DRAFT LETTER OF OFFER ("LETTER OF OFFER/LOF")
THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as a Public Shareholder of Anjani Portland Cement Limited (**"Target Company"**). If you require any clarifications about the action to be taken, you may consult your stock broker or an investment consultant or the Manager to the Offer (as defined herein below) or the Registrar to the Offer (as defined herein below). In case you have recently sold your shares in the Target Company, please hand over this Letter of Offer, the accompanying Form of Acceptance-cum-Acknowledgement, and the transfer deed to the member of the stock exchange through whom the said sale was effected.

Open Offer (the "Offer" or "Open Offer") by
Chettinad Cement Corporation Limited ("Acquirer")
Registered Office:"Rani Seethai Hall Building", # 603, Anna Salai, Chennai-600 006, India.
Tel No.: (+91) 44 2829 2727; **Fax no.:** (+91) 44 2829 1558
to acquire a maximum of 47,81,296 (Forty seven lacs eighty one thousand two hundred and ninety six) fully paid up equity shares of face value of Rs. 10/- (Rupees Ten) each (**"Shares"**) representing 26% (Twenty six percent) of the Equity Share Capital (as defined herein below) (**"Offer Size"**)

of

Anjani Portland Cement Limited
Registered Office: Sitha Nilayam, 153, Dwarakapuri Colony, Punjagutta, Hyderabad – 500 082, Andhra Pradesh, India
Tel No.: (+91) 40 2335 3096/3106; **Fax No.:** (+91) 40 2335 3093

at a price of Rs. 61.75/- (Rupees Sixty One and Seventy Five Paise) per Share (the "Offer Price") payable in cash pursuant to the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereof (the "SEBI (SAST) Regulations")

Note:

1. This Offer is being made by the Acquirer pursuant to Regulation 3(1) and 4 of the SEBI (SAST) Regulations.
2. This Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of the SEBI (SAST) Regulations.
3. This Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
4. This Offer is subject to certain statutory, regulatory and other approvals and conditions described in paragraph 6.16.
5. Upward revision, if any, in the Offer Price and/or Offer Size by the Acquirer upto 3 (Three) working days prior to the commencement of the Tendering Period, i.e. up to Tuesday, May 06, 2014, or in the case of withdrawal of the Offer, the same would be informed by way of a public announcement in the same newspapers in which the original Detailed Public Statement in relation to this Offer had appeared. Such revised Offer Price would be payable for all the Shares validly tendered anytime during the period that the Offer is open and accepted under the Offer.
6. **If there are competing offers, the public offers under all the subsisting bids shall open and close on the same date. As per the information available with the Acquirer / Target Company, no competitive bid has been announced as of the date of this Letter of Offer.**
7. A copy of Public Announcement, Detailed Public Statement and Letter of Offer (including Form of Acceptance-cum Acknowledgement) is also available on Securities and Exchange Board of India ("**SEBI**") website: www.sebi.gov.in

MANAGER TO THE OFFER	**REGISTRAR TO THE OFFER**
MOTILAL OSWAL INVESTMENT ADVISORS PRIVATE LIMITED Motilal Oswal Tower, Junction of Gokhale & Sayani Road, Prabhadevi, Mumbai - 400 025, India **Tel:** +91 22 3980 4380 **Fax:** +91 22 3980 4315 **E-mail:** rupesh.khant@motilaloswal.com **Contact Person:** Mr. Rupesh Khant SEBI Registration No.: INM000011005	**KARVY COMPUTERSHARE PRIVATE LIMITED** Plot No. 17 to 24, Vithal Rao Nagar, Madhapur, Hyderabad, Andhra Pradesh-500 081, India **Tel:** +91 40 2342 0818-828 **Fax:** +91 40 2343 1551, **E-mail:** murali.m@karvy.com **Contact Person :** Mr. M. Muralikrishna SEBI Registration No.: INR000000221
OFFER OPENS ON: [●]	**OFFER CLOSES ON**: [●]

SCHEDULE OF MAJOR ACTIVITIES OF THE OFFER

Activity	Day and Date
Public Announcement (**"PA"**) date	Wednesday, March 12, 2014
Detailed Public Statement ("**DPS**") date	Thursday, March 20, 2014
Date of filing of this Letter of Offer with SEBI	Thursday, March 27, 2014
Last date for a Competing Offer	Thursday, April 15, 2014
Identified Date*	Friday, April 25, 2014
Last date by which Letter of Offer will be dispatched to the Public Shareholders of the Target Company	Monday, May 05, 2014
Last date for upward revision to Offer Price/Offer Size	Tuesday, May 06, 2014
Last date by which the committee of independent directors of the Target Company shall give its recommendation	Thursday, May 08, 2014
Issue opening Public Announcement date	Friday, May 09, 2014
Date of commencement of Tendering Period (Offer opening date)	Monday, May 12, 2014
Date of expiry of Tendering Period (Offer closing date)	Monday, May 26, 2014
Date by which all requirements including payment of consideration would be completed.	Monday, June 09, 2014

** Date falling on the 10th (Tenth) Working Day prior to the commencement of the Tendering Period, for the purpose of determining the Public Shareholders of the Target Company to whom the Letter of Offer shall be sent. It is clarified that all the Public Shareholders (registered or unregistered) of the Target Company (except the Sellers) are eligible to participate in this Offer at any time during the Tendering Period of the Offer.*

NOTE: Duly signed Form of Acceptance-cum-Acknowledgment/transfer deed(s) together with share certificate(s) (in case of physical shares) or copies of delivery instruction slips (in case of dematerialized shares) should be dispatched by registered post/courier or hand delivered to the Registrar to the Offer or its collection centers so as to reach on or before Closure of the Tendering Period (i.e. before Monday, May 26, 2014).

RISK FACTORS

The risk factors set forth below pertain only to the Offer and are not intended to be a complete analysis of all risks in relation to the Offer or in association with the Acquirer or the Target Company, but are only indicative. The risk factors set forth below do not relate to the present or future business or operations of the Target Company and any other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a Public Shareholders in the Offer. The Public Shareholders are advised to consult their stock brokers, tax or investment consultants, if any, for analyzing all the risks with respect to their participation in the Offer.

I. Risk Factors relating to the Transaction

- The completion of the Transaction and the Offer is subject to (i) the compliance of the terms and conditions as set out under the SPA and (ii) receipt of approvals as more particularly set out in paragraph 6.16 of this Letter of Offer. In accordance with the SPA, the Transaction shall be completed only upon the fulfilment of conditions precedent agreed between the Acquirer and the Sellers in the SPA unless waived in writing by the Acquirer. In terms of and in accordance with Regulation 23(1) of the SEBI (SAST) Regulations, if the statutory approvals and other conditions precedent as stated in paragraph 6.16 are not received or satisfactorily complied with, the Acquirer would have the right to withdraw the Offer.
- This Transaction is subject to completion risks as would be applicable to similar transactions.

II. Risks relating to the Offer

- To the best of the knowledge of the Acquirer, no statutory approvals apart from those mentioned in paragraph 6.16 of this Letter of Offer, are required by the Acquirer to complete this Offer. However, in case any other statutory approvals are required by the Acquirer at a later date, this Offer shall be subject to such approvals. While the Acquirer shall make the necessary applications for such approvals, in case of delay in receipt of any such statutory approvals, as per Regulation 18(11) of the SEBI (SAST) Regulations, SEBI may, if satisfied that non-receipt of such approvals was not attributable to any willful default, failure or neglect on the part of the Acquirer to diligently pursue such approvals, grant an extension of time for the purpose of completion of this Offer, subject to the Acquirer agreeing to pay interest to the Public Shareholders for delay beyond 10 (Ten) Working Days from the date of closure of the Tendering Period, at such rate as may be specified by SEBI. Accordingly, in case of delay in receipt of any such statutory approvals, this Offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the Public Shareholders whose Shares are validly accepted in this Offer, as well as the return of Shares not validly accepted in this Offer, may be delayed. Where the statutory approvals extend to some but not all the Public Shareholders, the Acquirer will have the option to make payment of the consideration to such Public Shareholders in respect of whom no statutory approvals are required in order to complete this Offer. The Acquirer will also have the right, under Regulation 23(1) of the SEBI (SAST) Regulations to withdraw this Offer in the event any statutory approval or other conditions precedent as mentioned in paragraph 6.16 below, as may be required, are not granted or satisfied.
- NRI and OCB holders of the Shares must obtain all approvals required to tender the Shares held by them in this Offer (including without limitation, the approval from the RBI) and submit such approvals along with the Form of Acceptance-cum-Acknowledgement and other documents required to accept this Offer.
- In the event that either: (a) there is any litigation that leads to an injunction on this Offer or restricts the Acquirer from performing its obligations hereunder; (b) SEBI instructs the Acquirer not to proceed with this Offer, or (c) there is delay in receiving statutory approvals, this Offer process may not proceed or may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the Public Shareholders whose Shares are validly accepted in this Offer as well as the return of the Shares not validly accepted in this Offer by the Acquirer, may be delayed.
- Public Shareholders should note that those who tender the Shares in acceptance of the Offer during the Tendering Period shall not be entitled to withdraw such acceptances even if the acceptance of the Shares in this Offer and dispatch of consideration are delayed.
- The tendered Shares and documents would be held by the Registrar to the Offer in trust for the Acquirer, till the process of acceptance of tenders and the payment of consideration is completed. The Public Shareholders will not be able to trade in such Shares which are in the custody of the Registrar to the Offer. During such period, there may be fluctuations in the market price of the Shares. The Acquirer makes no assurance with respect to the market price of the Shares both during the period that the Offer is open and upon completion of the Offer and disclaims any responsibility with respect to any decision by the Public Shareholders on whether or not to participate in the Offer.
- The Offer is an offer to acquire up to a maximum of 47,81,296 (Forty seven lacs eighty one thousand two hundred and ninety six) Shares, representing 26% (Twenty six per cent) of the equity share capital of the Target Company. In the case of over-subscription of the Offer, acceptance will be determined on a proportionate basis (as detailed in paragraph 7.18 of this Letter of

Offer), and hence, it is not certain that all the Shares tendered by the Public Shareholders in the Offer will be accepted. The Acquirer and the Manager to the Offer accept no responsibility for the statements made otherwise than in this Letter of Offer/ Detailed Public Statement/ Public Announcement and anyone placing reliance on any other source of information (not released by the Acquirer, or the Manager to the Offer) would be doing so at his/her/their own risk.

- This Letter of Offer has not been filed, registered or approved in any jurisdiction outside India. Recipients of this Letter of Offer resident in jurisdictions outside India should inform themselves of, and observe, any applicable legal requirements. This Offer is not directed towards any person or entity in any jurisdiction or country where the same would be contrary to the applicable laws or regulations or would subject the Acquirer or the Manager to the Offer to any new or additional registration requirements. This is not an offer for sale, or a solicitation of an offer to buy, in the United States of America and cannot be accepted by any means or instrumentality from within the United States of America.
- The Public Shareholders are advised to consult their respective tax advisors for assessing the tax liability pursuant to this Offer, or in respect of other aspects such as 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 Acquirer and the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in this Letter of Offer.

