.09.2018 | 105.80 | 14.09.2018 |
| | (100) | Market Sale | 104.50 | 18.09.2018 | 103.80 | 18.09.2018 |
| | (1,400) | Market Sale | 104.80 | 19.09.2018 | 103.00 | 19.09.2018 |
| | (700) | Market Sale | 102.50 | 21.09.2018 | 102.25 | 21.09.2018 |
| | (596) | Market Sale | 102.50 | 24.09.2018 | 96.70 | 24.09.2018 |
| | (6,684) | Market Sale | 100.40 | 25.09.2018 | 98.05 | 25.09.2018 |
| | (11,380) | Market Sale | 103.00 | 26.09.2018 | 100.00 | 26.09.2018 |
| | (5,000) | Market Sale | 105.35 | 27.09.2018 | 103.85 | 27.09.2018 |
| | (5,500) | Market Sale | 110.20 | 28.09.2018 | 102.50 | 28.09.2018 |
| | (3,200) | Market Sale | 113.05 | 01.10.2018 | 108.00 | 01.10.2018 |
| | (4,000) | Market Sale | 106.15 | 03.10.2018 | 105.00 | 03.10.2018 |
| | (6,500) | Market Sale | 106.00 | 04.10.2018 | 102.50 | 04.10.2018 |
| | (1,661) | Market Sale | 104.60 | 05.10.2018 | 102.10 | 05.10.2018 |
| | (1,300) | Market Sale | 102.60 | 08.10.2018 | 102.00 | 08.10.2018 |
| | (500) | Market Sale | 100.00 | 09.10.2018 | 100.00 | 09.10.2018 |
| | (1,500) | Market Sale | 102.00 | 10.10.2018 | 102.00 | 10.10.2018 |
| | (3,510) | Market Sale | 100.05 | 11.10.2018 | 99.50 | 11.10.2018 |
| | (5,539) | Market Sale | 103.95 | 12.10.2018 | 102.70 | 12.10.2018 |
| | (4,035) | Market Sale | 107.15 | 15.10.2018 | 104.40 | 15.10.2018 |
| | (3,000) | Market Sale | 108.70 | 16.10.2018 | 106.40 | 16.10.2018 |
| | (1,893) | Market Sale | 111.70 | 17.10.2018 | 111.00 | 17.10.2018 |
| | (4,000) | Market Sale | 109.20 | 19.10.2018 | 107.90 | 19.10.2018 |
| | (2,500) | Market Sale | 108.85 | 22.10.2018 | 108.35 | 22.10.2018 |
| | (1,658) | Market Sale | 108.25 | 23.10.2018 | 107.15 | 23.10.2018 |
| | (2,000) | Market Sale | 107.90 | 24.10.2018 | 107.50 | 24.10.2018 |
| | (2,900) | Market Sale | 106.40 | 25.10.2018 | 106.00 | 25.10.2018 |
| | (100) | Market Sale | 105.10 | 29.10.2018 | 105.00 | 29.10.2018 |
| | (1,000) | Market Sale | 102.00 | 03.12.2018 | 101.65 | 03.12.2018 |
| | (500) | Market Sale | 102.60 | 04.12.2018 | 101.70 | 04.12.2018 |
| | (500) | Market Sale | 101.90 | 05.12.2018 | 101.90 | 05.12.2018 |
| | (7,069) | Market Sale | 107.90 | 12.12.2018 | 100.50 | 12.12.2018 |
| | (1,071) | Market Sale | 103.75 | 09.01.2019 | 102.05 | 09.01.2019 |
| | (5,840) | Market Sale | 109.30 | 10.05.2019 | 109.00 | 10.05.2019 |
| | (5,000) | Market Sale | 109.00 | 13.05.2019 | 109.00 | 13.05.2019 |
| (1,002) | Market Sale | 108.90 | 16.05.2019 | 108.55 | 16.05.2019 | |
| (817) | Market Sale | 112.50 | 20.05.2019 | 112.50 | 20.05.2019 | |
| (1,304) | Market Sale | 117.20 | 23.05.2019 | 116.45 | 23.05.2019 | |
| (3,000) | Market Sale | 117.00 | 24.05.2019 | 116.20 | 24.05.2019 | |
| (9,000) | Market Sale | 120.80 | 28.05.2019 | 119.80 | 28.05.2019 | |
| (8,016) | Market Sale | 126.85 | 30.05.2019 | 120.35 | 30.05.2019 | |

| | | | | | | |
|-------------------------|-------------|-----------------------------|--------|------------|--------|------------|
| Prahlad Rai Chamaria | (100) | Market Sale | 105.80 | 04.09.2018 | 105.80 | 04.09.2018 |
| | (500) | Market Sale | 103.75 | 05.09.2018 | 103.75 | 05.09.2018 |
| Rishi Raj Shah | (2,25,000) | Off Market Gift Given | NA | 30.07.2018 | NA | 30.07.2018 |
| Amit Agarwal | (3,75,000) | Off Market Gift Given | NA | 03.08.2018 | NA | 03.08.2018 |
| | (10,00,000) | Market Sale | 100.00 | 28.03.2019 | 100.00 | 28.03.2019 |
| Pushpa Agarwala | 3,75,000 | Off Market Gift Received | NA | 03.08.2018 | NA | 03.08.2018 |
| | (3,75,000) | Market Sale | 100.00 | 28.03.2019 | 100.00 | 28.03.2019 |
| Jagdish Prasad Shah | 2,25,000 | Off Market Gift Received | NA | 30.07.2018 | NA | 30.07.2018 |
| | (2,25,000) | Off Market Gift Given | NA | 21.05.2019 | NA | 21.05.2019 |
| Saroj Kejriwal | 75,000 | Off Market Gift Received | NA | 21.05.2019 | NA | 21.05.2019 |
| Rajendra Udyog HUF | 78,250 | Off Market Gift Received | NA | 05.06.2019 | NA | 05.06.2019 |

13.9 None of the directors of the companies forming part of promoter group as mentioned in paragraph 6.5 have purchased or sold any Equity Shares of the Company and there has been no change in their shareholdings for last twelve months preceding the date of publication of the Public Announcement i.e. June 25, 2019 except as follows:

| Name of the Shareholder | Aggregate No. of Equity Shares purchased or sold | Nature of Transaction | Maximum Price (Rs.) | Date of Maximum Price | Minimum Price (Rs.) | Date of Minimum Price |
|-------------------------|--|-----------------------|---------------------|-----------------------|---------------------|-----------------------|
| Sajjan Bhajanka | 7,500 | Market Purchase | 95.00 | 14.02.2019 | 88.00 | 14.02.2019 |
| | 4,00,000 | Inter-se transfer | 100.00 | 15.02.2019 | 100.00 | 15.02.2019 |
| Sanjay Agarwal | 7,500 | Market Purchase | 95.00 | 14.02.2019 | 87.50 | 14.02.2019 |
| | 4,00,000 | Inter-se transfer | 100.00 | 15.02.2019 | 100.00 | 15.02.2019 |

13.10 Assuming 100% response to the Buyback Offer, the Issued, Subscribed and Paid-up Equity Share Capital of the Company after the completion of the Buyback Offer will be as follows:

| Particulars | No. of shares | Amount(Rs.) |
|--|---------------|--------------|
| Issued, Subscribed and paid up equity shares of Re. 1 each | 41,24,28,997 | 41,24,28,997 |

13.11 Assuming response to the Buyback is 100% (full acceptance) from all the equity shareholders up to their entitlement, the aggregate shareholding of the Promoter Group/ Persons in control Post Buyback, will increase to 68.10% of the Post Buyback equity share capital of the Company

14. BRIEF INFORMATION ABOUT THE COMPANY

- 14.1 Star Cement Limited was incorporated on November 2, 2001, under the Companies Act, 1956 as a public limited company under the name and style of 'Cements Manufacturing Company Limited'. The registration no. assigned to the Company was 006663. The certificate of commencement of business was issued to the Company on September 19, 2002. The name of the Company was changed to 'Cement Manufacturing Company Limited' vide fresh Certificate of Incorporation dated November 10, 2004, issued by the Registrar of Companies, Assam, Tripura, Manipur, Nagaland, Meghalaya, Arunachal Pradesh and Mizoram. The name of the Company has been further changed from Cement Manufacturing Company Limited to 'Star Cement Limited' and a fresh Certificate of Incorporation dated June 21, 2016 was issued by the Registrar of Companies, Assam, Tripura, Manipur, Nagaland, Meghalaya, Arunachal Pradesh and Mizoram. The Registered Office of the Company is situated at Village Lumshnong, P.O.: Khaliehriat, Dist.: East Jaintia Hills, Meghalaya – 793210.
- 14.2 Pursuant to the Scheme of Amalgamation of M/s. Star Ferro and Cement Limited, a listed holding company with the Company as sanctioned by the Hon'ble National Company Law Tribunal Guwahati bench vide order dated 7th February, 2017, the Company was listed with the National Stock Exchange of India Limited and BSE Limited with effect from 16th June, 2017. The Order of the Hon'ble National Company Law Tribunal Guwahati bench was filed with the Registrar of Companies on 22nd February, 2017. The Appointed date for the amalgamation was 1st April, 2016. New Corporate Identification Number allotted to the Company is L26942ML2001PLC006663.
- 14.3 The Equity Shares of the Company are currently traded in compulsory dematerialised mode under the Stock code 540575 at BSE and Symbol "STAR CEMENT" at NSE. The ISIN of the Equity Shares is INE460H01021. Authorised Share Capital of the Company is Rs. 83,00,00,000/- divided into 83,00,00,000 Equity Shares of Re.1/- each and Paid up Equity Share Capital is Rs. 41,92,28,997/- divided into 41,92,28,997 Equity Shares of Re.1/- each.
- 14.4 The Company is engaged in the business of manufacturing of cement and cement clinker. One integrated plant is located in the State of Meghalaya and another Cement Grinding Unit is situated at Sonapur, Guwahati in the State of Assam. The Present capacity cement of both the plants is 3.0 MTPA. The Company mainly concentrate its business in North Eastern and Eastern part of the Country and a leading brand in the Region. During last two decades of experience, the Company has emerged its strong position in North Eastern India on the back of prudent locational advantages, timely availability of raw materials, pro active capacity expansion programming and consistent brand positioning.

14.5 Details of the changes in share capital of the company since incorporation:

| Sr. No. | Date of Allotment | No. of Equity Shares issued | Face Value (Rs.) | Issue Price (Rs.) | Nature of Consideration | Cumulative No. of Equity Shares | Cumulative Paid-up Capital (Rs.) | Nature of Allotment/ Remarks |
|---------|-------------------|-----------------------------|------------------|-------------------|-------------------------|---------------------------------|----------------------------------|--|
| 1 | 02/11/2001 | 70,000 | 10/- | 10/- | Cash | 70,000 | 7,00,000 | On Incorporation |
| 2 | 31/01/2003 | 38,50,000 | 10/- | 10/- | Cash | 39,20,000 | 3,92,00,000 | Preferential Issue |
| 3 | 15/09/2003 | 1,25,10,000 | 10/- | 10/- | Cash | 1,64,30,000 | 16,43,00,000 | Preferential Issue |
| 4 | 31/03/2004 | 1,08,52,500 | 10/- | 10/- | Cash | 2,72,82,500 | 27,28,25,000 | Preferential Issue |
| 5 | 25/11/2004 | 52,27,500 | 10/- | 10/- | Cash | 3,25,10,000 | 32,51,00,000 | Preferential Issue |
| 6 | 23/02/2006 | 60,00,000 | 10/- | 10/- | Cash | 3,85,10,000 | 38,51,00,000 | Preferential Issue |
| 7 | 31/03/2007 | 34,11,392 | 10/- | 10/- | Cash | 4,19,21,392 | 41,92,13,920 | Preferential Issue |
| 8 | 28/03/2016 | - | 1/- | - | NA | 41,92,13,920 | 41,92,13,920 | Split of Shares from Rs. 10/- each to Re. 1/- each |
| 9 | NA | (29,54,75,000) | 1/- | - | NA | 12,37,38,920 | 12,37,38,920 | As per Scheme of Amalgamation sanctioned by the NCLT, Guwahati Bench vide its Order dated 07.02.2017; 29,54,75,000 Equity Shares held by Star Ferro and Cement Limited (Transferor Company) were cancelled |
| 10 | April 8, 2017 | 29,54,90,077 | 1/- | - | NA | 41,92,28,997 | 41,92,28,997 | Pursuant to the Scheme of Amalgamation of Star Ferro and Cement Limited with the Company |

14.6 Details of the Board of Directors of the Company as on the Record Date:

| Sl. No. | Name, DIN, Age and Occupation of the Director | Designation | Qualification | Date of Appointment | Directorship in Other Companies |
|---------|--|-----------------------------------|-------------------|---------------------|---|
| 1 | Mr. Sajjan Bhajanka DIN: 00246043 AGE: 67 years Occupation: Industrialist | Chairman & Managing Director | Commerce Graduate | 16.11.2002 | 1. Century Plyboards (India) Ltd. 2. Makui Properties Pvt. Limited 3. Sriram Merchants Pvt. Ltd. 4. Sriram Vanijya Pvt. Ltd. 5. Pacific Plywoods Pvt. Ltd. 6. Shyam Century Multi Projects Pvt. Ltd. 7. Star Cement Meghalaya Limited 8. Meghalaya Power Limited 9. Shyam Century Ferrous Limited 10. Century Mdf Limited 11. Fine Infraprojects Private Limited 12. Association Of Indian Panelboard Manufacturer |
| 2 | Mr. Sanjay Agarwal DIN: 00246132 AGE: 58 Occupation: Industrialist | Managing Director | Commerce Graduate | 16.11.2002 | 1. Century Plyboards (India) Ltd. 2. Auroville Investments Pvt. Ltd. 3. Century Coats Ltd. 4. Century Infotech Ltd. 5. Indian Chamber of Commerce Calcutta. 6. Pacific Plywoods Pvt. Ltd. 7. Ranisati Vihar Pvt. Ltd. 8. Star Cement Meghalaya Ltd. 9. Sumangal International Pvt. Ltd. 10. Sumangal Business Pvt. Ltd. 11. Linc Pen & Plastic Ltd 12. Fine Infraprojects Pvt Ltd |
| 3 | Mr. Rajendra Chamaria DIN: 00246171 AGE :60 Years Occupation: Industrialist | Vice Chairman & Managing Director | Commerce Graduate | 01.04.2012 | 1. Star Cement Meghalaya Limited 2. Dony Polo Udyog Limited |
| 4 | Mr. Prem Kumar Bhajanka DIN: 00591512 AGE:61 Occupation: Industrialist | Director | Commerce Graduate | 16.11.2002 | 1. Century Plyboards (India) Ltd. 2. Namchic Tea Estate Pvt. Ltd. 3. Lal Pahar Tea Estate Pvt. Ltd. 4. Auro Sundram Ply and Door Pvt. Ltd. 5. Profound Cement Works Ltd. 6. Meghalaya Power Ltd. 7. Star Cement Meghalaya Ltd. |
| 5 | Mr. Pankaj Kejriwal DIN: 00383635 AGE: 48 years Occupation: Industrialist | Director | Chemical Engineer | 26.03.2003 | 1. Megha Technical & Engineers Private Ltd. 2. Star Cement Meghalaya Ltd. |

| | | | | | |
|----|---|-------------------------|---|------------|---|
| 6 | Mr. Mangilal Jain DIN: 00353075 AGE: 87 years Occupation: Professional | Independent Director | Commerce Graduate and Chartered Accountant | 20.12.2006 | 1. Century Plyboards (India) Ltd. 2. Shyam Century Ferrous Limited. 3. Star Cement Meghalaya Limited 4. Meghalaya Power Limited 5. Auro Sundaram Ply and Door Pvt.Ltd 6. Megha Technical & Engineers Private Ltd 7. NE Hills Hydro Limited |
| 7 | Mr. Santanu Ray DIN: 00642736 AGE: 72 years Occupation: Professional | Independent Director | Commerce Graduate and Chartered Accountant | 08.04.2017 | 1. Century Plyboards (India) Ltd. 2. Shyam Century Ferrous Limited 3. Star Cement Meghalaya Limited 4. LA Opala R G Limited 5. SKP Securities Ltd 6. Kariwala Industries Ltd 7. Megha Technical & Engineers Private Limited |
| 8 | Mrs. Ibaridor Katherine War DIN: 03107920 AGE: 44 years Occupation: Business | Independent Director | Undergraduate | 08.04.2017 | - |
| 9 | Mrs. Plistina Dkhar DIN: 01375361 AGE: 59 years Occupation: Business | Independent Director | Undergraduate | 08.04.2017 | 1. Shyam Century Ferrous Ltd. 2. RiangDo Veneers Pvt. Ltd. 3. GoldStone Cements Ltd. 4. Megha Bidyut Private Ltd. 5. Century Plyboards (Meghalaya Limited) |
| 10 | Mr. Pramod Kumar Shah DIN: 00343256 AGE: 67 years Occupation: Professional | Independent Director | Commerce Graduate and Chartered Accountant | 13.11.2017 | 1. Emami Frank Ross Limited 2. Emami Capital Markets Limited 3. Cuprum Bagrodia Limited 4. Emami Agrotech Limited 5. Meghalaya Power Limited 6. Skipper Limited |

14.7 The details of the Changes in the Board of Directors during the last 3 years

| Sl. No | Name of the Director | Appointment/ Resignation/ Change in Designation / Re-appointment | Effective Date | Reason for Change |
|--------|-----------------------|---|-------------------|---|
| 1 | Mr. Sajjan Bhajanka | Re-Appointment | 01.04.2018 | Re-Appointment as Managing Director w.e.f 01.04.2018 |
| 2 | Mr. Sanjay Agarwal | Re-Appointment | 01.04.2018 | Re-Appointment as Managing Director w.e.f 01.04.2018 |
| 3 | Mr. Rajendra Chamaria | Re-Appointment | 01.04.2018 | Re-Appointment as Managing Director w.e.f 01.04.2018 |
| 4 | Mrs. Clara Suja | Resignation | 05.04.2017 | Resignation as Director due to personal reasons |
| 5 | Mr. Mangilal Jain | Re-Appointment | 01.04.2019 | Reappointed as Independent Director w.e.f 01.04.2019 |

| | | | | |
|----|-----------------------------|-----------------------|------------|---|
| 6 | Mr. Manindra Nath Banerjee | Resignation | 06.09.2017 | Resignation as Director due to health issues |
| 7 | Mr. Santanu Ray | Appointment | 08.04.2017 | Appointed as Additional Director in Independent Category w.e.f 08.04.2017 |
| | | Change in Designation | 11.09.2017 | Designation Changed from Additional Director to Independent Director approved in AGM held on 11.09.2017 |
| 8 | Mrs. Ibaridor Katherine War | Appointment | 08.04.2017 | Appointed as Additional Director in Independent Category w.e.f 08.04.2017 |
| | | Change in Designation | 11.09.2017 | Designation Changed from Additional Director to Independent Director approved in AGM held on 11.09.2017 |
| 9 | Mrs. Plistina Dkhar | Appointment | 08.04.2017 | Appointed as Additional Director in Independent Category w.e.f 08.04.2017 |
| | | Change in Designation | 11.09.2017 | Designation Changed from Additional Director to Independent Director approved in AGM held on 11.09.2017 |
| 10 | Mr. Pramod Kumar Shah | Appointment | 13.11.2017 | Appointed as Additional Director in Independent Category w.e.f 13.11.2017 |
| | | Change in Designation | 31.07.2018 | Designation Changed from Additional Director to Independent Director approved in AGM held on 31.07.2018 |

- 14.8 The Buyback will not result in any benefit to any Directors of the Company except to the extent of the Equity Shares held by them in the Company which they may tender in the Buyback or the Promoter and Persons in Control of the Company except to the extent of their intention to participate in the Buyback and actual participation in the Buyback and the change in their shareholding as per the response received in the Buyback, as a result of the extinguishment of Equity Shares which will lead to a reduction in the Equity Share capital of the Company, post Buyback

15. FINANCIAL INFORMATION ABOUT THE COMPANY

15.1 The salient Financial Information of the Company as extracted from the standalone Audited financials of the Company is given below:

(Rs. In Lakhs)

| Key Financials | Year ended 31 March, 2019 | Year ended 31 March, 2018 | Year ended 31 March, 2017 |
|---|------------------------------|------------------------------|------------------------------|
| | (Audited figures) | (Audited figures) | (Audited figures) |
| Revenue from operations | 1,69,537.76 | 1,48,374.70 | 1,34,317.59 |
| Other income | 3,951.16 | 384.55 | 240.66 |
| Total Revenue | 1,73,488.92 | 1,48,759.25 | 1,34,558.25 |
| Cost of materials consumed | 58,367.37 | 47,832.72 | 41,849.87 |
| Purchase of traded goods | 10,097.50 | 10,336.80 | 17,549.11 |
| (Increase) /Decrease in Inventories | 1,119.64 | 316.27 | (98.26) |
| Excise duty | - | 1,993.10 | 5,906.21 |
| Employees Benefits expense | 7,272.01 | 6,375.15 | 7,006.10 |
| Finance Cost | 2,087.86 | 4,343.37 | 5,615.49 |
| Depreciation and Amortization | 4,648.77 | 5,745.45 | 4,035.36 |
| Other expenses | 61,859.01 | 49,032.44 | 44,085.30 |
| Total Expenditure | 1,45,452.15 | 1,25,975.29 | 1,25,949.18 |
| Profit before tax | 28,036.77 | 22,783.95 | 8,609.07 |
| Tax Expenses | | | |
| Current Tax | 5,187.75 | 4,877.74 | 1,706.63 |
| Deferred Tax | (2,740.11) | (3,171.44) | (1,100.00) |
| Total tax expenses | 2,447.63 | 1,706.30 | 606.63 |
| Profit for the year | 25,589.14 | 21,077.65 | 8,002.44 |
| Other comprehensive income for the year (net of tax) | 1.93 | (13.18) | 9.10 |
| Total comprehensive income for the year | 25,591.07 | 21,064.47 | 8,011.54 |
| Paid up equity share capital | 4,192.29 | 4,192.29 | 4,192.14 |
| Share capital-pending allotment | - | - | 0.15 |
| Reserves & surplus (excluding Capital Reserve and Other comprehensive income) | 1,00,295.05 | 79,009.19 | 57,931.54 |
| Net worth | 1,04,487.34 | 83,201.48 | 62,123.83 |
| Total Debt ⁵ | 15,715.87 | 42,785.65 | 62,183.89 |

Financial Ratios on Standalone Basis are as under:

| Key Ratios | Year ended 31 March, 2019 | Year ended 31 March, 2018 | Year ended 31 March, 2017 |
|-----------------------------------|------------------------------|------------------------------|------------------------------|
| Basic Earnings per share (Rs.) | 6.10 | 5.03 | 1.91 |
| Diluted Earnings per share (Rs.) | 6.10 | 5.03 | 1.91 |
| Book value per equity share (Rs.) | 24.92 | 19.85 | 14.82 |
| Return on Net worth | 24.49% | 25.33% | 12.88% |
| Debt-Equity Ratio | 0.15 | 0.51 | 1.00 |

\$ Total Debt

(Rs. In Lakhs)

| | Year ended 31 March, 2019 | Year ended 31 March, 2018 | Year ended 31 March, 2017 |
|--|------------------------------|------------------------------|------------------------------|
| Long Term Borrowing | 15,141.35 | 28,143.38 | 36,528.94 |
| Short Term Borrowing | - | 2,000.00 | 9,789.73 |
| Current Maturities of long Term Borrowing | 51.87 | 4,530.58 | 4,656.98 |
| Working Capital Loans | 522.65 | 8,111.69 | 11,208.25 |
| Total | 15,715.87 | 42,785.65 | 62,183.89 |

(1) The figures for the year ended on 31 March, 2019, 31 March, 2018 and 31st March, 2017 are in accordance with Companies (Indian Accounting Standard) Rules, 2015 (Ind AS)

(2) Networth is excluding Other Comprehensive Income which is arising on account of new Indian Accounting Standards (Ind AS).