III. Risks relating to Acquirer and the Target Company

- The Acquirer makes no assurances with respect to its investment/divestment decisions relating to its shareholding in the Target Company.
- The Acquirer makes no assurances with respect to the continuation of the past trend in the financial performance of the Target Company.
- The Acquirer cannot provide any assurance with respect to the market price of the Shares of the Target Company before, during or after the Offer and the Acquirer expressly disclaims any responsibility or obligation of any kind (except as required by applicable law) with respect to any decision by any Public Shareholder on whether or not to participate in the Offer.
- The Acquirer does not accept responsibility with respect to the information contained in the PA, the DPS, or this Letter of Offer that pertains to the Target Company.
- As per Clause 40A of the equity listing agreement entered into by the Target Company with BSE ("Equity Listing Agreement") read with Rule 19A of the SCRR, the Target Company is required to maintain at least 25% (Twenty five per cent) public shareholding ("Minimum Public Shareholding"), as determined in accordance with SCRR, on a continuous basis for listing. Any failure to comply with the conditions of the SCRR and the Equity Listing Agreement could have an adverse effect on the price and tradability of the Shares.

IV. CURRENCY OF PRESENTATION

- In this Letter of Offer, all references to "Rs"/"Rupees"/"Re"/"Rupee" are references to the official currency of India.
- In this Letter of Offer, any discrepancy in any table between the total and sums of the amounts listed are due to rounding off and/or regrouping.

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Key Definitions

1997 Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (since repealed).
Acquirer/ CCCL	Chettinad Cement Corporation Limited
Board of Directors	Board of directors of the Target company
BSE	BSE Limited
CDSL	Central Depository Services (India) Limited
Closure of the Tendering Period	Monday, May 26, 2014
Companies Act	The (Indian) Companies Act, 1956 and the (Indian) Companies Act, 2013 (to the extent applicable) as amended, substituted or replaced from time to time.
Depositories	CDSL and NSDL
Detailed Public Statement/ DPS	Detailed Public Statements dated March 19, 2014, issued by the Manager to the Offer, on behalf of the Acquirer, in relation to the Offer and published in all editions of Business Standard - English and Hindi, Hyderabad edition of Prajashakti and Mumbai edition of Mumbai Lakshadweep on March 20, 2014 in accordance with the Regulation 3(1) and 4 read with Regulations 13(4), 14 and 15(2) and other applicable regulations of the SEBI (SAST) Regulations.
DIN	Director identification number
DP	Depository participant
DTAA	Double Taxation Avoidance Agreement
Equity Share(s)/ Share(s)	The fully paid up equity share(s) of the Target Company having a face value of Rs. 10 (Rupees ten) per equity share
Equity Share Capital / Voting Share Capital	The subscribed and paid-up equity share capital of the Target Company amounting to Rs.18,38,95,970/- (Rupees eighteen crore, thirty eight lacs, ninety five thousand, nine hundred seventy) comprising of 1,83,89,597 (One crore, eighty three lacs, eighty nine thousand, five hundred and ninety seven) Equity Shares of Rs. 10 each as on the date of the Public Announcement as per the information from the Target Company
Escrow Agreement	Escrow Agreement dated March 14, 2014 entered between the Acquirer, Escrow Agent and Manager to the Offer
Escrow Bank / Escrow Agent	Axis Bank Limited, having its branch located No. 82, Dr. Radhakrishnan Salai, Mylapore, Chennai, Tamil Nadu – 600 004, India for the purpose of this Offer.
FEMA	The Foreign Exchange Management Act, 1999, as amended or modified from time to time
FII(s)	Foreign Institutional Investor(s), as defined under Section 115AD of the Income Tax Act, which includes sub-accounts of FIIs and if any Foreign Institutional Investor(s) have been reorganized as Foreign Portfolio Investors, such Foreign Portfolio Investors.
FIPB	Foreign Investment Promotion Board
First Completion Date	The date of acquisition of the Minimum Sale Shares by the Acquirer as defined in SPA
Form of Acceptance-cum-Acknowledgment	Form of Acceptance-cum-Acknowledgement attached to this Letter of Offer
HSE	Hyderabad Stock Exchange Limited
Identified Date	Friday, April 25, 2014, i.e., the date falling on the 10th (tenth) Working Day prior to the commencement of the Tendering Period, for the purposes of determining the Public Shareholders to whom the Letter of Offer shall be sent
Income Tax Act	Income Tax Act, 1961 and subsequent amendments thereto
Letter of Offer/ LOF	This draft letter of offer dated March 26, 2014, including the Form of Acceptance-cum-Acknowledgement filed with SEBI in accordance with Regulation 16(1) of SEBI (SAST) Regulations on March 27, 2014.
Manager to the Offer	Motilal Oswal Investment Advisors Private Limited
NECS	National Electronic Clearing System
NEFT	National Electronic Funds Transfer
NRI	Non-Resident Indian as defined in Foreign Exchange Management (Deposit) Regulations, 2000, as amended
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Body, as defined under the Foreign Exchange Management (Deposit) Regulations, 2000
Offer/Open Offer	The Offer being made by the Acquirer for acquiring upto maximum of 47,81,296 (Forty seven lacs eighty one thousand two hundred and ninety six) Equity Shares representing 26% of the equity share capital, from the Public Shareholders at the Offer Price payable in cash
Offer Consideration	The maximum consideration payable under this Offer, assuming full acceptance, is Rs. 29,52,45,028/-

	(Rupees twenty nine crore fifty two lacs forty five thousand and twenty eight)
Offer Period	Period commencing from March 12, 2014 till the date on which the payment of consideration to the Public Shareholders who have accepted the Offer is made, or the date on which Offer is withdrawn, as the case may be.
Offer Price	Rs 61.75/- (Rupees sixty one and seventy five paise) per Equity Share
Offer Size	Up to 47,81,296 Equity Shares representing 26% of the Equity Share Capital
PAN	Permanent Account Number
Public Announcement/PA	Public Announcement of the Open Offer made by the Manager to the Offer on behalf of the Acquirer on March 12, 2014 in accordance with SEBI (SAST) Regulations
Public Shareholders	All shareholders/beneficial owners (registered or otherwise) of Shares of the Target Company other than the promoters of the Target Company and the persons acting in concert with them.
RBI	Reserve Bank of India
Registrar to the Offer	Karvy Computershare Private Limited
Rs./ Re./Rupees	Indian Rupees
RTGS	Real Time Gross Settlement
Sale Shares	1,13,31,030 Equity Shares of the Target Company, depending on the terms and conditions of the SPA, held by the Sellers, representing 61.62% of the Equity Share Capital of the Target Company
SCRR	Securities Contract (Regulation) Rules, 1957 and subsequent amendment thereto
SEBI	Securities and Exchange Board of India
SEBI ACT	Securities and Exchange Board of India Act, 1992, and subsequent amendment thereto
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto
Sellers	K V Vishnu Raju,Vanitha Datla, P V R L Narasimha Raju, K Ramavathy, K S N Raju, K Anuradha, K Aditya Vissam, P Lakshmi, Vanitha Finance & Investment Pvt Ltd, P S Naveen, P Satyanarayana Raju and P Suryakantamma
Share Purchase Agreement/ SPA	Share Purchase Agreement dated March 12, 2014 entered into between the Acquirer, the Sellers and the Target Company
Stock Exchange	BSE Limited
Target Company	Anjani Portland Cement Limited, a company incorporated under the Companies Act, having its registered office situated at Sitha Nilayam, 153, Dwarakapuri Colony, Punjagutta, Hyderabad- 500 082, Andhra Pradesh, India
Tendering Period	The period within which Public Shareholders may tender their Shares in acceptance of the Offer.
Transaction	Means the purchase of Sale Shares by the Acquirer from the Sellers in accordance with the Share Purchase Agreement.
Working Day	A working day of SEBI at Mumbai

Note: All capitalized terms used in this Letter of Offer, but not otherwise defined herein, shall have the meanings ascribed thereto in the SEBI (SAST) Regulations.

1. DISCLAIMER CLAUSE

"IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THIS DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THIS DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF ANJANI PORTLAND CEMENT LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER OR THE TARGET COMPANY WHOSE EQUITY SHARES/ CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER DULY DISCHARGES ITS RESPONSIBILITIES ADEQUATELY. IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER, MOTILAL OSWAL INVESTMENT ADVISORS PRIVATE LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED MARCH 26, 2014 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENTS THEREOF. THE FILING OF THIS DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER."

2. DETAILS OF THE OFFER

2.1. Background of the Offer

2.1.1. This mandatory offer (the "**Offer" or "Open Offer**") is being made by the Acquirer in compliance with Regulations 3(1) and 4 and other applicable provisions of the SEBI (SAST) Regulations pursuant to SPA, to acquire upto 26% of the Equity Share Capital of the Target Company from the Public Shareholders accompanied with change in control of the Target Company.

2.1.2. Chettinad Cement Corporation Limited ("**Acquirer**") has entered into a Share Purchase Agreement dated March 12, 2014 with Mr. K V Vishnu Raju, Mrs. K Anuradha, Mrs. Vanitha Datla, Mr. P V R L Narasimha Raju, Mrs. K Ramavathy, Dr. K S N Raju, Mr. K Aditya Vissam, Mrs. P Lakshmi, M/s. Vanitha Finance & Investment Pvt. Ltd., Mr. P S Naveen, Mr. P Satyanarayana Raju and Mrs. P Suryakantamma (together referred to as **"Sellers"**) for the acquisition of up to 1,13,31,030 Equity Shares ("**Sale Shares**") representing 61.62% of the Equity Share Capital of the Target Company, subject to the terms and conditions of the Share Purchase Agreement at a price of Rs 61.75/- (Rupees sixty one and seventy five paise) per Equity Share aggregating to Rs. 69,96,91,103/-(Rupees sixty nine crore ninety six lacs ninety one thousand one hundred and three) payable in cash ("**Transaction**").

2.1.3. The Acquirer intends to acquire a maximum of 75% (Seventy five percent) of the Equity Share Capital of the Target Company including the Shares tendered in the Offer. Thus, the minimum Sale Shares to be purchased by the Acquirer as per the terms of the SPA shall be 90,10,901 (Ninety lacs ten thousand nine hundred and one) Shares of the Target Company (forming a part of the total Sale Shares) aggregating to 49% (Forty nine percent) of the Equity Share Capital of the Target Company (the "**Minimum Sale Shares**"). Further, upon the completion of the Open Offer, the Acquirer shall purchase such number of the remaining Sale Shares (the "**Top-up Sale Shares**") that together with the Minimum Sale Shares and the Shares acquired pursuant to the Open Offer ("Offer Share") would cause the aggregate shareholding of the Acquirer in the Target Company to be less than or equal to 75% (Seventy five percent) of the Equity Share Capital.

2.1.4. The Acquirer hereby makes this Offer to Public Shareholders of the Target Company to acquire up to maximum of 47,81,296 Equity Shares representing 26% (Twenty six percent) of the Equity Share Capital of the Target Company, at a price of Rs 61.75/- (Rupees sixty one and seventy five paise) per fully paid up Equity Share, the Offer Price, payable in cash, in accordance with the provisions of the SEBI (SAST) Regulations and subject to the terms and conditions mentioned in the DPS and in this Letter of Offer . This Offer is not subject to any minimum level of acceptance.