(3) Total Debt = Long Term Borrowings+ Short Term Borrowings +Current maturities of long term borrowings + working capital loans.

15.2 The salient Financial Information of the Company as extracted from the consolidated Audited financials of the Company is given below:

(Rs. In Lakhs)

| Key Financials | Year ended 31 March, 2019 | Year ended 31 March, 2018 | Year ended 31 March, 2017 |
|--|------------------------------|------------------------------|------------------------------|
| | (Audited figures) | (Audited figures) | (Audited figures) |
| Revenue from operations | 1,83,104.20 | 1,62,910.69 | 1,55,183.94 |
| Other income | 547.43 | 438.52 | 243.67 |
| Total Revenue | 1,83,651.63 | 1,63,349.21 | 1,55,427.61 |
| Cost of materials consumed | 34,985.86 | 21,244.97 | 25,097.05 |
| Purchase of traded goods | 7,620.50 | 8,244.14 | 10,141.83 |
| (Increase) /Decrease in Inventories | 1,068.13 | 756.85 | (1,209.36) |
| Excise duty | - | 1,457.76 | 2,403.71 |
| Employees Benefits expense | 11,641.15 | 10,735.89 | 11,861.41 |
| Finance Cost | 1,437.99 | 5,245.73 | 7,806.14 |
| Depreciation and Amortization | 10,564.48 | 12,068.65 | 11,791.15 |
| Other expenses | 82,872.09 | 68,335.87 | 66,055.98 |
| Total Expenditure | 1,50,190.20 | 1,28,089.85 | 1,33,947.91 |
| Profit before tax | 33,461.42 | 35,259.37 | 21,479.70 |
| Tax Expenses | | | |
| Current Tax | (6,825.41) | (7,326.93) | (4,177.11) |
| Deferred Tax | 3,860.97 | 5,685.62 | 2,787.28 |
| Total tax expenses | (2,964.44) | (1,641.31) | (1,389.83) |
| Profit for the year | 30,496.99 | 33,618.05 | 20,089.87 |
| Share of non controlling interest | 619.29 | 552.43 | 617.52 |
| Profit for the year (after non controlling interest) | 29,877.70 | 33,065.62 | 19,472.35 |
| Total Other comprehensive income | 14.36 | (28.29) | 5.16 |
| Less: Share of non controlling interest | (0.29) | 0.86 | (0.77) |
| Other comprehensive income for the year, net of tax (after non controlling interest) | 14.65 | (27.43) | 5.93 |
| Share of non controlling interest | 619.00 | 551.56 | 616.75 |
| Total comprehensive income for the year | 30,511.35 | 33,589.76 | 20,095.03 |
| Total comprehensive income for the year (after non controlling interest) | 29,892.34 | 33,038.20 | 19,478.28 |
| Paid up equity share capital | 4,192.29 | 4,192.29 | 4,192.14 |
| Share capital-pending allotment | - | - | 0.15 |
| Reserves & surplus (excluding Capital Reserve and Other comprehensive income) | 1,67,519.97 | 1,42,803.60 | 1,09,738.00 |
| Net worth | 1,71,712.26 | 1,46,995.89 | 1,13,930.29 |
| Total Debt ^{SS} | 7,381.71 | 43,241.69 | 80,071.99 |

Financial Ratios on Consolidated Basis are as under:

| Key Ratios | Year ended 31 March, 2019 | Year ended 31 March, 2018 | Year ended 31 March, 2017 |
|-----------------------------------|------------------------------|------------------------------|------------------------------|
| Basic Earnings per share (Rs.) | 7.13 | 7.89 | 4.64 |
| Diluted Earnings per share (Rs.) | 7.13 | 7.89 | 4.64 |
| Book value per equity share (Rs.) | 40.96 | 35.06 | 27.18 |
| Return on Net worth | 17.40% | 22.49% | 17.09% |
| Debt-Equity Ratio | 0.04 | 0.29 | 0.70 |

\$\$ Total Debt

| | (Rs in Lakhs) | | |
|---|------------------------------|------------------------------|------------------------------|
| | Year ended 31 March, 2019 | Year ended 31 March, 2018 | Year ended 31 March, 2017 |
| Long Term Borrowing | 175.76 | 19,879.77 | 37,153.13 |
| Short Term Borrowing | - | 2,000.00 | 11,789.74 |
| Current Maturities of long Term Borrowing | 2,248.92 | 10,070.03 | 12,853.69 |
| Working Capital Loans | 4,957.03 | 11,291.89 | 18,275.43 |
| Total | 7,381.71 | 43,241.69 | 80,071.99 |

(1) The figures for the year ended on 31 March, 2019, 31 March, 2018 and 31st March, 2017 are in accordance with Companies (Indian Accounting Standard) Rules, 2015 (Ind AS)

(2) Networth is excluding Other Comprehensive Income which is arising on account of new Indian Accounting Standards (Ind AS).

(3) Total Debt = Long Term Borrowings+ Short Term Borrowings +Current maturities of long term borrowings + working capital loans.

15.3 The Company will comply with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (as amended), wherever and if applicable. The Company hereby declares that it has complied with Section 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, 2013 as amended, the Companies (Share Capital and Debentures) Rules, 2014 as amended and in compliance with the Securities and Exchange Board of India (Buyback of Securities) Regulations 2018.

16. STOCK MARKET DATA

16.1 The Equity Shares of the Company are listed and traded on NSE and BSE since June 16, 2017. The equity shares of the Company were listed on the Stock Exchanges pursuant to the merger of its listed holding company Star Ferro and Cement Limited with the Company.

16.2 The high, low and average market prices in preceding three financial years (April to March) and the monthly high, low and average market prices for the six completed calendar months preceding the date of the Public Announcement and the corresponding volumes on NSE and BSE are as follows:

NSE

| Period | High (Rs.) | Date of High | No. of shares traded on the date of high | Low (Rs.) | Date of Low | No. of shares traded on the date of low | Average price (Rs.) | No. of shares traded in that period |
|--|---|-------------------|--|-----------|--------------------|---|---------------------|-------------------------------------|
| PRECEDING THREE FINANCIAL YEARS | | | | | | | | |
| Financial year 2019 | 137.00 | May 02, 2018 | 1,43,739 | 80.10 | September 25, 2018 | 1,73,008 | 109.78 | 3,26,34,508 |
| Financial year 2018 | 151.90 | January 09, 2018 | 4,25,317 | 102.30 | October 09, 2017 | 27,150 | 120.71 | 7,96,31,094 |
| Financial year 2017 | Not Traded as the shares were listed w.e.f. June 16, 2017 | | | | | | | |
| PRECEDING SIX MONTHS | | | | | | | | |
| June 01, 2019 to June 20, 2019 | 140.00 | June 04, 2019 | 1,02,878 | 115.15 | June 18, 2019 | 11,27,247 | 124.17 | 44,36,712 |
| May 2019 | 128.00 | May 30, 2019 | 3,29,701 | 103.10 | May 02, 2019 | 69,164 | 112.50 | 28,98,933 |
| April 2019 | 110.00 | April 18, 2019 | 10,22,840 | 97.00 | April 08, 2019 | 53,984 | 102.12 | 21,07,891 |
| March 2019 | 109.00 | March 14, 2019 | 3,65,807 | 96.00 | March 27, 2019 | 1,08,561 | 100.37 | 56,78,367 |
| February 2019 | 101.05 | February 15, 2019 | 12,90,917 | 85.00 | February 12, 2019 | 14,129 | 93.48 | 30,42,582 |
| January 2019 | 106.00 | January 07, 2019 | 13,75,456 | 89.85 | January 29, 2019 | 10,429 | 97.87 | 30,35,108 |
| December 2018 | 109.55 | December 19, 2018 | 37,374 | 94.00 | December 11, 2018 | 16,468 | 102.61 | 4,96,209 |

BSE

| Period | High (Rs.) | Date of High | No. of shares traded on the date of high | Low (Rs.) | Date of Low | No. of shares traded on the date of low | Average price (Rs.) | No. of shares traded in that period |
|---|---|-------------------|--|-----------|-------------------|---|---------------------|-------------------------------------|
| PRECEEDING THREE FINANCIAL YEARS | | | | | | | | |
| Financial year 2019 | 137.25 | May 25, 2018 | 12,425 | 85.00 | October 29, 2018 | 4,896 | 109.82 | 43,19,692 |
| Financial year 2018 | 151.35 | January 09, 2018 | 44,331 | 102.00 | October 09, 2017 | 3,633 | 120.78 | 91,59,153 |
| Financial year 2017 | Not Traded as the shares were listed w.e.f. June 16, 2017 | | | | | | | |
| PRECEEDING SIX MONTHS | | | | | | | | |
| June 01, 2019 to June 20, 2019 | 137.60 | June 06, 2019 | 78,201 | 115.10 | June 18, 2019 | 59,577 | 124.02 | 2,17,142 |
| May 2019 | 127.80 | May 30, 2019 | 15,205 | 104.00 | May 07, 2019 | 19,808 | 112.36 | 11,45,957 |
| April 2019 | 110.10 | April 22, 2019 | 10,195 | 97.00 | April 08, 2019 | 17,548 | 102.09 | 1,45,570 |
| March 2019 | 109.90 | March 14, 2019 | 24,615 | 90.00 | March 08, 2019 | 1,733 | 100.44 | 8,13,194 |
| February 2019 | 100.50 | February 15, 2019 | 7,439 | 85.00 | February 13, 2019 | 1,675 | 92.95 | 84,947 |
| January 2019 | 105.50 | January 07, 2019 | 1,190 | 90.10 | January 29, 2019 | 1,488 | 97.81 | 1,71,391 |
| December 2018 | 112.00 | December 31, 2018 | 3,073 | 95.25 | December 07, 2018 | 209 | 102.42 | 55,022 |

16.3 The Closing Market price of the equity shares of the Company:

- a) As on June 20, 2019 i.e. the trading day before June 21, 2019 being the date of Board Meeting approving the Buyback was Rs. 122.10 per Equity Share on NSE and Rs. 122.05 per Equity Share on BSE.
- b) As on June 21, 2019 i.e. the date of Board Meeting approving the Buyback was Rs. 122.05 per Equity Share on NSE and Rs. 121.50 per Equity Share on BSE.
- c) As on June 24, 2019 i.e. the trading day immediately after June 21, 2019 being the date of Board Meeting approving the Buyback was Rs. 122.25 per Equity Share on NSE and Rs. 122.35 per Equity Share on BSE.
- d) As on June 25, 2019 i.e. the date of the publication of Public Announcement, was Rs. 121.70 per Equity Share on NSE and Rs. 121.90 per Equity Share on BSE.

17 DETAILS OF THE STATUTORY APPROVALS

- 17.1 The Buyback offer is subject to approval, if any required, under the provisions of Companies Act, 2013, FEMA, Buyback Regulations, and/or such other rules and regulations for the time being in force.
- 17.2 Non-Resident Shareholders (excluding OCBs) permitted under general permissions under the consolidated Foreign Direct Investment Policy issued by the Government of India read with applicable FEMA Regulations, are not required to obtain approvals from RBI.

- 17.3 As of date, there is no other statutory or regulatory approval required to implement the Buyback offer other than the mentioned above. If any statutory or Regulatory approval becomes applicable subsequently, the Buyback offer will be subject to such statutory or regulatory approval(s). In the event of any delay in the receipt of statutory or regulatory approval, the changes in the time table of the Buyback offer, if any, shall be intimated to the NSE and BSE.

18 DETAILS OF THE REGISTRAR TO THE BUYBACK

Eligible persons who wish to tender their equity shares in the Buyback offer can hand deliver the tender form and the TRS generated by the Exchange Bidding System along with all the relevant documents at the below mentioned address of the Registrar to the Buyback offer in accordance with the procedure set out in this Letter of Offer. Equity shareholders are advised to ensure that Tender forms and other documents including TRS are complete in all respect; otherwise the same are liable to be rejected.

MAHESHWARI DATAMATICS PRIVATE LIMITED

23 R. N. Mukherjee Road, 5th floor
Kolkata -700001
Tel No: (033) 22482248, 22435029
Fax: (033) 22484787
Email: mdpldc@yahoo.com
Website: <http://www.mdpl.in>
Contact Person: Mr. S. Rajagopal
SEBI REGN NO: INR0000000353

Equity shareholders who cannot hand deliver the tender form, TRS and other documents at the above mentioned address may send the same by Speed post/ Registered post/Recognized Courier at their own risk, by super subscribing the envelope as “**Star Cement–Buyback Offer 2019**” to the Registrar to the Buyback at their abovementioned Office address, so the same are received not later than 2 (two) days of Buyback Closing Date by 5:00 p.m.

PLEASE NOTE THAT IT IS NOT MANDATORY FOR ELIGIBLE SELLERS HOLDING AND TENDERING EQUITY SHARES IN DEMAT FORM TO SUBMIT THE TENDER FORM AND THE TRS.

THE TENDER FORM AND OTHER RELEVANT DOCUMENTS SHOULD NOT BE SENT TO THE COMPANY OR TO THE MANAGER TO THE BUYBACK.

19 PROCESS AND METHODOLOGY FOR THE BUYBACK

- 19.1 The Company proposes to Buyback not exceeding 68,00,000 Equity shares of the Company from all the existing shareholders/beneficial owners of Equity shares of the Company, on a proportionate basis, through the Tender Offer route, at a price of Rs. 150/- per equity share for an aggregate amount of Rs. 102,00,00,000/- (Rupees One Hundred Two Crores Only). The maximum number of Equity shares proposed to be bought back represents 1.62% of the present outstanding equity shares of the Company. The Buyback is in accordance with the provisions contained in the Article 32 of the Articles of Association of the Company, Section 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, 2013 (the “**Companies Act**”), the Companies (Share Capital and Debentures) Rules, 2014 (hereinafter referred to as the “**Share Capital Rules**”) and in compliance with the Securities and Exchange Board of India (Buy-back of Securities) Regulations 2018, as amended (the “**Buyback Regulations**”). The aggregate Buyback Offer size represents 9.76% of the fully paid up equity share capital and free reserves of the Company based on Standalone audited financials of the Company for the financial year ended March 31, 2019.

- 19.2 The aggregate shareholding of the Promoter Group/ Persons in Control is 28,48,39,006 equity shares which represents 67.94% of the existing equity share capital of the Company. In terms of the buyback

regulations, under the Tender Offer Route the Promoters of the Company have the option to participate in the proposed buyback. In this regard, the Promoter and Persons in Control have expressed their intention vide their letters dated June 21, 2019 to participate in the Buyback

19.3 Assuming response to the Buyback is to the extent of 100% (full acceptance) from all the Equity Shareholders upto their entitlement, the aggregate shareholding of the Promoter Group/Persons in Control, post Buyback will be 68.10% and the aggregate shareholding of the Public in the Company shall be 31.90% (Post Buyback shareholding).

19.4 Record Date, ratio of Buyback and entitlement of each shareholder.

- a. The Board of Directors have fixed July 05, 2019 as the Record Date for the purpose of determining the entitlement and the names of the shareholders who are eligible to participate in the Buyback offer.
- b. The equity shares proposed to be bought back shall be divided into two categories:
 - Reserved category for small shareholders (“**Reserved Category**”).
 - General category for all shareholders other than small shareholders (“**General Category**”).
- c. As defined in the Buyback Regulations, a “small shareholder” is a shareholder who holds equity shares whose market value, on the basis of closing price on the recognized stock exchange registering the highest trading volume, as on Record Date, is not more than Rs. 2,00,000/- (Rupees Two Lakhs only). As on Record Date i.e., July 05, 2019, the volume of Shares traded on NSE was 70,398 Shares and on BSE was 4,572 Shares. Accordingly, NSE being the stock exchange with highest turnover, the closing price was Rs. 118.25 and hence all Shareholders holding not more than 1,691 Equity Shares as on the Record Date are classified as ‘Small Shareholders’ for the purpose of the Buyback Offer.
- d. Based on the above definition, there are 17,060 Small shareholders with aggregate shareholding of 35,12,705 shares as on the Record Date, which constitutes 0.84% of outstanding paid up equity share capital of the company and 51.66% of the equity shares which the Company proposes to Buyback as a part of this Buyback Offer.
- e. In compliance with Regulation 6 of the Buyback Regulations, the reservation for small shareholders will be equity shares which are higher of:
 - 15% of the number of equity shares which the company proposes to buyback i.e., 15% of 68,00,000 Equity shares which works out to 10,20,000 Equity shares;
 - The number of Equity shares entitled as per their holding as on the Record Date (i.e., $(35,12,705 / 41,92,28,997) \times 68,00,000$) which is 56,977 equity shares

Hence, out of the total buyback size of 68,00,000 shares, 10,20,000 Equity shares shall be reserved for the small shareholders.

- f. Accordingly, General Category shall consist of 57,80,000 Equity shares.
- g. Based on the above the entitlement ratio of Buyback for both categories is decided as below:

| Category | Entitlement ratio of buyback |
|-------------------|--|
| Reserved Category | 9 equity shares out of every 31 fully paid up equity shares as on record date i.e., July 05, 2019. |
| General Category | 1 equity share out of every 72 fully paid up equity shares as on record date i.e., July 05, 2019. |

*** The above ratio of Buyback is approximate and provides an indicative Buyback Entitlement. Any computation of entitled Equity Shares using the above ratio may provide a slightly different number due to rounding off. The actual Buyback Entitlement for Reserved Category for Small Shareholders is 0.290322580645161 and General Category for all other than eligible Shareholders is 0.0138888888888889.**

19.5 Fractional Entitlement

If the entitlement under Buyback, after applying the abovementioned ratios to the Equity Shares held on Record Date, is not a round number (i.e. not in the multiple of 1 Equity Share) then the fractional entitlement shall be ignored for computation of entitlement to tender Equity Shares in the Buyback Offer, for both categories of Shareholders.

On account of ignoring the fractional entitlement, those small shareholders who hold 3 or less equity shares as on Record Date, will be dispatched a Tender Form with zero entitlement. Such Small Shareholders are entitled to tender additional Equity Shares as part of the Buyback Offer and will be given preference in the Acceptance of one Equity Share, if such Small Shareholders have tendered for additional Equity Shares.

19.6 Basis of acceptance of equity shares validly tendered in the Reserved Category

Subject to the provisions contained in this Letter of Offer, the Company will accept the Shares tendered in the Buyback Offer by the Small Shareholders in the Reserved Category in the following order of priority:

- a) Full acceptance of Shares from Small Shareholders in the Reserved Category who have validly tendered their Shares, to the extent of their Buyback Entitlement, or the number of Shares tendered by them, whichever is less.
- b) Post the acceptance as described in paragraph 19.6 (a), in case, there are any Shares left to be bought back in the Reserved Category, the Small Shareholders who were entitled to tender zero Shares (on account of ignoring the fractional entitlement), and have tendered Additional Shares, shall be given preference and one Equity Share each from the Additional Shares tendered by these Small Shareholders shall be bought back in the Reserved Category.
- c) Post the acceptance as described in paragraph 19.6 (a) and (b), in case there are any validly tendered unaccepted shares in the Reserved Category ("**Reserved Category Additional Shares**") and shares left to be bought back in the Reserved Category, the Reserved Category Additional Shares shall be accepted in a proportionate manner and the acceptances shall be made in accordance with the Buyback Regulations, i.e. valid acceptances per Shareholder shall be equal to the Reserved Category Additional Shares by the Shareholder divided by the total Reserved Category Additional Shares and multiplied by the total number of Shares remaining to be bought back in Reserved Category. For the purpose of this calculation, the Reserved Category Additional Shares taken into account for such Small Shareholders, from whom one Equity Share has been accepted in accordance with paragraph 19.6 (b), shall be reduced by one.
- d) Adjustment for Fractional results in case of proportionate acceptance, as described in Paragraph 19.6 (c), will be made as follows:
 - For any shareholder, if the number of additional shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
 - For any shareholder, if the number of additional shares to be accepted, calculated on a proportionate basis is not in the multiples of 1 and the Fractional acceptance is less than 0.50, then the Fraction shall be ignored.

19.7 Basis of acceptance of equity shares validly tendered in the General Category

Subject to the provisions contained in this Letter of Offer, the Company will accept the shares tendered in the Buyback Offer by shareholders (other than the small shareholders) in the General category in the following order of priority:

- a. Full acceptance of shares from shareholders in the General Category who have validly tendered their shares, to the extent of their Buyback entitlement, or the number of shares tendered by them, whichever is less.

- b. Post the acceptance as described in paragraph 19.7(a), in case there are any validly tendered unaccepted shares in the General Category (“**General Category Additional Shares**”) and shares left to be bought back in General Category, the General Category shares will be accepted in a proportionate manner and the acceptances shall be made in accordance with Buyback Regulations, i.e., valid acceptances per shareholders shall be equal to General Category additional shares by the shareholders divided by the total General Category Additional shares and multiplied by the total number of additional shares remaining to be bought back in the General Category.
- c. Adjustment for Fractional Results in case of proportionate acceptance as described in paragraph 19.7(b) will be made as follows:
 - For any shareholder, if the number of additional shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is greater than or equal to 0.50, then the fraction would be rounded off to next higher integer.
 - For any shareholder, if the number of additional shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is less than equal to 0.50, then the fraction shall be ignored.