2.1.5. A summary of some of the salient features of the SPA which have been executed between the Sellers, the Acquirer and the Target Company is as follows:

(a) The Parties agree that the Acquirer intends to acquire a maximum of 1,37,92,197 (One crore thirty seven lakhs ninety two thousand one hundred ninety seven) being 75% of the Equity Share Capital of the Target Company including the Equity Shares tendered in the Open Offer. Thus, the minimum Sale Shares to be purchased by the Acquirer, from the

Sellers, as per the terms of the SPA shall be 90,10,901 (Ninety lakhs ten thousand nine hundred and one) Equity Shares of the Target Company (forming part of the Sale Shares) aggregating to 49% of the Equity Share Capital of the Target Company (the "Minimum Sale Shares"). Further, upon the completion of the Offer, the Acquirer shall purchase such number of the remaining Sale Shares (the "Top-up Sale Shares") that together with the Minimum Sale Shares and the Offer Shares would cause the aggregate shareholding of the Acquirer in the Target Company to be less than or equal to 75% of the Equity Share Capital of the Target Company. Closing under the SPA will take place in the manner and in accordance with the terms described more fully therein.

(b) The Top-up Sale Consideration per Equity Share payable to Mr. K V Vishnu Raju shall be the same as the purchase price per Equity Share and all the terms and conditions effecting the Minimum Sale Consideration shall mutatis mutandis apply to the Top-up Sale Consideration.

(c) The sale and purchase of the Minimum Sale Shares under the SPA and therefore also of the Offer is subject to the fulfilment of the conditions precedent set out in the SPA, unless waived in writing by the Acquirer. The conditions precedent are summarised in paragraph 6.16.2 herein below.

(d) The Acquirer is entitled under the SPA to have its nominees appointed as directors of the Target Company after the purchase of Minimum Sale Shares. The Acquirer undertakes to comply with all applicable provisions of the SEBI (SAST) Regulations including Regulations 22 and Regulation 24 in this relation.

(e) The Sellers have undertaken non-compete obligations for a period of three years from the First Completion Date under the SPA.

(f) The Sellers have undertaken non-solicitation of employees obligations for a period of two years from the First Completion Date under the SPA.

(g) The Sellers have agreed to indemnify the Acquirer for breach of any of the covenants mentioned in the SPA including certain identified liabilities that relate to the period prior to the First Completion Date.

(h) The Sellers and the Target Company have, between the execution date and First Completion Date, in terms of the SPA, agreed to comply with certain standstill obligations pertaining to, inter alia the disposition of assets, entering into long term contracts, further indebtedness, dividends, payment obligations, capital expenditures, acquisitions, etc.

(i) Notwithstanding anything contained to the contrary in the SPA, the SPA may be terminated, and the transactions contemplated thereby abandoned, by the Acquirer, at its sole and absolute discretion by giving to the Sellers a 7 (seven) days prior written notice, if there is breach of any clause of the SPA by the Sellers or if the Sellers conditions precedent have not been satisfied (unless waived by the Acquirer in writing) on or prior to the Long Stop Date (i.e. 180 days from the date of SPA or such extended period as may be mutually agreed upon).

2.1.6. The proposed change in control of the Target Company is not through any scheme of arrangement.

2.1.7. The Acquirer has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act or under any other regulation made under the SEBI Act.

2.1.8. After the First Completion Date and pursuant to the acquisition of Minimum Sale Shares of the Target Company under the SPA, the Acquirer shall be the promoter of the Target Company and will exercise full control over the management and affairs of the Target Company and the Sellers/ existing promoters of the Target Company will cease to be promoters of the Target Company.

Subject to compliance with Regulations 22 and 24 of the SEBI (SAST) Regulations, the Acquirer reserves its right to complete the acquisition of the Minimum Sale Shares, as contemplated under the SPA, after the expiry of 21 (twenty one) Working Days from the date of the DPS and to appoint its nominees as directors on the Board of Directors of the Target Company. However, no persons have been identified for such nomination on the Board of Directors of the Target Company.

2.1.9. As per Regulation 26(6) of the SEBI (SAST) Regulations, the Board of Directors of the Target Company is required to constitute a committee of independent directors to provide its reasoned recommendation on this Offer to the Public Shareholders. Such recommendation shall be published at least 2 (Two) Working Days before the commencement of the Tendering Period in the same newspapers where the DPS was published in compliance with Regulation 26(7) of the SEBI (SAST) Regulations.

2.2. **Details of the Offer:**

2.2.1. The PA announcing the Offer, in terms of Regulations 3(1), and 4 read with Regulations 13(4), 14, 15(2) and other applicable regulations of the SEBI (SAST) Regulations, was released to the BSE on March 12, 2014. The PA was filed with SEBI and registered office of the Target Company on March 13, 2014.

2.2.2. The Acquirer has published the DPS on March 20, 2014 in the following newspapers:

Sl. No	Newspapers	Language	Editions
1.	Business Standard	English	All Editions
2.	Business Standard	Hindi	All Editions
3.	Prajashakti	Telugu	Hyderabad
4.	Mumbai Lakshadweep	Marathi	Mumbai

A copy of the DPS was also sent to SEBI, the BSE, and the Target Company at its registered office. A copy of the DPS is also available on the SEBI's website: www.sebi.gov.in

2.2.3. Pursuant to the Offer, the Acquirer proposes to acquire up to a maximum of 47,81,296 (Forty seven lacs eighty one thousand two hundred and ninety six) Equity Shares representing 26% (Twenty six percent) of the Equity Share Capital of the Target Company as of the 10th (Tenth) Working Day from the Closure of the Tendering Period, at the Offer Price of Rs. 61.75/- (Rupees sixty one and seventy five paise) per Equity Share, to be paid in cash, in accordance with the SEBI (SAST) Regulations and subject to the terms and conditions set out in the DPS and this Letter of Offer.

2.2.4. There shall be no discrimination in the acceptance of locked-in and non locked-in Shares in the Offer. The Shares to be acquired under the Offer must be free from all liens, charges and encumbrances, and will be acquired together with all rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof.

2.2.5. There are no partly paid-up Shares in the Target Company. Further, there is no differential pricing for the Offer.

2.2.6. The Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations. There have been no competing offers as of the date of this Letter of Offer.

2.2.7. This Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19 of the SEBI (SAST) Regulations.

2.2.8. The completion of the Transaction and this Offer are subject to the fulfilment of the conditions precedent agreed between the Acquirer, the Sellers and the Target Company set forth in the SPA (and summarised in paragraph 6.16.2 of this Letter of Offer), unless waived in writing by the Acquirer. In the event any of these conditions precedent are not satisfied, the Acquirer will be entitled to withdraw this Offer in accordance with Regulation 23 of the SEBI (SAST) Regulations.

2.2.9. The Acquirer has not acquired any Shares of Target Company after the date of PA, i.e. March 12, 2014, and up to the date of this Letter of Offer. The Acquirer will not acquire any Shares of the Target Company, other than the Sale Shares and the Offer Shares till the completion of the Open Offer proceedings.

2.2.10. In the event that the Shares tendered in the Offer by the Public Shareholders are more than the Offer Size, the acquisition of Shares from the Public Shareholders will be on a proportionate basis, as detailed in paragraph 7.18 of this Letter of Offer.

2.2.11. The equity shares of the Target Company are listed on the BSE. As per Clause 40A of the listing agreement read with Rule 19A of Securities Contract (Regulation) Rules, 1957 ("SCRR"), the Target Company is required to maintain at least 25% public shareholding (i.e. shares of the Target Company held by the public as determined in accordance with the SCRR), on a continuous basis for listing. The Acquirer will acquire a maximum 75% of the Equity Share Capital of the Target Company including the Offer Shares and the Equity Shares acquired under the SPA. Thus, the public Shareholding in the Target Company will not fall below 25% and it will be in compliance with clause 40A of the Equity Listing Agreement.

2.3. **Object of the Acquisition/ Offer**

2.3.1. The Acquirer is a major player in the cement industry in South India with manufacturing facilities in Tamil Nadu and Karnataka. The Acquirer is interested in strengthening its presence in South India to begin with and pan India on a long term basis. The cement manufacturing unit of the Target Company located in Andhra Pradesh provides a suitable platform for the Acquirer to achieve its goals and hence this acquisition and Offer.

2.3.2. The Acquirer proposes to continue and expand the existing business of the Target Company. However, as of the date of this Letter of Offer, the Acquirer cannot ascertain the repercussions, if any, on the employees and locations of the Target Company's places of business.

2.3.3. In terms of Regulation 25(2) of the SEBI (SAST) Regulations, the Acquirer does not have any plans to dispose off or otherwise encumber any material assets of the Target Company in the next 2 (Two) years, except as may be approved by the Board of Directors and (i) in the ordinary course of business; or (ii) to the extent required for the purpose of restructuring and/or rationalization of assets, investments, liabilities, business or otherwise of the Target Company and in compliance with all the applicable laws; or (iii) for alienation of material assets of the Target Company that are determined by the Board of Directors as being surplus and/or non-core, or on account of any approval of or conditions specified by any regulatory or statutory authorities, Indian or foreign, or for the purpose of compliance with any law that is binding on or applicable to the operations of the Target Company. It will be the responsibility of the Board of Directors to make appropriate decisions in these matters in accordance with the requirements of the business of the Target Company. Such approvals and decisions will be governed by the provisions of the relevant regulations or any other applicable laws and legislation at the relevant time. Further, during such period of 2 (Two) years, save as set out above, the Acquirer undertakes not to sell, dispose off or otherwise encumber any material assets of the Target Company except in the ordinary course of business as security to banks/financial institutions or with the prior approval of the shareholders of the Target Company through a special resolution by way of a postal ballot.

3. BACKGROUND OF THE ACQUIRER

3.1. Chettinad Cement Corporation Limited ("Acquirer")

3.1.1. The Acquirer is a public limited company, incorporated and registered in India under the Companies Act, 1956, as amended till date ("**Companies Act**"), with its registered and corporate office located at "Rani Seethai Hall Building", No. 603, Anna Salai, Chennai - 600 006, India; Telephone Number: (+91 44) 2829 2727; Fax Number: (+91 44) 2829 1558. Prior to this, the registered office was located at 64, Armenian Street, Chennai – 600 001. Further prior to this, the registered office was located at 80, Sembudass Street, Chennai – 600 001.The Acquirer's name has not been changed since incorporation. The Acquirer was incorporated on December 11, 1962, as a public limited company and is engaged in the business of manufacturing and sale of cement. The CIN of the Acquirer is U93090TN1962PLC004947. The Acquirer does not have any subsidiary.

3.1.2. The issued capital of the Acquirer is Rs.38,29,57,480/- (Rupees thirty eight crore twenty nine lacs fifty seven thousand four hundred eighty) comprising of 3,82,95,748 (Three crore eighty two lacs ninety five thousand seven hundred forty eight) equity shares of Rs. 10 (Rupees Ten) each and paid-up capital of the Acquirer is Rs. 38,19,89,980/- (Rupees thirty eight crore nineteen lacs eighty nine thousand nine hundred and eighty) comprising of 3,81,98,998 (Three crore eighty one lacs ninety eight thousand nine hundred and ninety eight) fully paid-up equity shares of Rs. 10 (Rupees Ten) each.