19.8 Basis of acceptance of equity shares between the two Categories

- a. After acceptance of tenders, as mentioned in paragraph 19.6 and 19.7, in case there are any shares left to be bought back in one category (“**Partially Filled Category**”) and there are additional unaccepted validly tendered shares (“**Further Additional Shares**”) in the second category (“**Over Tendered Category**”), then the further additional shares in the over tendered category shall be accepted in a proportionate manner i.e., valid acceptances per shareholder shall be equal to further additional shares validly tendered by the shareholder in the over tendered category divided by the total further additional shares in the over tendered category and multiplied by the total shares left to be bought back in the partially filled category.
- b. If the Partially Filled Category is the General Category and the Over Tendered Category is the Reserved Category, then any Small Shareholder who has received a Tender Form with zero Buyback Entitlement and who has tendered Additional Shares shall be eligible for priority acceptance of one Equity Share before acceptance in paragraph 19.8(a) out of the Shares left to be bought back in the Partially Filled Category provided no acceptance could take place from such Shareholder in accordance with paragraph 19.6.
- c. Adjustment for Fractional Results in case of proportionate acceptance as described in paragraph 19.8(b) will be made as follows:
 - For any shareholder, if the number of additional shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is greater than or equal to 0.50, then the fraction would be rounded off to next higher integer.
 - For any shareholder, if the number of additional shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is less than equal to 0.50, then the fraction shall be ignored.

19.9 For avoidance of doubt, it is clarified that:

- a) the Equity Shares Accepted under the Buyback from each Eligible Shareholder, in accordance with paragraphs above, shall not exceed the number of Equity Shares tendered by the respective Eligible Shareholder;
- b) the Equity Shares Accepted under the Buyback from each Eligible Shareholder, in accordance with paragraphs above, shall not exceed the number of Equity Shares held by respective Eligible Shareholder as on the Record Date; and
- c) the Equity Shares tendered by any Eligible Shareholder over and above the number of Equity Shares held by such Eligible Shareholder as on the Record Date shall not be considered for the purpose of Acceptance in accordance with the paragraphs above.

19.10 Clubbing of Entitlements

In order to ensure that the same Eligible Shareholders with multiple demat accounts/folios do not receive a higher entitlement under the Small Shareholder category, the Company proposes to club together the Equity Shares held by such Eligible Shareholders with a common PAN for determining the category (Small Shareholder

or General) and entitlement under the Buyback. In case of joint shareholding, the Company will club together the Equity Shares held in cases where the sequence of the PANs of the joint shareholders is identical and where the PANs of all joint shareholders are not available, the Company will check the sequence of the names of the joint holders and club together the Equity Shares held in such cases where the name of joint shareholders are identical. In case of Eligible Shareholders holding physical shares, where the sequence of PANs is identical and where the PANs of all joint shareholders are not available, the Registrar to the Buyback will check the sequence of the names of the joint holders and club together the Equity Shares held in such cases where the sequence of the PANs and name of joint shareholders are identical. The shareholding of institutional investors like mutual funds, pension funds/trusts and insurance companies etc., with common PAN will not be clubbed together for determining the category and will be considered separately, where these Equity Shares are held for different schemes and have a different demat account nomenclature based on information prepared by the Registrar to the Buyback as per the shareholder records received from the depositories.

20 PROCEDURE FOR TENDER OFFER AND SETTLEMENT

A. GENERAL

- 20.1 The Buyback is open to all public equity shareholders/ beneficial owners of the Company holding Equity Shares either in physical and/or electronic form on the Record Date.
- 20.2 The Company proposes to effect the Buyback through a tender offer method, on a proportionate basis. The Letter of Offer and Tender Form, outlining the terms of the Buyback as well as the detailed disclosures as specified in the Buyback Regulations, will be mailed to Eligible Persons

Eligible Person(s) which have registered their email ids with the depositories / the Company, shall be dispatched the Letter of Offer through electronic means. If Eligible Person(s) wish to obtain a physical copy of the Letter of Offer, they may send a request to the Company or Registrar at the address or email id mentioned at the cover page of the Letter of Offer.

Eligible persons which have not registered their email ids with the depositories / the Company, shall be dispatched the Letter of Offer through physical mode

- 20.3 The Company will not accept any Equity Shares offered for Buyback which are under any restraint order of a court for transfer/sale of such shares.
- 20.4 The Company shall comply with Regulation 24(v) of the Buyback Regulations which states that the Company shall not buyback the locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till the Equity Shares become transferable.
- 20.5 The Company shall accept all the Equity Shares validly tendered for the Buyback by Eligible Persons, on the basis of their Buyback Entitlement as on the Record Date.
- 20.6 As elaborated under Clause 19.4 above, the Equity Shares proposed to be bought as a part of the Buyback is divided into two categories; (a) Reserved Category for Small Shareholders and (b) the General Category for other Eligible Persons, and the Buyback Entitlement of a Eligible Person in each category shall be calculated accordingly.
- 20.7 After Accepting the Equity Shares tendered on the basis of Buyback Entitlement, Equity Shares left to be bought as a part of the Buyback, if any, in one category shall first be accepted, in proportion to the Equity Shares tendered, over and above their Buyback Entitlement, by Eligible Persons in that category, and thereafter, from Eligible Persons who have tendered over and above their Buyback Entitlement, in other category.
- 20.8 The non-receipt of the Letter of Offer by, or accidental omission to dispatch the Letter of Offer to any person who is eligible to receive the Letter of Offer, shall not invalidate the Buyback in any manner. In case of non receipt of the Letter of Offer, Eligible Shareholders may participate in the offer by applying

on the Tender Form downloaded from the Company's website i.e. www.starcement.co.in or obtain a duplicate copy of the same by writing to the Registrar to the Buyback. Such Eligible Shareholders may also participate in the Buyback by providing their application in plain paper in writing signed by such shareholder (in case jointly held then signed by all shareholders), stating name, address, number of shares held, Client ID number, DP name, DP ID number, number of Equity Shares tendered and other relevant documents. If the signature(s) of the Eligible Shareholders provided in the plain paper application differs from the specimen signature(s) recorded with the Registrar and Transfer Agent of the Company or are not in the same order (although attested), such applications are liable to be rejected under this Buyback.

20.9 All documents sent by Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.

20.10 The Buyback is open to all equity shareholders/ beneficial owners of the Company holding Equity Shares either in physical and/or electronic form on the Record Date.

20.11 The Buyback shall be implemented using the "Mechanism for Acquisition of Shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with circular no. CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 and following the procedure prescribed in the Companies Act and the Buyback Regulations and as may be determined by the board (including the committee authorized to complete the formalities of the buyback) and on such terms and conditions as may be permitted by law from time to time.

20.12 For implementation of the Buyback, the Company has appointed Narnolia Financial Advisors Limited as the registered broker of the Company (the "Company's Broker") through whom the purchases and settlements on account of the Buyback would be made by the Company. The contact details of the Company's Broker are as follows:

Narnolia Financial Advisors Limited

Contact Person: Mr. Pankaj Harlalka

201, 2nd Floor, Marble Arch

236B, A.J.C Bose Road, Kolkata – 700020

Tel. No : (033) 4050 1500

Fax : (033) 4050 1549

Email: pankaj.harlalka@narnolia.com

Website: www.narnolia.com

SEBI Registration No of BSE: INZ000166737

20.13 The Company will request BSE to provide the separate Acquisition Window to facilitate placing of sell orders by shareholders who wish to tender Equity Shares in the Buyback. BSE would be the Designated Stock exchange for this Buyback

20.14 In the event Shareholder Broker(s) of Eligible Shareholder is not registered with BSE then that Eligible Shareholder can approach any BSE registered stock broker and can make a bid by using quick unique client code (UCC) facility through that BSE registered stock broker after submitting the details as may be required by that stock broker to be in compliance with the SEBI regulations. In case Eligible Shareholder is not able to bid using quick UCC facility through any other BSE registered stock broker then the Eligible Shareholder may approach Company's Broker to bid by using quick UCC facility by submitting relevant documents.

20.15 The Eligible Shareholder approaching Designated Stock Exchange registered stock broker (with whom he does not have an account) may have to submit the requisite documents as may be required. The requirement of documents and procedures may vary from broker to broker.

20.16 At the beginning of the tendering period, the order for buying Equity Shares shall be placed by the Company through Company's Broker. During the tendering period, the order for selling the shares will be

placed in the Acquisition Window by eligible sellers through their respective stock brokers during normal trading hours of the secondary market.

20.17 Procedure to be followed by Registered Equity Shareholders holding Equity shares in the dematerialized form:

- a) Shareholders who desire to tender their Equity Shares in the electronic form under the Buyback would have to do so through their respective Seller Member by indicating to their broker the details of Equity Shares they intend to tender under the Buyback.
- b) The Seller Member would be required to place an order/bid on behalf of the Eligible Sellers who wish to tender Equity Shares in the Buyback using the acquisition window of the BSE. Before placing the bid, the concerned Eligible Seller / Seller Member would be required to transfer the tendered Equity Shares to the special account of Clearing Corporation, by using the settlement number and the procedure prescribed by the Clearing Corporation. This shall be validated at the time of order/bid entry.
- c) The details of the special account shall be informed in issue opening circular that will be issued by BSE or Clearing Corporation.
- d) For custodian participant orders for demat Equity Shares early pay-in is mandatory prior to confirmation of order by custodian. The custodian shall either confirm or reject the orders not later than 6.00 p.m. on the last day of the tendering period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed custodian participant orders, order modification shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation
- e) Upon placing the bid, the Seller member shall provide a Transaction Registration Slip (“TRS”) generated by the Exchange Bidding System to the Shareholder. TRS will contain the details of order submitted like Bid ID No., Application No., DP ID., Client ID, No. of equity Shares tendered etc.
- f) Eligible Sellers who have tendered their Equity Shares in the Buyback can ‘hand deliver’ Tender Form duly signed (by all Eligible Sellers in case Equity Shares are in joint names) in same order in which they hold the Equity Shares, along with the TRS generated by the exchange bidding system at the head-office (mentioned in paragraph 18 of this Letter of Offer) of Registrar to the Buyback. TRS will be generated by the respective Seller Members. Eligible Sellers who cannot hand deliver the Tender Form and other documents at the office of Registrar to the Buyback, may send the same by registered post / speed post, at their own risk, super scribing the envelope as “**Star Cement- Buyback Offer 2019**”, to the Registrar to the Buyback at their office mentioned on the cover page of this LOF, so that the same are received not later than 2 (two) days from the Buyback Closing Date (by 5 PM). One copy of TRS will be retained by the Registrar and it will provide acknowledgment of the same to the Seller Member/Eligible Seller.
- g) Modification and cancellation of the orders will be allowed during the tendering period of the Buyback.
- h) The Cumulative quantity tendered shall be made available on the website of the BSE (www.bseindia.com) throughout the trading sessions and will be updated at specific intervals during the tendering period.
- i) The Eligible Shareholders who have tendered their Demat Shares in the Buyback will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or partial acceptance. Further, Eligible Shareholders will have to ensure that they keep the bank account attached with the DP account active and updated to receive credit remittance due to acceptance of Buyback of shares by the Company.
- j) Excess Demat Shares or unaccepted Demat Shares, if any, tendered by the Eligible Shareholders would be returned to them by Clearing Corporation. If the securities transfer instruction is rejected in the depository system, due to any issue then such securities will be transferred to the Shareholder Broker’s depository pool account for onward transfer to the Eligible Shareholder. In case of custodian participant orders, Demat Shares or unaccepted Demat Shares, if any, will be returned to the respective custodian depository pool account.
- k) Eligible Shareholders who have tendered their Demat Shares in the Buyback shall also provide all relevant documents, which are necessary to ensure transferability of the Demat Shares in respect of the Tender Form to be sent. Such documents may include (but not be limited to):
 - I. Duly attested power of attorney, if any person other than the Eligible Shareholder has signed the Tender Form;
 - II. Duly attested death certificate and succession certificate/ legal heirship certificate, in case any Eligible Shareholder is deceased or court approved scheme of merger/ amalgamation for a company; and

- III. In case of companies, the necessary certified corporate authorisations (including board and/ or general meeting resolutions).
- l) In case of demat Equity Shares, submission of Tender Form and TRS is not required. After the receipt of Equity Shares in the special account of the clearing corporation and a valid bid in the exchange bidding system, the Buyback shall be deemed to have been accepted, for demat Equity Shareholders.
- m) Equity shareholders who have dematerialized their equity shares after the record date and have tendered their equity shares in the buy-back have to send a letter along with transaction statement of the demat account from where the equity shares have been tendered, to the Registrar on or before November 07, 2019.

20.18 Procedure to be followed by Registered Equity Shareholders holding Equity shares in the Physical Form:

- a) **All Equity Shareholders holding the Physical Shares shall note that in accordance with the proviso to regulation 40(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (notified by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018), read with SEBI's press release dated March 27, 2019, transfers of securities shall not be processed unless the securities are held in the dematerialized form with a depository with effect from April 1, 2019. Given that the settlement of equity shares will happen post the effective date of LODR Amendment, i.e. April 1, 2019, the Company shall not be able to accept the equity shares tendered in physical form. Accordingly, the eligible shareholders are advised to approach the concerned depository participant to have their equity shares dematerialized before tendering their equity shares in the buyback.**
- b) **In case any person has submitted equity shares in physical form for dematerialisation, such eligible shareholders should ensure that the process of getting the equity shares dematerialised is completed before such eligible shareholders tender their equity shares in the buyback, so that they can participate in the buyback offer.**

20.19 Modification/ cancellation of the orders will be allowed during the Tendering period of the Buyback.

20.20 The cumulative quantity tendered shall be made available on BSE Limited's website- www.bseindia.com throughout the Trading session and will be updated at specific intervals during the tendering period.

20.21 Additional requirements in respect of tenders by the Non-Resident Shareholders:

- a) While tendering their Equity Shares under the Buyback, all Eligible Shareholders being Non-Resident Shareholders (excluding FIIs) shall enclose a copy of the permission received by them from RBI, if applicable, to acquire the Equity Shares held by them.
- b) In case the Equity Shares are held on a repatriation basis, the Non-Resident Eligible Shareholders shall obtain and enclose a letter from the Eligible Shareholder's authorised dealer/ bank confirming that at the time of acquiring the said Equity Shares, payment for the same was made by the Non Resident shareholder from the appropriate account (e.g. NRE a/c) as specified by RBI in its approval. In case the Non-Resident shareholder is not in a position to produce the said certificate, the Equity Shares would be deemed to have been acquired on non-repatriation basis and in that case the Non Resident Eligible Shareholder shall submit a consent letter addressed to the Company, allowing the Company to make the payment on a non-repatriation basis in respect of the valid Equity Shares Accepted in the Buyback.
- c) If any of the above stated documents, as applicable, are not enclosed along with the Tender Form, the Equity Shares tendered under the Buyback are liable to be rejected.

The participation of the Eligible Shareholders in the Buyback is entirely at the discretion of the Eligible Shareholders. The Company does not accept any responsibility for the decision of any Eligible Shareholder to either participate or to not participate in the Buyback. The Company will not be responsible in any

manner for any loss of Share certificate(s) and other documents during transit and the Eligible Shareholders are advised to adequately safeguard their interest in this regard.

B. ACCEPTANCE OF ORDERS

The Registrar to the Buyback shall provide details of order Acceptance to the Clearing Corporation within specified timelines.

20.22 METHOD OF SETTLEMENT

Upon Finalization of the basis of acceptance as per Buyback Regulations:

- a. The settlement of Trades shall be carried out in the manner similar to the settlements of Trade in the secondary markets.
- b. The Company will pay the consideration to the Clearing Corporation on or before the pay-in date for settlement. For Equity Shares accepted under the Buyback, the Eligible Sellers holding Equity Shares in dematerialized form will receive funds payout in the Eligible Sellers bank account as provided by the depository system from Clearing Corporation and Seller Member (on behalf of the Eligible Sellers holding Equity Shares in physical form), will receive funds payout in their settlement bank account from Clearing Corporation.
- c. The equity shares bought back in the demat form would be transferred directly to the escrow account of the Company (the "**Demat Escrow Account**") provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Demat Escrow Account on receipt of the Equity Shares from the Clearing and Settlement Mechanism of the Stock Exchange.
- d. Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Eligible Seller would be returned to them by Clearing Corporation. If the securities transfer instruction is rejected in the depository system, due to any issue, then such Equity Shares will be transferred to the Seller Member's pool account for onward transfer to the Eligible Seller. In case of custodian participant orders, excess demat Equity Shares or unaccepted demat Equity Shares, if any, will be returned to the respective custodian participant.
- e. The settlements of fund obligation for dematerialized and physical Equity Shares shall be effected as per the SEBI circulars no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 and BSE notice no. 20170202-34 dated February 2, 2017 and as prescribed by Stock Exchanges and Clearing Corporation from time to time. The Clearing Corporation would settle the trades by making, direct funds payout to the Eligible Sellers holding Equity Shares in dematerialized form in Eligible Seller's bank account as provided by the depository system and Seller Member (on behalf of the Eligible Sellers holding Equity Shares in physical form), in their settlement bank account and the Seller Member would issue contract note. Company's Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buyback. If Eligible Sellers bank account details are not available or if the fund transfer instruction is rejected by Reserve Bank of India or bank, due to any reasons, then the amount payable to Eligible Sellers will be transferred to the Seller Member for onward transfer to the Eligible Sellers
- f. The Seller Member would issue Contract note & pay the consideration for the Equity Shares accepted under the Buyback and return the balance unaccepted equity shares to their respective clients. Company Broker would also issue a contract note to the Company for the equity shares accepted under the Buyback.
- g. In case of certain shareholders viz., NRIs, non-residents etc. (where there are specific regulatory requirements pertaining to funds payout including those prescribed by the RBI) who do not opt to settle through custodians, the funds payout would be given to their respective Shareholder Broker's settlement accounts for releasing the same to such shareholder's account. For this purpose, the client type details would be collected from the Depositories, whereas amount payable to the Eligible Shareholder pertaining to the bids settled through custodians will be transferred to the settlement bank account of the custodian, each in accordance with the applicable mechanism prescribed by the BSE and the Clearing Corporation from time to time.

- h. Shareholders who intend to participate in the Buyback should consult their respective Seller Member for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Seller Member upon the selling shareholders for Tendering Equity Shares in the Buyback (secondary market transaction). The Buyback consideration received by the selling Shareholders from their respective Seller Member, in respect of accepted equity shares, could be net of such costs, charges and expenses (including brokerage) and the company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred by the selling shareholders.
- i. The Equity Shares lying to the credit of the Demat Escrow Account will be extinguished in the manner and following the procedure prescribed in the Buyback Regulations.

Special Account opened with the Clearing Corporation

The details of transfer of the Demat Shares to the special account by trading member or custodians shall be informed in the issue opening circular that will be issued by the BSE or the Clearing Corporation.

20.23 In case of Non- Receipt of this letter of Offer

- a. **In case the equity shares are in Dematerialized form:** An eligible person may participate in the offer by downloading the Tender form from the website of the Company www.starcement.co.in or by providing their application in writing on plain paper, signed by all joint shareholders, stating name and address of shareholder(s), number of equity shares held as on the record date, Client ID Number, DP name/ID, beneficiary account number, and number of equity shares tendered for the Buyback.
- b. **In case the Equity shares are in Physical Form:** An eligible All Equity Shareholders holding the Physical Shares shall note that in accordance with the proviso to regulation 40(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (notified by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018), read with SEBI's press release dated March 27, 2019, transfers of securities shall not be processed unless the securities are held in the dematerialized form with a depository with effect from April 1, 2019. Given that the settlement of equity shares will happen post the effective date of LODR Amendment, i.e. April 1, 2019, the Company shall not be able to accept the equity shares tendered in physical form. Accordingly, the eligible shareholders are advised to approach the concerned depository participant to have their equity shares dematerialized before tendering their equity shares in the buyback.

Please note that Eligible Person(s) who intend to participate in the Buyback will be required to approach their respective Seller Member (along with the complete set of documents for verification procedures) and have to ensure that their bid is entered by their respective Seller Member or broker in the electronic platform to be made available by BSE before the Closing Date.

The Company shall accept Equity Shares validly tendered by the Shareholder(s) in the Buyback on the basis of their shareholding as on the Record Date and the Buyback Entitlement. Eligible Person(s) who intend to participate in the Buyback using the 'plain paper' option as mentioned in this paragraph are advised to confirm their entitlement from the Registrar to the Buyback Offer, before participating in the Buyback.

- 20.24 Non receipt of this Letter of Offer by, or accidental omission to dispatch this Letter of Offer to, any Eligible Person shall not invalidate the Buyback Offer in any way.
- 20.25 The acceptance of the Buyback Offer made by the Company is entirely at the discretion of the Equity shareholders of the Company. The Company does not accept any responsibility for the decision of any equity shareholder to either participate or not to participate in the buyback offer. The Company will not be responsible in any manner for any loss of share Certificate(s) and other documents during transit and the Equity shareholders are advised to adequately safeguard their interest in this regard.

21 NOTES ON TAXATION

SHAREHOLDERS ARE ADVISED TO CONSULT THEIR TAX ADVISORS FOR THE APPLICABLE TAX PROVISIONS INCLUDING THE TREATMENT THAT MAY BE GIVEN BY THEIR RESPECTIVE ASSESSING OFFICERS IN THEIR CASE AND THE APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE. THE COMPANY DOES NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR OTHERWISE OF SUCH ADVICE.

THE SUMMARY OF THE TAX CONSIDERATIONS IN THESE PARAGRAPHS ARE BASED ON THE CURRENT PROVISIONS OF THE TAX LAWS OF INDIA AND THE REGULATIONS THEREUNDER, THE JUDICIAL AND THE ADMINISTRATIVE INTERPRETATIONS THEREOF, WHICH ARE SUBJECT TO CHANGE OR MODIFICATION BY SUBSEQUENT LEGISLATIVE, REGULATORY, ADMINISTRATIVE OR JUDICIAL DECISIONS. ANY SUCH CHANGES COULD HAVE DIFFERENT TAX IMPLICATIONS.

THE COMPANY DOES NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR OTHERWISE OF SUCH ADVICE. THEREFORE, ELIGIBLE SHAREHOLDERS CANNOT RELY ON THIS ADVICE AND THE SUMMARY TAX IMPLICATIONS RELATING TO THE TREATMENT OF INCOME TAX IN THE CASE OF BUY BACK OF LISTED EQUITY SHARES ON THE STOCK EXCHANGE SET OUT BELOW SHOULD BE TREATED AS INDICATIVE AND FOR GUIDANCE PURPOSES ONLY.

21.1 GENERAL

The basis of charge of Indian Income-Tax depends upon the residential status of the taxpayer during a tax year. The Indian tax year runs from April 1 until March 31. A person who is an Indian tax resident is liable to taxation in India on his worldwide income, subject to certain tax exemptions, which are provided under the Income Tax Act, 1961 (hereinafter referred as Income Tax Act).

A person who is treated as non-resident for Indian Income-Tax purposes is generally subject to tax in India only on such person's income which is accrued or has been received in India. Any gains arising to a nonresident on transfer of Equity Shares should be taxable in India under the Income Tax Act. Further, as per the provisions of the Income Tax Act, the non-resident can avail the beneficial provisions of the Double Taxation Avoidance Agreements (DTAA) between India and the respective jurisdiction of the shareholder subject to meeting relevant conditions and providing and maintaining necessary information and documents as prescribed under the Income Tax Act.