3.1.3. The Acquirer is not a part of the promoter group of the Target Company as on the date of this Letter of Offer.

3.1.4. The Acquirer is engaged in the business of manufacturing and sale of cement in India. The Acquirer is a major player in the cement industry in South India with manufacturing facilities in Tamil Nadu and Karnataka. The acquirer is interested in strengthening its presence in South India to begin with and pan India on a long term basis.

3.1.5. The main promoters and persons in control of the Acquirer are Dr. M.A.M. Ramaswamy, Mr. M.A.M.R. Muthiah and Mrs. Geetha Muthiah. The other promoters of the Acquirer comprises of Kumararajah M A M Muthiah Chettiar, Estate of late Dr. Rajah Sir M A Muthiah Chettiar of Chettinad, RM Palaniappan, Chettinad Financial Management Services Pvt. Ltd., Chettinad Hospitals Pvt. Ltd., Chettinad Lignite Transport Services Pvt. Ltd., Chettinad Earth Movers Pvt. Ltd., Chettinad Structural & Engineering Ltd., Chettinad Builders Pvt. Ltd., South India Corporation Pvt. Ltd., Chettinad Logistics Pvt. Ltd., Chettinad Software Services Pvt. Ltd., and Chettinad Holdings Pvt. Ltd.

3.1.6. Name(s) of key shareholders of the Acquirer who are holding more than 10% of the equity shareholding along with equity shareholding as of date is as follows:

Sr. No.	Name of the key shareholders	Number of Shares held	Percentage Shareholding
1	Mr. M.A.M. R. Muthiah	55,86,709	14.63%
2	Dr. M.A.M. Ramaswamy	91,83,834	24.04%
3	Mrs. Geetha Muthiah	69,53,690	18.20%

3.1.7. There are no persons acting in concert with the Acquirer in relation to the Offer within the meaning of Regulation 2(1)(q) of the Regulations.

3.1.8. The Acquirer, its directors, and its key managerial employees do not, as on the date hereof, hold any ownership/ interest/ relationship/ Shares in/of, the Target Company except for the transactions contemplated in the SPA.

3.1.9. As the Acquirer does not hold any Shares and has never held Shares of the Target Company in the past, the provisions of chapter V of the SEBI (SAST) Regulations and chapter II of 1997 Regulations are not applicable to the Acquirer as far as the Target Company is concerned. The Acquirer has not acquired any Shares of Target Company after the date of PA, i.e. March 12, 2014, and up to the date of this Letter of Offer; hence provisions of chapter V of the SEBI (SAST) Regulations are not applicable.

3.1.10. The shareholding pattern of the Acquirer as on date of March 21, 2014 is as follows:

Sl. No	Shareholder's Category	No. of shares	% shareholding
1.	Promoters and promoter group	3,63,05,446	95.04
2.	Financial Institutions and Banks	12,36,410	3.23
3.	Foreign Holdings	12,065	0.04
4.	Other Corporate Bodies	28,193	0.07
5.	Mutual Funds	2,200	0.01
6.	Public	6,14,684	1.61
	Total Paid Up Capital	**3,81,98,998**	**100.00**

3.1.11. Name, DIN, details of experience, qualifications, and date of appointment of the directors on the board of directors of the Acquirer, are as follows:

Sr. No	Name of the Director, Designation and DIN	Qualification	Date of Appointment	Nature of Experience
1	Dr. M A M Ramaswamy *Designation: Chairman - Non Executive* *DIN: 00826351*	Bachelor of Arts, Doctorate in Literature	December 11, 1962	He is an industrialist and having an experience of more than six decades in cement industry and other industries.
2	Mr. M A M R Muthiah *Designation: Managing Director* *DIN: 00802807*	Bachelor of Engineering	May 18, 1998	He is an industrialist and having an experience of more than two decades in cement industry and other industries.
3	Mr. Ramanathan Palaniappan *Designation: Non Executive Independent Director* *DIN: 00624986*	Bachelor of Engineering, Hons M.I.E.	September 22, 1984	He is an industrialist and having an experience of nearly six decades in the field of engineering.
4	Mr. K Ganapathy *Designation: Non Executive Independent Director* *DIN: 00947364*	Bachelor of Arts	July 25, 1994	He has an experience of more than 5 decades as a Banker.
5	Mr. R Krishnamoorthy *Designation: Non Executive Independent Director* *DIN: 01099169*	Master of Arts and Bachelor of Law	August 27, 1990	He has an experience of more than 5 decades as a senior advocate.
6	Mr. L. Muthukrishnan *Designation: Non Executive Independent Director* *DIN: 01758013*	Bachelor of Commerce and Chartered Accountant	May 15, 2012	He has an experience of more than 4 decades in cement industry and is a chartered accountant.
7	Mr. S.K. Prabakar *Designation: Nominee Director on behalf of Tamil Nadu Industrial Investment Corporation Limited* *DIN: 01238040*	Indian Administrative Service	February 12, 2013	He is an I.A.S. and currently holding the post of the Principal Secretary and Managing Director of Tamil Nadu Industrial Investment Corporation Limited

None of the above directors is a Director of the Target Company as of the date of this Letter of Offer.

3.1.12. Brief financial details of the Acquirer, as obtained from its audited financial statements as at and for the 12-month period ended March 31, 2013, March 31, 2012 and March 31, 2011 and the interim unaudited financial information, which has been subject to limited review by the Acquirer's auditors, as at and for the nine months ended December 31, 2013, are as follows:

(Rs. in Lacs)

Statement of Profit and Loss	For the Nine months period ended December 31, 2013	For the year ended March 31,		
		2013	2012	2011
	(Unaudited)	(Audited)	(Audited)	(Audited)
Income from Operation	1,62,175	2,45,078	2,05,990	1,54,417
Other Income	565	647	875	6,037
Total Income	**1,62,740**	**2,45,725**	**2,06,865**	**1,60,454**
Total Expenditure	**1,22,931**	**1,82,249**	**1,37,815**	**1,08,361**
Profit Before Depreciation Interest and Tax	**39,809**	**63,476**	**69,050**	**52,093**
Depreciation	22,308	37,149	34,681	36,287
Interest	6,056	10,605	9,249	6,299
Profit Before Tax	**11,445**	**15,722**	**25,120**	**9,507**
Provision for Tax	2,399	1,968	6,320	1,990
Profit After Tax	**9,046**	**13,754**	**18,800**	**7,517**

(Rs in Lacs)

Balance Sheet	As at December 31, 2013	As at March 31,		
		2013	2012	2011
	(Unaudited)	(Audited)	(Audited)	(Audited)
Source of Funds				
Paid-up share capital	3,820	3,820	3,820	3,820
Reserves and surplus (excluding revaluation reserves)	1,24,786	1,15,740	1,04,221	88,751
Networth	**1,28,606**	**1,19,560**	**1,08,041**	**92,571**
Secured loans	52,873	43,271	35,786	40,628
Unsecured loans	45,478	56,878	73,978	48,978
Total	**2,26,957**	**2,19,709**	**2,17,805**	**1,82,177**
Uses of Funds				
Net fixed assets	1,71,429	1,83,641	1,89,668	1,60,732
Investments	-	-	58	58
Net current assets	55,528	36,068	28,079	21,387
Total miscellaneous expenditure not written off	-	-	-	-
Total	**2,26,957**	**2,19,709**	**2,17,805**	**1,82,177**

(Amount in Rupees except percentage)

Other Financial Data	For the Nine months period ended December 31, 2013	For the year ended March 31,		
		2013	2012	2011
Dividend %	-	50%	75%	50%
Basic Earning Per Share ("EPS") (Rs)	31.57#	36.01	49.21	19.68
Diluted EPS (Rs)	31.57#	36.01	49.21	19.68

(Source: Annual Report for the financial year ended March 31, 2011, March 31, 2012 and March 31, 2013 and unaudited limited reviewed financial statements of the Acquirer for the interim nine months period ended December 31, 2013.)
 # Annualized

3.1.13. As on March 31, 2013 and December 31, 2013, except as mentioned below, the Acquirer does not have any contingent liabilities:

(Rs in Lacs)

Contingent Liabilities (not provided for) in respect of :	As of	
	March 31, 2013	December 31, 2013
a) Guarantees and letter of credit	2,371	1,144
b) Claims against the company not acknowledged as debt (Sales tax, income tax, central excise, customs and others)	1,750	12,874
Grand Total	**4,121**	**14,018**

3.1.14. The Equity Shares of the Acquirer are currently not listed on any stock exchange in India or abroad. The Acquirer's shares were delisted from the National Stock Exchange of India Limited and the Madras Stock Exchange Limited and their exit period under their delisting offer is currently underway.

4. BACKGROUND OF THE TARGET COMPANY

4.1. The Target Company, a public limited company, was originally incorporated on December 17, 1983 in the state of Andhra Pradesh in the name and style of "Shez Chemicals Limited". The Target Company at their general meeting held on February 25, 1985 passed a special resolution to change the name to "Shez Cements Limited" and consequently on October 17, 1985, the Registrar of Companies, Hyderabad, Andhra Pradesh issued a fresh certificate of incorporation. Thereafter, the name of the Target Company changed to 'Anjani Portland Cement Limited' vide fresh certificate of Incorporation consequent on change of name dated October 07, 1999 issued by the Registrar of Companies, Hyderabad, Andhra Pradesh, India. The CIN of the Target Company is L26942AP1983PLC004323. The registered office of the Target Company is situated at Sitha Nilayam, 153, Dwarakapuri Colony, Punjagutta, Hyderabad- 500 082, Andhra Pradesh, India; Tel: (+91 40) 2335 3096/3106; Fax: (+91 40) 2335 3093. The corporate office of the Target Company is located at Anjani Cement Centre, Plot Nos. 7&8, D. No. 8-2-248/1/7 Nagarjuna Hills, Punjagutta, Hyderabad – 500 082.

4.2. The Target Company is in the business of manufacture and sale of cement. The Target Company presently has its manufacturing plant at Anjani Puram, Chintalapalem village, Malkapuram Post, Mellacheruvu Mandal, Nalgonda - 508 246, Andhra Pradesh, India.

4.3. The total authorized share capital of the Target Company is Rs.31,00,00,000 (Rupees thirty one crore), divided into 3,00,00,000 (Three crore) Equity Shares of Rs. 10 (Rupees Ten) each and 10,00,000 (Ten lacs) 14% cumulative redeemable preference shares of Rs. 10 (Rupees Ten) each. As of the date of this Letter of Offer, the issued equity share capital of the Target Company is Rs. 18,39,44,630/- (Rupees eighteen crore thirty nine lacs forty four thousand six hundred and thirty) comprising 1,83,94,463 (One crore, eighty three lacs, ninety four thousand, four hundred and sixty three) Equity Shares and the subscribed and paid-up equity share capital of the Target Company is Rs.18,38,95,970/- (Rupees eighteen crore, thirty eight lacs, ninety five thousand, nine hundred seventy) divided into 1,83,89,597 Equity Shares (One crore, eighty three lacs, eighty nine thousand, five hundred and ninety seven). As of the date of this Letter of Offer, the Target Company does not have any outstanding partly paid-up equity shares or any security /options convertible into Shares. The capital structure of the Target Company as of the date of this Letter of Offer is:

Equity Share Capital	Number of Equity Shares (Face Value - Re. 10/-)/ Voting Rights	Percentage of Equity Shares/ Voting Rights
Fully paid-up Equity Shares	1,83,89,597	100%
Partly paid-up Equity Shares	NA	NA
Total paid-up Equity Shares	1,83,89,597	100%
Total voting rights in the Target Company	**1,83,89,597**	**100%**

4.4. There are no Equity Shares that are not listed on the BSE.

4.5. The Equity Shares of the Target Company are listed on the BSE (Scrip ID: APCL, Scrip Code: 518091), ISIN: INE071F01012. Based on the information available from the website of the BSE (www.bseindia.com), the Equity Shares of the Target Company are infrequently traded on BSE within the meaning of 2(1) (j) of SEBI (SAST) Regulations for the period commencing on March 01, 2013 and ending on February 28, 2014 (i.e. 12 (twelve) calendar months preceding the month in which the PA is issued). The Shares of the Target Company were listed on the Hyderabad Stock Exchange Limited. In terms of section 5(2) of the Securities Contracts (Regulation) Act, 1956, the recognition granted to HSE stands withdrawn with effect from August 29, 2007.

4.6. As on the date of this Letter of Offer, there are no outstanding convertible instruments, fully or partially convertible debentures, depository receipts, warrants or instruments, issued by the Target Company, convertible into Shares of the Target Company. There is no difference in diluted share capital and total paid up equity share capital of the Target Company. The Target Company has not issued any partly paid up shares.

4.7. The Target Company has not fully complied with the disclosure requirements under Regulation 8(3) of the 1997 Regulations during the last 10 (Ten) years and had filed a consent application dated March 10, 2014 with SEBI in relation to the same. SEBI vide letter dated March 12, 2014 had pointed out few deficiencies in the application and has returned the original application. Apart from these, the Target Company has confirmed that it has complied with the listing requirements. Further Target Company has confirmed that no penal actions have been taken by the BSE against it.

4.8. The Target Company has confirmed that the Equity Shares of the Target Company are traded on the BSE. Trading of the Equity Shares is not currently suspended on the BSE.

4.9. As on the date of this Letter of Offer, the composition of the Board of Directors of the Target Company are as follows:

Sl. No.	Name of the director	Designation	Date of Appointment
1	Mr. K V Vishnu Raju	Chairman and Managing Director	August 23, 1999
2	Mr. PVRL Narasimha Raju	Executive Director	August 23, 1999
3	Mr. R A Rama Raju	Independent and Non-Executive	October 31, 2007
4	Mr. P S Ranganath	Independent and Non-Executive	January 31, 2008
5	Mr. P V Subba Rao	Independent and Non-Executive	October 30, 2009
6	Mr. P Ramachandra Raju	Independent and Non-Executive	August 12, 2010

None of the Directors on the Board of Directors of the Target Company are nominees of the Acquirer.

4.10. There has been no merger / demerger / spin off have taken place in the Target Company during the last three years. The Target Company's investments in Hitech Print Systems Ltd. which was a wholly owned subsidiary and investment in Vennar Ceramics Ltd. which was an associate company have been divested in the financial year 2013-14.

4.11. Brief financial details of the Target Company, as extracted from its audited consolidated financial statements as at and for year ended March 31, 2013, March 31, 2012 and March 31, 2011 and the interim unaudited consolidated financial information, as reported to the BSE, which has been subject to limited review by the Target Company's auditors, as at and for the nine months period ending December 31, 2013, are as follows:

(Rs in Lacs)

Statement of Profit and Loss	**For the Nine months period ended December 31, 2013**	**For the year ended March 31,**		
		2013	**2012**	**2011**
	(Unaudited)	**(Audited)**	**(Audited)**	**(Audited)**
Income from Operation	23,572.12	32,609.59	32,926.77	20,524.68
Other Income	69.37	94.30	278.08	442.02
Total Income	**23,641.49**	**32,703.89**	**33,204.85**	**20,966.70**
Total Expenditure	**20,126.09**	**26,752.51**	**25921.61**	**16,446.19**
Profit Before Depreciation Interest and Tax	**3,515.40**	**5,951.38**	**7,283.24**	**4,520.51**
Depreciation	1,314.16	1,667.21	1,667.92	1,553.26
Interest	2,792.34	3,721.38	3,638.63	2,813.14
Profit Before Tax	**(591.10)**	**562.79**	**1,976.69**	**154.11**
Provision for Tax including adjustments	110.03	181.26	260.46	82.61
Share of net profit of associate	46.15	51.76	-	-
Profit After Tax	**(434.92)**	**433.29**	**1,716.23**	**71.50**

(Rs in Lacs)

Balance Sheet	**As at March 31,**		
	2013	**2012**	**2011**
	(Audited)	**(Audited)**	**(Audited)**
Source of Funds			
Paid-up Share Capital	1,838.96	1,838.96	1,838.96
Reserves and Surplus (excluding revaluation reserves)	6,665.45	6,232.16	4,772.40
Networth	**8,504.41**	**8,071.12**	**6,611.36**
Non-current liabilities	18,093.10	21,354.69	20,191.93
Current liabilities	14,698.20	13,062.73	10,811.02
Total	**41,295.71**	**42,488.53**	**37,614.31**

Uses of Funds			
Net Fixed Assets (including capital work-in-progress)	24,576.82	27,630.61	25,755.07
Intangible Assets including Goodwill on consolidation	348.54	300.16	295.09
Non-current Investments	737.10	-	-
Other non-current Assets	541.77	568.54	1,301.36
Current Assets	15,091.48	13,989.22	10,262.79
Total	**41,295.71**	**42,488.53**	**37,614.31**

(Amount in Rupees except percentage)

Other Financial Data	For the Nine months period ended December 31, 2013	For the year ended March 31,		
		2013	2012	2011
Dividend %	-	0%	12%	8%
Basic EPS (Rs)	(2.37)	2.36	9.33	0.39
Diluted EPS (Rs)	(2.37)	2.36	9.33	0.39

(Source: Annual Report for the financial year ended March 31, 2011, March 31, 2012 and March 31, 2013 and unaudited limited reviewed financial statements of the Target Company for the interim nine months period ended December 31, 2013.)

Note: The Target Company's investments in Hitech Print Systems Ltd. which was a wholly owned subsidiary and investment in Vennar Ceramics Ltd. which was an associate company have been divested post December 31, 2013.

4.12. Shareholding / voting rights of the Sellers in the Target Company before and after the underlying Transaction is as follows:

Name of the selling shareholder	Address	Part of the Promoter Group	Name of group	Details of Equity Shares / Voting rights held by the Sellers			
				Pre-transaction		Post-transaction	
				Number of shares	% of voting share capital	Number of shares assuming 26% shares are validly tendered in the Offer#	% of voting share capital assuming 26% shares are validly tendered in the Offer#
K V Vishnu Raju	Plot No 10, Road No 9, Jubilee Hills, Hyderabad – 500 033	Yes	NA	72,28,916	39.31	23,20,129	12.62
K Anuradha	Plot No 10, Road No 9, Jubilee Hills, Hyderabad – 500 033	Yes	NA	3,18,100	1.73	Nil	Nil
Vanitha Datla	Plot No 170, Road No 13A, Jubilee Hills, Hyderabad – 500 033	Yes	NA	6,02,409	3.28	Nil	Nil
P V R L Narasimha Raju	82, 309/1 to 13, Trendset Ville E4, Road No 3 Banjara Hills, Hyderabad – 500 034	Yes	NA	2,68,925	1.46	Nil	Nil
K Ramavathy	170/1, Road No 13A, Jubilee Hills, Hyderabad – 500 033	Yes	NA	11,96,600	6.51	Nil	Nil
K S N Raju	Plot No 170/1, Road No 13A, Jubilee Hills, Hyderabad – 500 034	Yes	NA	7,16,700	3.90	Nil	Nil
K Aditya Vissam	Plot No 10, Road No 9, Jubilee Hills, Hyderabad – 500 033	Yes	NA	2,21,580	1.20	Nil	Nil
P Lakshmi	82, 309/1 to 13, Trendset Ville E4, Road No 3 Banjara Hills, Hyderabad – 500 034	Yes	NA	2,31,700	1.26	Nil	Nil
Vanitha Finance & Investment Pvt Ltd	82, 120/112/A/14, Road No 9, Jubilee Hills, Hyderabad – 500 033	Yes	NA	3,65,000	1.98	Nil	Nil
P S Naveen	82, 309/1 to 13, Trendset Ville E4, Road No 3 Banjara Hills, Hyderabad – 500 034	Yes	NA	50,000	0.27	Nil	Nil
P Satyanarayana	27-18-19, A S R Nagar, Ward 36,	Yes	NA	1,11,500	0.61	Nil	Nil

Name of the selling shareholder	Address	Part of the Promoter Group	Name of group	Details of Equity Shares / Voting rights held by the Sellers			
				Pre-transaction		Post-transaction	
				Number of shares	% of voting share capital	Number of shares assuming 26% shares are validly tendered in the Offer[#]	% of voting share capital assuming 26% shares are validly tendered in the Offer[#]
Raju	Bhimavaram- 534 202						
P Suryakantamma	27-18-19, A S R Nagar, Ward 36, Bhimavaram- 534 202	Yes	NA	19,600	0.11	Nil	Nil
	Total			**1,13,31,030**	**61.62**	**23,20,129**	**12.62**

4.13. Pre and post Offer shareholding pattern of the Target Company as on March 14, 2014 is and shall be as follows:

Shareholder Category	Shareholding & voting rights prior to the acquisitions (SPA) and Open Offer		Equity Shares/ voting rights agreed to be acquired which has triggered the SEBI (SAST) Regulations		Equity Shares/ voting rights to be acquired in the Open Offer (Assuming full acceptance)		Shareholders voting rights after SPA and Open Offer (Assuming full acceptance)	
	(A)		**(B)**		**(C)**		**(D)=(A)+(B)+(C)**	
	No of Shares	**%**	**No of Shares**	**%**	**No of Shares**	**%**	**No of Shares**	**%**
(1) Promoter/ promoter group								
a. Parties to agreement, if any	1,13,31,030	61.62	(1,13,31,030)[#]	(61.62)			23,20,129[##]	12.62
b. Promoters other than (a) above	23,100	0.12					23,100[##]	0.12
Total 1 (a+b)	**1,13,54,130**	**61.74**	**(1,13,31,030)**	**(61.62)**			**23,43,229**	**12.74**
(2) Acquirer	-		**1,13,31,030**	**61.62**	**47,81,296**	**26.00**	**1,37,92,197[###]**	**75.00**
(3) Public (other than parties to agreement, Acquirer)								
a. Mutual Funds / Financial Institutions/ Banks	42,200	0.23					22,54,171	12.26
b. Others	69,93,267	38.03						
- *Bodies Corporate*	*12,62,914*	*6.87*						
- *Individuals*	*49,18,398*	*26.75*						
- *Clearing members*	*7,95,181*	*4.32*						
- *Non Resident Indians*	*16,774*	*0.09*						
Total (3) (a+b)	**70,35,467**	**38.26**	-	-	-	-	**22,54,171**	**12.26**
Grand Total (1+2+3+4)	**1,83,89,597**	**100.00**	**1,13,31,030**	**61.62**	**47,81,296**	**26.00**	**18,389,597**	**100.00**