The Income Tax Act also provides for different tax regimes / rates applicable to the gains arising on buyback of shares, based on the period of holding, residential status and category of the shareholder, nature of the income earned, etc. The summary of tax implications on buyback of listed equity shares on the stock exchange is set out below. All references to equity shares in this note refer to listed equity shares unless stated otherwise.

21.2 CLASSIFICATION OF SHARES AND SHAREHOLDERS

a) Based on the provisions of the Income Tax Act, shares can be classified under the following two categories:

- i. Shares held as investment (Income from transfer taxable under the head "Capital Gains")
- ii. Shares held as stock-in-trade (Income from transfer taxable under the head "Profits and Gains from Business or Profession")

b) Based on the provisions of the Income Tax Act, shareholders can be classified under the following categories:

- i) Resident Shareholders being:**
 - Individuals, HUF, AOP and BOI
 - Others

- ii) **Non- Resident shareholders being:**
- NRIs
 - FIIs
 - Others: Company; other than company

21.2.1 CLASSIFICATION OF INCOME

Shares can be classified under the following 2 (two) categories:

- a) Shares held as investment (income from transfer taxable under the head “Capital Gains”)
- b) Shares held as stock-in-trade (income from transfer taxable under the head “Profits and Gains from Business or Profession”)

Gains arising from the transfer of shares may be treated either as “capital gains” or as “business income” for tax purposes, depending upon whether such shares were held as a capital asset or trading asset (i.e. stock-in-trade). Traditionally, the issue of characterization of income arising from sale of shares has been a subject matter of litigation with the tax authorities. The apex body of Income-tax has issued Circular no. 6 of 2016, as per which, if the taxpayer opts to consider the shares as stock-in-trade, the income arising from the transfer of such shares would be treated as its business income. Also, if such shares are held for a period of more than 12 months, and if the taxpayer desires to treat the income arising from the transfer thereof as “capital gains”, the same shall not be put to dispute by the Tax Officer.

Further, investments by FII in any securities in accordance with the regulations made under the Securities Exchange Board of India Act, 1992 would be treated as capital asset under the provisions of the Income Tax Act.

21.2.2 SHARES HELD AS INVESTMENT

As per the provisions of the Income Tax Act, where the shares are held as investments, income arising from the transfer of such shares is taxable under the head “Capital Gains”. Capital gains on buyback of shares are governed by the provisions of Section 46A of the Income Tax Act and would attract capital gains in the hands of shareholders as per provisions of Section 48 of the Income Tax Act. The provisions of buy back tax under Section 115QA in Chapter XII-DA of the Income Tax Act do not apply for shares listed on the stock exchange and accordingly, the exemption provided under section 10(34A) of the Income Tax Act shall not be applicable.

21.2.3 Period of holding

Depending on the period for which the shares are held, the gains would be taxable as “short term capital gain” or “long term capital gain”:

- In respect of equity shares held for a period of less than or equal to 12 months prior to the date of transfer, the same shall be treated as a short-term capital asset , and the gains arising there from shall be taxable as “short term capital gains” (“STCG”).
- Similarly, where equity shares are held for a period of more than 12 months prior to the date of transfer, the same shall be treated as a long-term capital asset , and the gains arising there from shall be taxable as “long term capital gains” (“LTCG”).

21.2.4 Buyback of shares through a recognized stock exchange.

Since the buyback is undertaken on the stock exchange, such transaction is chargeable to Securities Transaction Tax (“STT”). STT is a tax payable in India on the value of securities on every purchase or sale of

securities that are listed on the Indian Stock Exchange. Currently, the STT rate applicable on the purchase or sale of shares on the stock exchange is 0.1% of the value of security.

Where transaction for transfer of such equity shares (i.e. buyback) is transacted through a recognized stock exchange and subjected to STT then the taxability will be as under (for all categories of shareholders):

a) Long Term Capital Gains

Prior to the introduction of Finance Act, 2017, section 10(38) of the Income Tax Act provided that the income arising from a transfer of long term capital asset, being equity share in a company is exempt from tax if the transaction is subjected to STT.

Vide Finance Act, 2017 section 10(38) of the Income Tax Act was amended to provide that the exemption under section 10(38) shall not be applicable in scenarios where the equity shares sold is purchased on or after 1 st October, 2004 without payment of STT. However, vide Notification No. 60/2018 dated 1st October 2018, an exemption from the requirement of STT being paid at the time of acquisition of shares provided to certain modes of acquisition including acquisition of shares by a non-resident under the FDI policy. If acquisition is made in such specified modes, the exemption under section 10(38) shall continue to apply, even if no STT was paid at the time of acquisition of the shares.

Further vide Finance Act, 2018 section 10(38) of the Income Tax Act was further amended to withdraw the exemption contained therein on income arising from transfer of equity share in a company after 1st April, 2018.

A new section namely section 112A was inserted in the Income Tax Act vide Finance Act, 2018 to provide for the following:

- Tax @ 10% on LTCG, exceeding INR 1 Lac, arising from transfer of equity share in a company on or after 1st April, 2018 without considering the benefit of the first proviso and the second proviso to section 48 of the Income Tax Act.
- Capital Gains accrued on such equity shares till 31st January, 2018 have been grandfathered.
- Cost of acquisition in respect of equity shares in a company transferred on or after 1st April, 2018 shall be as follows:
 - In case where the equity share in a company is acquired before 1st February, 2018; higher of the following :
 - I. The actual cost of acquisition of such equity shares acquired before 1st February, 2018; or
 - II. The lower of the following :-
 1. The highest price of the equity share of the company quoted on a recognized stock exchange on 31st January, 2018; or
 2. The actual sale consideration received from transfer of such equity share in a company (The benefit of the first proviso and the second proviso to section 48 of the Income Tax Act will not be available)
 - In case where the equity share in a company is acquired on or after 1st February, 2018, the cost of acquisition shall be the cost of acquisition without considering the benefit of the first proviso and the second proviso to section 48 of the Income Tax Act

Section 115AD of the Income Tax Act has been amended to provide that tax @ 10% shall be applicable on income arising to FII from transfer of long term capital asset being equity shares in a company.

If STT is not paid at the time of acquisition of the shares being bought back, entire LTCG arising to the shareholder shall be subject to tax @ 10% under Section 112 of the IT Act (or 20% after claiming indexation benefit which is relevant in case of resident shareholders).

b) Short Term Capital Gains

STCG arising from such transaction would be subject to tax @ 15% under section 111A of the Income Tax Act.

In case of resident Individual or HUF, if the short term Capital Gain is below the maximum amount not chargeable to tax in that case such short term Capital Gain shall be reduced by the amount of shortfall. In addition to the above STCG tax, Surcharge, Health and education cess are leviable.

For non-residents, taxability of capital gains would be subject to taxability under the Income tax act or beneficial provisions of applicable Double Taxation Avoidance Agreement (“DTAA”), whichever is more beneficial but subject to fulfilling relevant conditions and submitting/ maintaining necessary documents prescribed under the Income Tax Act.

21.3 SHARES HELD AS STOCK-IN-TRADE

If the shares are held as stock-in-trade by any of the shareholders of the Company, then the gains would be characterized as business income and taxable under the head “Profits and Gains from Business or Profession. In such a case, the provisions of Section 46A of the Income Tax Act will not apply.

21.3.1 Resident Shareholders.

- (a) For individuals, HUF, AOP, BOI, profits would be taxable at slab rates.
- (b) Domestic Company having turnover or gross receipts not exceeding INR 250 crore of the previous year 2018- 19 would be taxable @ 25%.
- (c) For persons other than stated in (a) and (b) above, profits would be taxable @ 30%.

In addition to the above, Surcharge and Health and education cess are leviable. Further no benefit of indexation by virtue of period of holding would be available in any case.

21.3.2 Non-Resident Shareholders

- a) When DTAA provisions are applicable:

Non-resident shareholders can avail beneficial provisions of the applicable DTAA entered into by India with relevant country in which the shareholder is resident, but subject to fulfilling relevant conditions and submitting/ maintaining necessary documents prescribed under the Income Tax Act.

- b) Where DTAA provisions are not applicable:

- For non-resident individuals, HUF, AOP, BOI, profits would be taxable at slab rates
- For foreign companies, profits would be taxed in India @ 40%
- For other non-resident shareholders, such as foreign firms, profits would be taxed in India @ 30%.

In addition to the above, Surcharge, Health and education cess are leviable.

21.4 TAX DEDUCTION AT SOURCE.

21.4.1 In case of Resident Shareholders.

In absence of any specific provision under the Income Tax Act, the Company is not required to deduct tax on the consideration payable to resident shareholders pursuant to the said Buyback.

21.4.2 In case of Non-resident Shareholders

Since the buy-back is through the Stock Exchange, the responsibility of discharge of the tax due on the gains (if any) is primarily on the non-resident shareholder. It is therefore important for the non-resident shareholders to suitably compute such gains (if any) on this transaction and immediately pay taxes in India (either through deduction at source or otherwise) in consultation with their custodians / authorized dealers / tax advisors / stock broker appropriately.

In the event, the Company is held liable for the tax liability of the Shareholder, the same shall be to the account of the Shareholder and to that extent the Company is entitled to be indemnified. The non-resident shareholders also undertake to provide the Company, on demand, the relevant details in respect of the taxability / non-taxability of the proceeds arising on buyback of Equity Shares by the Company, copy of tax return filed in India, evidence of the tax paid etc.

21.5 Notes

- a) **The above note on taxation sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the disposal of equity shares.**
- b) **This note is neither binding on any regulators nor can there be any assurance that they will not take a position contrary to the comments mentioned herein. Hence, you should consult with your own tax advisors for the tax provisions applicable to your particular circumstances.**
- c) **All the above benefits are as the per the current tax laws (including amendments made by the Finance Act, 2018), legislation, its judicial interpretation and the policies of the regulatory authorities are subject to change from time to time, and these may have a bearing on the benefits listed above. Accordingly, any changes or amendments in the law or relevant regulations would necessitate a review of the above.**
- d) **Several of these benefits are dependent on the shareholders fulfilling the conditions prescribed under the provisions of the relevant sections under the relevant tax laws.**
- e) **The tax rate and other provisions may undergo changes.**

22. DECLARATION BY THE BOARD OF DIRECTORS

Declaration as required under Clause (ix) and (x) of the Schedule I, of the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018, as under:

- I. The Board of Directors confirms that there are no defaults subsisting in repayment of deposits, interest payable thereon, redemption of debentures & interest payable thereon, redemption of preference shares or payment of dividend due to any shareholder or repayment of any loans and interest payable thereon to any financial institution or banking company.
- II. The Board of Directors confirm that based on a full enquiry conducted into the affairs and prospects of the Company and taking into account all the liabilities including prospective and Contingent liabilities payable as if the Company were being wound up under the companies Act, the Board of Directors have formed an opinion that:
 - a) Immediately following the date of convening of the Board Meeting at which the buyback of the Company's equity shares is approved, there will be no grounds on which the Company can be found unable to pay its debts.
 - b) As regards the Company's prospects for the year immediately following the date of the Board Meeting approving the buyback, and having regard to the Board's intentions with respect to the management of the Company's business during that year and to the amount and character of the financial resources, which will, in the Board's view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of the Board meeting approving the buy back.
 - c) In forming its opinion aforesaid, the Board has taken into account the liabilities as if the Company were being wound up under the provisions of the Companies Act, 2013 or the Insolvency and Bankruptcy code, 2016 (including prospective and contingent liabilities).
 - d) That the debt equity ratio of the Company after Buy Back will be within the limit of 2:1 as prescribed under the Act.

This declaration is made and issued by the Board of Directors in terms of the Resolution passed at the meeting of Board of Directors on June 21, 2019.