[#] *The Acquirer will acquire upto 1,13,31,030 (One crore thirteen lacs thirty one thousand and thirty) Equity Shares representing 61.62% of the Equity Share Capital of the Target Company pursuant to SPA. The Acquirer intends to acquire a maximum of 75% (Seventy five percent) of the Equity Share Capital of the Target Company including the Equity Shares tendered in the Offer. Thus, the minimum Shares to be acquired by the Acquirer as per the terms of the SPA shall be 90,10,901 (Ninety lacs ten thousand nine hundred and one) Equity Shares of the Target Company aggregating to 49% (Forty nine percent) of the Equity Share Capital of the Target Company, the Minimum Sale Shares. Further, upon the completion of the Offer, the Acquirer shall acquire such number of the remaining Sale Shares, (the Top-up Sale Shares), that together with the Minimum Sale Shares and the Offer Shares would cause the aggregate shareholding of the Acquirer in the Target Company to be less than or equal to 75% (Seventy five percent) of the Equity Share Capital of the Target Company.*

[##] *The existing promoters as mentioned in point 1a. and 1b. above will cease to be the promoters of the Target Company upon the First Completion Date and will form part of the Public Shareholders of the Target Company.*

[###] *Upon completion of the Transaction, the Acquirer shall be the sole Promoter of the Target Company and shall be in full control of the Target Company.*

5. OFFER PRICE AND FINANCIAL ARRANGEMENTS

5.1. Justification of Offer Price

5.1.1. The Shares of the Target Company are listed on the BSE (Scrip ID: APCL, Scrip Code: 518091). The Shares of the Target Company are available for trading on the BSE Limited.

5.1.2. The Shares of the Target Company are infrequently traded on the BSE, during the 12 months preceding the month in which the PA was made, within the meaning of Regulation 2(1)(j) of the SEBI (SAST) Regulations.

5.1.3. The annualized trading turnover in the Shares of the Target Company based on trading volume during March 01, 2013 to February 28, 2014 (12 calendar months preceding the month in which the PA is made) is as given below:

Stock Exchange	**Total No. of Shares traded (for a period of 12 calendar months preceding the calendar month in which the PA is made)**	**Total number of listed Shares**	**Annualized trading turnover (as a % of total listed Shares)**
BSE	8,98,573	1,83,89,597	4.89%

(Source: BSE Website)

5.1.4. Based on the parameters set out under Regulation 8(2) of the SEBI (SAST) Regulations, the Offer Price of Rs. 61.75/- (Rupees Sixty one and seventy five paise) per Share is justified in terms of the following:

a)	The highest negotiated price per Sale Share (as per the SPA) attracting the obligation to make this Open Offer	Rs. 61.75/- per Share
b)	The volume-weighted average price paid or payable for acquisition whether by the Acquirer or any person acting in concert with him, during 52 weeks immediately preceding the date of the PA	Not Applicable
c)	The highest price paid or payable for any acquisition, whether by the Acquirer or by any persons acting in concert with him, during 26 weeks immediately preceding the date of the PA	Not Applicable
d)	The volume-weighted average market price paid for such Shares for a period of 60 (sixty) trading days immediately preceding the date of the PA as traded on the BSE	Not Applicable
e)	Where the shares are not frequently traded, the price determined by the Acquirer and the Manager to the Offer taking into account valuation parameters including, book value, comparable trading multiples, and such other parameters as are customary for valuation of shares. #	Rs. 36.08/- per Share

#M/s. Tungala & Co, Chartered Accountants with Firm Registration No. 011158S vide their certificate dated March 18, 2014, has certified that they have considered the (i) Net Assets Value ("NAV") Method and (ii) Price Earning Capacity Valuation ("PECV") Method and accorded weights of 2x and 1x to the values arrived at under each methodology for the purpose of arriving at the fair value for the Shares of the Target Company.

5.1.5. So far, there have been no corporate actions in the Target Company warranting adjustment of relevant pricing parameters under Regulation 8(9) of the SEBI (SAST) Regulations. In the event any such corporate actions are undertaken by the Target Company, then suitable adjustments shall be made to the Offer Price in accordance with Regulation 8(9) of the SEBI (SAST) Regulations.

5.1.6. The Sellers have undertaken non-compete obligations for a period of three years from the date of acquisition of the Minimum Sale Shares (the "First Completion Date") to the Acquirer under the SPA, for which no separate consideration has been paid to the Sellers.

5.1.7. In view of the parameters considered and presented above, in the opinion of the Acquirer and the Manager to the Offer, the Offer Price of Rs. 61.75/- (Rupees sixty one and seventy five paise) being the highest of the prices mentioned above, is justified in terms of Regulations 8(2) of the SEBI (SAST) Regulations.

In the event of further acquisition of Shares of the Target Company by the Acquirer during the Offer Period, whether by subscription or purchase, at a price higher than the Offer Price, the Offer Price will be revised upwards to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8) of the SEBI (SAST) Regulations. However, the Acquirer shall not acquire any Shares of the Target Company after the third working day prior to the commencement of the Tendering Period and until the expiry of the Tendering Period.

5.1.8. If there is any revision in the Offer Price on account of future purchases / competing offers, such revision will be done only up to the period prior to three (3) working days before the commencement of the Tendering Period of this Offer in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. In the event of such revision, the Acquirer shall (i) make corresponding increases to the escrow amounts; (ii) make a public announcement in the same newspapers in which DPS has been published; and (iii) simultaneously with the issue of such announcement, inform SEBI, BSE and the Target Company at its registered office of such revision. The revised Offer Price would be paid for all Shares accepted under the Offer.

5.1.9. If the Acquirer acquires Shares of the Target Company during the period of 26 (Twenty six) weeks after the Closure of Tendering Period at a price higher than the Offer Price, then the Acquirer shall pay the difference between the highest acquisition price and the Offer Price, to all Public Shareholders whose Shares have been accepted in this Offer within sixty days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another open offer under the SEBI (SAST) Regulations, or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2009 or open market purchases made in the ordinary course on the BSE, not being negotiated acquisition of Shares of the Target Company whether by way of bulk deals, block deals or in any other form.

5.2. **Financial arrangements:**

5.2.1. The total funds required for implementation of the Offer (assuming full acceptance), i.e., for the acquisition of 47,81,296 (Forty seven lacs eighty one thousand two hundred and ninety six) fully paid up Shares at the Offer Price is Rs. 29,52,45,028/- (Rupees twenty nine crore fifty two lacs forty five thousand and twenty eight) ("**Offer Consideration**").

5.2.2. The Acquirer has made firm financial arrangement for financing the acquisition of Shares under the Open Offer, in terms of Regulation 25(1) of the SEBI (SAST) Regulations. The Acquirer proposes to fund the Offer out of its internal accruals and/or inter-corporate deposits.

5.2.3. In accordance with Regulation 17(1) of the SEBI (SAST) Regulations, the Acquirer has opened an escrow account in the name and style as "**APCL - Open Offer Escrow Account**" bearing Account No. 914020009638758 ("**Escrow Account**") with Axis Bank Limited, at its branch located at No. 82, Dr. Radhakrishnan Salai, Mylapore, Chennai, Tamil Nadu – 600 004, India (hereinafter referred to as "**Escrow Agent**") and made a cash deposit of Rs. 7,38,25,000/- (Rupees seven crore thirty eight lacs twenty five thousand) in the Escrow Account in accordance with the Regulation 17(3)(a) of the SEBI (SAST) Regulations, which is in excess of 25% of the Offer Consideration.

5.2.4. The cash deposit has been confirmed vide a confirmation letter dated March 15, 2014 issued by the Escrow Agent. The Manager to the Offer has been solely authorized to realize the monies lying to the credit of the Escrow Account in terms of the SEBI (SAST) Regulations.

5.2.5. In case of any upward revision in the Offer Price or the Offer Size, the cash in the Cash Escrow Account shall be increased by the Acquirer in terms of Regulation 17(2) of the SEBI (SAST) Regulations, prior to effecting such revision.

5.2.6. M/s. J. Karthik Bharthi & Co., Chartered Accountants, Firm Registration No. 010333S (Address: No. 53, "Wellington Estate", 3rd Floor, Ethiraj Salai, Chennai – 600 105. Telephone No.: (+91 44) 6517 3749) vide certificate dated March 12, 2014 has certified that the Acquirer has made firm financial arrangements to meet the financial obligations under the Open Offer to be made to the Public Shareholders of the Target Company.

5.2.7. On the basis of the aforesaid financial arrangements and the Chartered Accountant's certificate, the Manager to the Offer is satisfied about the ability of the Acquirer to implement the Offer in accordance with the SEBI (SAST) Regulations as firm financial arrangements are in place to fulfil the obligations under the SEBI (SAST) Regulations.

6. TERMS AND CONDITIONS OF THE OFFER

6.1. This Offer is being made by the Acquirer to (i) all the Public Shareholders, whose names appear in the register of members of the Target Company as of the close of business on Friday, April 25, 2014, i.e. the Identified Date; (ii) the beneficial owners of the Shares whose names appear as beneficiaries on the records of the respective Depositories, as of the close of business on Friday, April 25, 2014, i.e. the Identified Date; and (iii) those persons who acquire the Shares any time prior to the date of the Closure of the Tendering Period for this Offer, i.e. Monday, May 26, 2014, but who are not the registered Public Shareholders.

6.2. This Offer is being made by the Acquirer to all the Public Shareholders, to acquire up to maximum of 47,81,296 (Forty seven lacs eighty one thousand two hundred and ninety six) Equity Shares, representing 26% (Twenty six percent) of the Equity Share Capital, subject to the terms and conditions mentioned in the PA, DPS and this Letter of Offer.

6.3. Every Public Shareholder, regardless of whether such person held Shares on the Identified Date, or has not received the Letter of Offer, is entitled to participate in the Offer.

6.4. The Acquirer shall accept the Shares tendered pursuant to the Offer subject to the following:

6.4.1. Applications in respect of Shares that are the subject matter of litigation or any proceedings before statutory authorities, wherein the Public Shareholders may be prohibited from transferring the Shares during the pendency of the said litigation, are liable to be rejected if directions or orders regarding these Shares are not received together with the Shares tendered under the Offer. The applications in some of these cases may be forwarded (as per the discretion of the Acquirer) to the concerned statutory authorities for further action by such authorities. Shares that are subject to any charge, lien or encumbrance are liable to be rejected in the Offer.

6.4.2. The Acquirer will only acquire Shares which are free from all liens, charges and encumbrances and together with all rights attached thereto, including the right to all dividends, bonus and rights declared hereafter.

6.5. To the best of the knowledge of the Acquirer, the Target Company has no Shares that are currently locked-in. (Source: BSE website)

6.6. There shall be no discrimination in the acceptance of locked-in and non locked-in Shares in the Offer.

6.7. The Offer is not conditional and is not subject to any minimum level of acceptance in terms of regulation 19(1) of the SEBI (SAST) Regulations. The acceptance of the Offer must be unconditional and should be entirely at the discretion of the Public Shareholders. Each Public Shareholder, to whom the Offer is being made, is free to offer his Shares, in whole or in part, while accepting the Offer.

6.8. The acceptance of the Offer must be unconditional, should be absolute and unqualified, and should be on the enclosed Form of Acceptance-cum-Acknowledgement and sent along with the other documents duly filled in and signed by the applicant Public Shareholder(s) which should be received by the Registrar to the Offer at the collection centers mentioned in paragraph 7.4 below on or before 4:30 pm on Monday, May 26, 2014, i.e. closure of the Tendering Period. In the event any change or modification is made to the Form of Acceptance-cum-Acknowledgement or if any condition is inserted therein by the Public Shareholder(s), the Manager to the Offer and the Acquirer reserve the right to reject the acceptance of this Offer by such Public Shareholder.

6.9. The Tendering Period will commence on Monday, May 12, 2014 and end on Monday, May 26, 2014.

6.10. Public Shareholders who have accepted the Offer by tendering their Shares and requisite documents in terms of the PA, the DPS and this Letter of Offer are not entitled to withdraw such acceptance during the Tendering Period.

6.11. If the Shares tendered in the Offer are more than the Offer Size, the acquisition of Shares from each Public Shareholder will be on a proportionate basis as detailed in paragraph 7.18 of this Letter of Offer.

6.12. The Acquirer will not be responsible for any loss of share certificate(s) and the Offer acceptance documents during transit and the Public Shareholders are advised to adequately safeguard their interests in this regard.

6.13. Accidental omission to dispatch this Letter of Offer to any person to whom the Offer has been made or non-receipt of this Letter of Offer by any such person shall not invalidate the Offer in any way.

6.14. There has been no revision in the Offer Price or the Offer Size as of the date of this Letter of Offer. In the event of acquisition of the Equity Shares by the Acquirer during the Offer Period, whether by subscription or purchase, at a price higher than the Offer Price, then the Offer Price will be revised upwards to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8) of the SEBI (SAST) Regulations. However, the Acquirer shall not acquire any Equity Shares after the 3rd Working Day prior to the commencement of the Tendering Period and until the expiry of the Tendering Period.

6.15. The instructions, authorizations and provisions contained in the Form of Acceptance-cum-Acknowledgment constitute an integral part of the terms and conditions of this Offer.

6.16. **Statutory and other Approvals**

6.16.1. As of the date of this Letter of Offer, to the best of the knowledge of the Acquirer, there are no statutory or other approvals required or conditions to be satisfied in order to implement this Offer apart from those listed in paragraph 6.16.2 below. However, in case of any regulatory or statutory approval being required at a later date before the closure of the Offer, the Offer shall be subject to all such approvals and the Acquirer shall make the necessary applications for such approval.

6.16.2. Unless waived in writing by the Acquirer, the acquisition of Sale Shares and Offer Shares are also subject to the satisfaction of the conditions precedent as set forth in the SPA. Some of the key condition precedents are given below:

6.16.2.1. The Sellers shall and shall ensure that the Target Company shall obtain all the corporate approvals required for the execution, delivery of the agreement, the transfer of the Sale shares and the performance of the Sellers and / or the Target Company's obligations under the SPA.

6.16.2.2. There being no material breach by the Sellers or the Target Company of any provision of the SPA.

6.16.2.3. The representations and warranties of the Sellers contained in SPA shall be true in all respects at and as of the First Completion Date with the same effect as if made at and as of the First Completion Date.

6.16.2.4. There shall not have been any proceeding, order, injunction, or other action issued pending or threatened which to the best knowledge of the Sellers' (i) involves a challenge to or seeks to or which prohibits, prevents, restrains, restricts, delays, makes illegal or otherwise interferes with the consummation or any of the transactions contemplated under the SPA, or (ii) seeks to impose conditions upon the ownership or operations of the Target Company or which affects the ability of the Acquirer to purchase the Sale shares from the Sellers and no applicable law (or proposed law) shall have been proposed, promulgated, adopted, enacted or entered or otherwise made effective by any governmental authority that has or would have such effect.

6.16.2.5. The Sellers and the Target Company shall procure a no-objection certificate from Commissioner of Industries, Andhra Pradesh for the Transaction.

6.16.2.6. The Sellers and the Target Company shall have applied for renewal of all the licenses held by the Target Company that are about to expire and / or have already expired (including but not limited to: (a) Shops and Establishment; (b) consent order for discharge of effluents; (c) Packers License, (d) Bureau of Indian Standards (Cement); (e) consent order for existing / new altered discharge of effluents and (f) mining licenses and prospecting license.

6.16.2.7. The Sellers and the Target Company shall have applied for renewal of all the government authorizations held by the Target Company that are about to expire and / or have already expired.

6.16.2.8. The Sellers and the Target Company shall procure no-objection certificate from each of the secured lenders to the Target Company certifying that (i) each such lender has no objection to the transaction; (ii) each such lender releases the Sale Shares pledged with such lender.

6.16.2.9. The Sellers and the Target Company shall procure no-objection certificate from each of the unsecured lenders where the terms of borrowing from the respective unsecured lender stipulates that the lender's prior approval is required to be obtained for change in management / control of the Target Company.

6.16.2.10. Sellers shall clear all encumbrances in respect of all the Sale Shares.

6.16.2.11. In respect of unencumbered immovable properties the Sellers and the Target Company shall submit to the Acquirer all documents and records to establish a clear title to certain immoveable properties of the Target Company as described in the SPA, to the satisfaction of the Acquirer.

6.16.2.12. In respect of encumbered immovable properties the Sellers and the Target Company shall submit to the Acquirer all documents and records pertaining to the encumbrances on the immoveable properties as described in the SPA, and the Target Company's title to the said immovable properties including its right to create encumbrance, to the satisfaction of the Acquirer.

6.16.3. If the holders of the Shares who are not persons resident in India (including NRIs, OCBs and FIIs) had required any approvals (including from the RBI, the FIPB or any other regulatory body) in respect of the Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Shares, to tender the Shares held by them in this Offer, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer reserve the right to reject such Shares tendered in this Offer.

6.16.4. In case of delay / non-receipt of any approval, SEBI may, if satisfied that non receipt of the requisite approvals was not attributable to any willful default, failure or neglect on the part of the Acquirer to diligently pursue such approval, grant extension of time for the purpose, subject to the Acquirer agreeing to pay interest to the Public Shareholders as directed by SEBI, in terms of Regulation 18(11) of the SEBI (SAST) Regulations.

6.16.5. In terms of Regulation 23(1) of the SEBI (SAST) Regulations, if any of the approvals or conditions mentioned in 6.16.2 (all of which are outside the reasonable control of the Acquirer) are not obtained (including if refused) or satisfied, the Acquirer may elect not to proceed with completion of the transaction as envisaged under the SPA. In such an event, the Acquirer shall also have a right to withdraw this Offer in terms of Regulation 23(1) of the SEBI (SAST) Regulations. In the event of withdrawal, a public announcement will be made within 2 (Two) working days of such withdrawal, in the same newspapers in which the DPS has been published and such public announcement will also be sent to SEBI, BSE and to the Target Company at its registered office.

6.16.6. Subject to the receipt of statutory and other approvals and to the satisfaction of the conditions precedent set forth in the SPA and enumerated above, the Acquirer shall complete all procedures relating to this Offer within 10 (Ten) working days from the date of Closure of the Tendering Period to those shareholders whose share certificates and/ or other documents are found valid and in order and are accepted for acquisition by the Acquirer.

7. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER

7.1. This Letter of Offer with the Form of Acceptance-cum-Acknowledgement will be mailed to the Public Shareholders, whose names appear on the register of members of the Target Company and to the beneficial owners of the Shares whose names appear in the beneficial records of the respective Depositories, as of the close of business on Friday, April 25, 2014, i.e. the Identified Date.

7.2. Every Public Shareholder, regardless of whether she/he held Shares on the Identified Date, or has not received this Letter of Offer, is entitled to participate in the Offer.

7.3. The Public Shareholders can also download this Letter of Offer and the Form of Acceptance-cum-Acknowledgement from the SEBI website at www.sebi.gov.in.

7.4. The Public Shareholders who wish to accept this Offer can hand-deliver the Form of Acceptance-cum-Acknowledgement along with the other documents required to accept this Offer, at any of the collection centres mentioned below so as to reach the Registrar to the Offer during business hours on all Working Days during the Tendering Period or before 4:30 pm on Monday, May 26, 2014, i.e., Closure of the Tendering Period, in accordance with the procedure as set out in this Letter of Offer:

Sl No	Collection Center	Address of Collection Centre	Contact Person	Telephone No., Fax No. and Email	Mode of Delivery
1	New Delhi	Karvy Computershare Private Limited 305, New Delhi House, 27, Barakhamba Road, New Delhi-110 001	Mr. K R Menon	Telephone No.: +91 11 4368 1700 Fax No.: +91 11 4368 1710 Email: krm@karvy.com	Hand Delivery
2	Mumbai	Karvy Computershare Private Limited 24-B, Rajabahudur Mansion, Ground Floor, 6, Ambalal Doshi Marg, Behind BSE Ltd, Fort, Mumbai - 400 001	Mr. Francis Fernandes	Telephone No.: +91 22 6638 2666 Fax No.: +91 22 6633 1135 Email: francisjf@karvy.com	Hand Delivery
3	Kolkata	Karvy Computershare Private Limited 49, Jatin Das Road, Near Deshpriya Park, Kolkata - 700 029	Mr. Sujit Kundu	Telephone No.: +91 33 2464 7231/2463 4789 Fax No.: +91 33 2464 4866 Email: sujit.kundu@karvy.com	Hand Delivery
4	Hyderabad	Karvy Computershare Private Limited Plot No 17-24, Vithalrao Nagar, Hi-Tec City Road, Madhapur, Hyderabad 500 081	Mr. Bhakta Singh/ Mr. Shyam	Telephone No.: +91 40 4465 5000/ 2342 0818-23 Fax No.: Not Available Email: ircmadhapur@karvy.com or einward.ris@karvy.com	Registered Post / Courier
5	Chennai	Karvy Computershare Private Limited No. F11 First Floor, Akshya Plaza, New no. 108, Adhithanar Salai, Egmore, Chennai - 600 002	Mr. G Karthikeyan	Telephone No.: +91 44 2858 7781/ 4202 8513 Fax No.: Not Available Email: chennaiirc@karvy.com	Hand Delivery

Note: All of the centres of the Registrar to the Offer mentioned above will be open from Monday to Friday - 10:00 am to 4:30 pm and Saturday - 10:00 am to 1:00 pm during the Tendering Period. The centres will be closed on Sundays and public holidays.

7.5. The Shares and all other relevant documents should only be sent to the Registrar to the Offer and not to the Manager to the Offer, the Acquirer, or the Target Company.