For and on behalf of the Board of Directors of Star Cement Limited

Sd/-

**Sajjan Bhajanka
Chairman & Managing Director
DIN: 00246043**

Sd/-

**Sanjay Agarwal
Managing Director
DIN: 00246132**

23 AUDITORS CERTIFICATE

The text of the Report dated June 21, 2019 received from M/s. D.K. Chhajer & Co., Chartered Accountants, the Statutory Auditors of the Company, addressed to the Board of Directors of the Company is reproduced below:

QUOTE

**The Board of Directors
Star Cement Limited
Village: Lumshnong, P.O. Khaliehriat
Dist. East Jaintia Hills, Meghalaya- 793 210**

Dear Sir/ Madam,

Sub: Statutory Auditor's Report in respect of proposed buyback of equity shares by Star Cement Limited (the "Company") not exceeding 10% of the aggregate of the fully paid up equity shares and free reserves as per the audited accounts of the Company for the year ended March 31, 2019 on proportionate basis ("the Buy-back") from the eligible shareholders by way of tender offer through the Stock Exchange mechanism in terms of the clause (xi) of Schedule I of the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 (as amended) ("Buy-back Regulations").

1. The Board of Directors of the Company have approved a proposal for buyback of 68,00,000 fully paid up equity shares for an aggregate consideration of Rs. 102,00,00,000/- (Rupees One Hundred and Two crores only) at its meeting held on June 21, 2019 in pursuance of the provisions of Sections 68, 69 and 70 of the Companies Act, 2013 (the "Act") and the Buyback Regulations. We have been requested by the Management of the Company to provide a report on the accompanying statement of permissible capital payment (including premium) ('Annexure A') as at March 31st 2019 (hereinafter referred to as the "Statement"). This statement has been prepared by the Management, which we have initialed for the purposes of identification only.

Management's Responsibility

2. The preparation of the Statement in accordance with Section 68(2)(c) of the Companies Act, 2013 and the compliance with the Buyback Regulations, is the responsibility of the Management of the Company, including the computation of the amount of the permissible capital payment, the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

Auditor's Responsibility:

3. Pursuant to the requirement of the Buyback Regulations, it is our responsibility to provide a reasonable assurance:
- i. whether we have inquired into the state of affairs of the Company in relation to the audited standalone financial statements as at March 31, 2019 ;
 - ii. if the amount of permissible capital payment as stated in Annexure A, has been properly determined considering the audited standalone financial statements as at March 31, 2019 in accordance with Section 68(2) of the Companies Act, 2013; and
 - iii. if the Board of Directors of the Company, in their meeting held on June 21, 2019 have formed the opinion as specified in Clause (x) of Schedule I to the Buyback Regulations, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the date of declaration adopted by the Board of Directors.

4. The standalone financial statements referred to in Paragraph 3 above, have been audited by us, on which we have issued an unmodified audit opinion in our report dated May 07, 2019. We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.
5. We conducted our examination of the Statement in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements

Opinion

7. Based on enquiries conducted and our examination as above, we report that:
 - a. We have enquired into the state of affairs of the Company in relation to its audited standalone financial statements as at and for the year ended March 31, 2019 which has been approved by the Board of Directors of the Company on May 07, 2019
 - b. The amount of permissible capital payment (including premium) towards the proposed buyback of equity shares as computed in the Statement attached herewith, is properly determined, in our view, in accordance with Section 68(2)(c) of the Act. The amounts of share capital and free reserves have been extracted from the audited standalone financial statements of the Company as at and for the year ended March 31, 2019;
 - c. The Board of Directors of the Company, in their meeting held on June 21, 2019 have formed their opinion as specified in clause (x) of Schedule I to the Buyback Regulations, on reasonable grounds and that the Company, having regard to its state of affairs, will not be rendered insolvent within a period of one year from the date of passing the Board meeting resolution dated June 21, 2019. Based on the above declaration of the Board of Directors and other information and explanations given to us, which to the best of our knowledge and belief were necessary for this purpose, we are not aware of anything to indicate that the above mentioned opinion expressed by the Directors is unreasonable in all the circumstances.

Restriction on Use

8. This report has been issued at the request of the Company solely for use of the Company (i) in connection with the proposed buyback of equity shares of the Company in pursuance to the provisions of Sections 68 and other applicable provisions of the Companies Act, 2013 and the Buyback Regulations, (ii) to enable the Board of Directors of the Company to include in the public announcement, draft letter of offer, letter of offer and other documents pertaining to buyback to be sent to the shareholders of the Company or filed with (a) the Registrar of Companies, Securities and Exchange Board of India, Stock Exchanges, shareholders and any other regulatory authority as per applicable law and (b) the Central Depository Services (India) Limited, National Securities Depository Limited and (iii) for providing to the Managers, each for the purpose of extinguishment of equity shares and may not be suitable for any other purpose.

For D.K. Chhajer & Co.

Chartered Accountants

(Firm's Registration No. 304138E)

Sd/-

Niraj Kumar Jhunjunwala

Partner

(Membership No. 057170)

UDIN No. - 19057170AAAABX7819

Date: June 21, 2019

Place: Kolkata

Annexure A - Statement of permissible capital payment

Computation of amount of permissible capital payment towards buyback of equity shares in accordance with section 68(2) (c) of the Companies Act 2013 ("the Act ") based on the audited standalone financial statements as at and for the year ended 31st March, 2019.

| (Rs. In Lakhs) | |
|---|----------------------|
| Particulars | As at March 31, 2019 |
| Issued, Subscribed and fully paid up Equity Shares (A) 41,92,28,997 Equity Shares of Re. 1/- each, fully paid up | 4192.29 |
| Free Reserves– (Refer Note 1) | |
| - General Reserve | 3187.83 |
| - Surplus (Retained Earnings)(Refer Note 2) | 97107.22 |
| (B) | 1,00,295.05 |
| Total (A+B) | 1,04,487.34 |
| Maximum amount permissible for the Buyback i.e. 10% of the aggregate of fully paid up equity share capital and free reserves | 10,448.73 |

Note:

- 1) Free Reserves are as per Clause 43 of section 2 and explanation II to Section 68 of the Companies Act, 2013.
- 2) Net of re-measurement loss on defined benefit plan Rs. (2.15) lacs as at March 31, 2019.

| | |
|--|--|
| <p>For D.K. Chhajer & Co. Chartered Accountants (Firm's Registration No. 304138E) Sd/- Niraj Kumar Jhunjhunwala Partner (Membership No. 057170)</p> | <p>For Star Cement Limited Sd/- Manoj Agarwal Chief Financial Officer</p> |
|--|--|

UNQUOTE

24. DOCUMENTS FOR INSPECTION

The following material documents are available for inspection by the shareholders of Star Cement Limited Limited at their Registered Office at Vill: Lumshnong, P.O.: Khaliehriat, Dist.: East Jaintia Hills, Meghalaya – 793210 from 11.00 A.M. to 5.00 P.M. on any day except Saturdays, Sundays and public holidays, during the Tendering Period.

- a) Copy of the Certificate of Incorporation and the Memorandum and Articles of Association.
- b) Copy of the Audited financials of Star Cement Limited for the financial years 2017, 2018 and 2019.
- c) Copy of the Resolution passed by the Board of Directors at its meeting held on June 21, 2019 approving proposal for Buyback.
- d) Copy of the Certificate dated June 21, 2019, received from D.K. Chhajer & Co., Chartered Accountants, the Statutory Auditors of the company, in terms of Clause (xi) of Schedule I of the Buyback Regulations.
- e) Copy of the Declaration of Solvency and the Affidavit in form SH-9 as prescribed under section 68(6) of the Companies Act, 2013.
- f) Copy of the Escrow Agreement.
- g) Copy of the Certificate from AKSD & Associates, Chartered Accountants on availability of sufficient resources.
- h) Copy of the Public Announcement published in the newspapers on June 25, 2019.
- i) SEBI Comments vide letter no. SEBI/HO/CFD/DCR-2/OW/P/2019/26282/1 dated October 04, 2019.

25. COMPLIANCE OFFICER

Mr. Debabrata Thakurta, Company Secretary and Compliance Officer
Star Cement Limited
Satyam Towers, Unit No. 9B, 1st Floor
3 Alipore Road, Kolkata – 700027
Tel no. (033) 24015556; **Fax No.** (033) 24015556
Email: debabratathakurta@starcement.co.in
Website: www.starcement.co.in

Investor may contact the Compliance Officer for any clarification or to address their grievances, if any, during office hours i.e. 10.00 a.m. to 5.00 p.m. on all working days except Saturday, Sunday and Public holidays.

26. DETAILS OF THE REMEDIES AVAILABLE TO THE SHAREHOLDERS/BENEFICIAL OWNERS

- a) In case of any Grievance related to the buyback Offer (i.e. non receipt of the buyback consideration, Demat Credit, etc) the investors can approach the Compliance officer/or the Manager to the buyback Offer/or the Registrar to the buyback offer for redressal.
- b) If the Company makes any default in complying with the provisions of Section 68, 69, 70 of the Companies Act, 2013 or any rules made thereunder, the company or any officer of the Company who is in default shall be punishable for a term and its limit or with a fine or its limit or with both in terms of Companies Act, 2013, as applicable.
- c) The address of the concerned office of the Registrar of Companies is as follows:

Registrar of Companies, Assam, Meghalaya, Manipura, Tripura, Mizoram, Nagaland & Arunachal Pradesh

New Address

Prithvi Planet
GS Road, Ulubari
Lachit Nagar
Guwahati- 781007

Old Address

Morello Building, Ground Floor
Shillong - 793001

27. INVESTOR SERVICE CENTRE & REGISTRAR TO THE OFFER/ RTA:

In case of any query, the shareholders may contact the Registrar to the Buyback during working hours, i.e. 10.00 a.m. to 5:00 p.m. on all working days except Saturday, Sunday and Public holidays at the following address:

Registrar to the Buyback:

MAHESHWARI DATAMATICS PVT. LTD.

23 R. N. Mukherjee Road, 5th floor, Kolkata -700001

Tel No.: (033) 22482248, 22435029

Fax No.: (033) 22484787

Email: mdpldc@yahoo.com, Website: <http://www.mdpl.in>

Contact Person: Mr. S. Rajagopal

SEBI registration no.: INR0000000353

28. MANAGER TO THE BUYBACK OFFER



NARNOLIA FINANCIAL ADVISORS LIMITED

201, 2nd Floor, Marble Arch

236B, A.J.C Bose Road, Kolkata – 700020

Tel. No : (033) 4050 1500

Fax : (033) 4050 1549

Email: mgoenka@narnolia.com

Website: www.narnolia.com

Contact Person: Mr. Manav Goenka

SEBI REGN NO: INM000010791

29. DECLARATION BY THE DIRECTORS REGARDING AUTHENTICITY OF THE INFORMATION IN THE OFFER DOCUMENT

As per Regulation 24(i)(a) of the Buyback Regulations, the Board of Directors of the Company accept full and final responsibility for the information contained in this Letter of Offer and confirms that this Letter of Offer contains true, factual and material information and does not contain any misleading information. A copy of this Letter of Offer will be available on the SEBI's website www.sebi.gov.in during the period of the Buyback.

**For and on behalf of the Board of Directors of
M/s. Star Cement Limited**

| | | |
|---|---|--|
| Sajjan Bhajanka Chairman & Managing Director DIN: 00246043 | Sanjay Agarwal Managing Director DIN: 00246132 | Debabrata Thakurta Company Secretary & Compliance Officer M.No.: FCS6554 |
|---|---|--|

Date: October 10, 2019

Place: Kolkata

Enclosures:

1. Tender Form for Eligible Shareholders

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