7.6. Applicants who cannot hand deliver their documents at any of the collection centres referred to above, may send the same by registered post with acknowledgement due or by courier, at their own risk and cost, to the Registrar to the Offer at its address: Plot No. 17 to 24, Vithalrao Nagar, Hi-Tech City Road, Madhapur, Hyderabad, Andhra Pradesh-500 081, India; Tel: +91 40 2342 0818-828; Fax: +91 40 2343 1551, E-mail: murali.m@karvy.com; Contact Person : Mr. M. Muralikrishna, so as to reach the Registrar to the Offer on or before 4:30 pm on Monday, May 26, 2014, 2014, i.e.

Closure of the Tendering Period.

7.7. **Public Shareholders who are holding Equity Shares in physical form:**

7.7.1. The Public Shareholders who are holding the Shares in physical form and who wish to tender their Shares in the Offer will be required to duly complete, sign and send the Form of Acceptance-cum-Acknowledgement in accordance with the instructions contained therein, by sole/joint Public Shareholders whose name(s) appears on the share certificate(s) and in the same order and as per the specimen signature lodged with the registrar and share transfer agent of the Target Company. This order cannot be changed or altered nor can any new name be added for the purpose of accepting the Offer. Original share certificate(s) and valid transfer deed(s), duly completed and signed in accordance with the instructions specified in this Letter of Offer and the Form of Acceptance-cum-Acknowledgement, along with self-attested copy of PAN card of all the transferors are required to be submitted.

7.7.2. Valid transfer deed(s) should be duly signed as transferor(s) by the sole/joint Public Shareholder(s) in the same order and as per specimen signatures lodged with the registrar and share transfer agent of the Target Company and duly witnessed at the appropriate place. The transfer deed(s) should be left blank, except for the signatures and witness details as mentioned above. Attestation, where required (as indicated in the transfer deed(s)) (thumb impressions, signature difference, etc.), should be done by a magistrate, notary public or special executive magistrate or a similar authority holding a public office and authorized to use the seal of his office or a member of a recognized stock exchange under the seal of his office and membership number or manager of the transferor's bank. Notwithstanding that the signature(s) of the transferor(s) has been attested as aforesaid, if the signature(s) of the transferor(s) differs from the specimen signature(s) recorded with the registrar and share transfer agent of the Target Company or are not in the same order, such Shares are liable to be rejected in the Offer. In case the Share Certificate(s) and valid share transfer deeds are lodged with the Target Company /its share transfer agent for transfer and have not been received back, then the acceptance shall be accompanied by (i) the copy of share transfer deed(s) and (ii) the acknowledgement of the lodgement with, or receipt issued by the Target Company/its share transfer agents for the Share Certificate(s) so lodged. Where the Transfer Deeds are signed by a constituted attorney, a certified copy of the power of attorney shall also be lodged. In the case of a body corporate/limited company, a certified copy of the memorandum and articles of association, together with a certified true copy of the resolution along with the specimen signatures of the authorized signatories duly certified, shall also be sent.

7.7.3. For Shares held in physical form by resident Public Shareholders, the Acquirer may, in its sole discretion, deem the Shares to have been accepted under the Offer in case of non-receipt of the duly completed Form of Acceptance-cum-Acknowledgement, but receipt of other documents (including the original share certificates, valid transfer deeds and PAN), prior to the Closure of the Tendering Period.

7.7.4. Persons who: (a) have acquired the Shares but whose names do not appear in the register of members of the Target Company on the Identified Date; or (b) are unregistered owners of Shares; or (c) have acquired the Shares after the Identified Date; or (d) have not received this Letter of Offer, may send their application in writing to the Registrar to the Offer, on plain paper stating the name, address, number of Shares held, number of Shares tendered, distinctive numbers, folio numbers along with the documents to prove their title to such Shares such as broker note, succession certificate, original share certificate/original letter of allotment and transfer deeds (one per folio), duly signed by such Public Shareholders (in case of joint holdings in the same order as per the specimen signatures lodged with Target Company), and witnessed (if possible) by a notary public or a bank manager or the member of a recognized stock exchange with membership number, as the case may be so as to reach the Registrar to the Offer on or before the closing of the business hours on the date of Closure of the Tendering Period (i.e. Monday, May 26, 2014). Alternatively, such Public Shareholders, if they so desire, may apply on the Form of Acceptance-cum-Acknowledgement together with the information requested above. Such Public Shareholders can obtain this Letter of Offer and the Form of Acceptance-cum-Acknowledgement from the Registrar to the Offer by making an application in writing to that effect or from the SEBI website: www.sebi.gov.in.

7.7.5. Unregistered Public Shareholders should enclose:

a) A Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein;
b) Original share certificate(s);
c) Original broker contract note; and
d) Valid transfer deed(s) as received from market. The details of the transferee should be left blank, failing which the tender will be invalid under the Offer. Unregistered Public Shareholders should not sign the transfer deed. The details of the transferee will be filled upon verification of the Form of Acceptance-cum-Acknowledgement and other documents and the same being found valid. All other requirements for valid transfer will be preconditions for acceptance.

7.8. **Public Shareholders who are holding Equity Shares in dematerialized form:**

7.8.1. Beneficial owners (holders of Shares in dematerialized form) who wish to tender their Shares in this Offer will be required to send their Form of Acceptance-cum-Acknowledgement along with the photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instructions in "Off-market" mode, duly acknowledged by the DP, in favor of the Depository Escrow Account. The Form of Acceptance-cum-Acknowledgement has to be duly completed and signed in accordance with the instructions contained therein, by the sole/joint Shareholder(s) whose name appears in the beneficiary account and in the same order therein. The Form of Acceptance-cum-Acknowledgement has to be executed by the beneficial holder of the Shares only. In case of non-receipt of the aforesaid documents, but receipt of the Shares in the Depository Escrow Account by the Registrar to the Offer, the Acquirers may, in their sole discretion, deem the Shares to have been accepted under the Offer.

7.8.2. The Registrar to the Offer has opened a special depository account with National Securities Depository Limited ("NSDL") called "KCPL - APCL OPEN OFFER ESCROW ACCOUNT" ("**Depository Escrow Account**"). The Public Shareholders are requested to fill in the following details in the delivery instructions for the purpose of crediting their Equity Shares in the Depository Escrow Account:

Depository Participant Name	Karvy Stock Broking Limited
DP ID	IN300394
Client ID	18724580
Account Name	KCPL - APCL OPEN OFFER ESCROW ACCOUNT
Depository	National Securities Depository Limited ("NSDL")
ISIN of the Target Company	INE071F01012
Market	Off Market
Date of Credit	On or before Monday, May 26, 2014

Note: *Public Shareholders having their beneficiary account with Central Depository Services (India) Limited ('CDSL") must use the inter-depository delivery instruction slip for the purpose of crediting their Shares in favour of the Escrow Demat Account.*

7.8.3. It is the sole responsibility of the Public Shareholders to ensure credit of their Shares in the Depository Escrow Account, on or before 4:30 pm on Monday, May 26, 2014, i.e. Closure of the Tendering Period.

7.8.4. The Form of Acceptance-cum-Acknowledgement in respect of dematerialized Shares not credited to the Depository Escrow Account before the Closure of the Tendering Period is liable to be rejected.

7.8.5. For each delivery instruction, the beneficial owner should submit a separate Form of Acceptance-cum-Acknowledgement.

7.8.6. Persons who, (i) have acquired the Shares after the Identified Date; or (ii) have not received this Letter of Offer, may participate in the Offer by submitting an application on plain paper giving details regarding their name, address, number of Shares held, number of Shares tendered, DP name, DP ID, account number together with photocopy or counterfoil of the delivery instruction slip in "off-market" mode duly acknowledged by the DP for transferring the Shares in favour of **"KCPL - APCL OPEN OFFER ESCROW ACCOUNT"** as per the details given in the table in paragraph 7.8.2 of this Letter of Offer so as to reach the Registrar to the Offer on or before the date of closing of the business hours on the date of Closure of the Tendering Period i.e., Monday, May 26, 2014. Alternatively, such Public Shareholders, if they so desire, may apply on the Form of Acceptance-cum-Acknowledgement together with the information requested above. Such Public Shareholders can obtain this Letter of Offer and the Form of Acceptance-cum-Acknowledgement from the Registrar to the Offer by making an application in writing to that effect or from the SEBI website: www.sebi.gov.in

7.9. **THE SHARES, SHARE CERTIFICATES, TRANSFER DEEDS, FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT AND/OR OTHER RELEVANT DOCUMENTS SHOULD NOT BE SENT TO THE ACQUIRER, THE TARGET COMPANY OR THE MANAGER TO THE OFFER.**

7.10. **Public Shareholders who have sent their Equity Shares for dematerialization:**

7.10.1. The Public Shareholders who have sent their Equity Shares for dematerialization, who wish to tender their Shares in this Offer will be required to send their Form of Acceptance-cum-Acknowledgement along with a copy of the dematerialization request form duly acknowledged by the Public Shareholder's DP, in accordance with the instructions mentioned in paragraph 7.8.1 above. The Form of Acceptance-cum-Acknowledgement has to be duly completed and signed in accordance with the instructions contained therein by the sole/joint Shareholder(s) whose name appears on the equity share certificate(s) and in the same order and as per the specimen signature lodged with the Target Company.

7.10.2. Such Public Shareholders need to ensure that the process of getting their Shares dematerialized is completed in time for the credit in the Depository Escrow Account, to be received on or before 4:30 pm on Monday, May 26, 2014, i.e. Closure of the Tendering Period, or else their application will be rejected. Alternatively, if the Shares sent for dematerialization are yet to be processed by the Public Shareholder's DP, the Public Shareholder can withdraw its dematerialization request and tender the Share certificate(s) in this Offer as per the procedure mentioned in paragraph 7.7 above.

7.11. Public Shareholders should also provide all relevant documents, which are necessary to ensure transferability of the Shares in respect of which the application is being sent. Such documents may include, but are not limited to:

a) Duly attested death certificate and succession certificate/probate/letter of administration (in case of single Public Shareholder) if the original Public Shareholder has expired;

b) Duly attested power of attorney if any person apart from the Public Shareholder has signed the application form and/or transfer deeds;

c) In case of companies, the necessary corporate authorization (including certified copy of board resolutions) and specimen signatures of authorized signatories;

d) Banker's certificate certifying inward remittances of funds for acquisition of Shares; and

e) Any other relevant documents.

7.12. Unregistered Public Shareholders can also send their application in writing to the Registrar to the Offer, on a plain paper stating the name, address, number of Equity Shares held, number of Equity Shares tendered, distinctive numbers, folio number, together with the original equity share certificates, valid transfer deed(s) and the original contract note(s) issued by the broker through whom they acquired their Equity Shares, either by hand delivery or by registered post, so that the same are received on or before 4:30 pm on Monday, May 26, 2014, i.e. Closure of the Tendering Period. Valid share transfer deed(s), as received from the market, duly executed in favour of the unregistered owner(s) as the proposed transferee(s) along with self attested copy of PAN card of all the transferees, should be submitted along with the application. All other requirements for valid transfer (including matching of signatures) will be preconditions for acceptance. An additional valid share transfer deed should be duly signed by the unregistered owner(s) as transferor(s) by the sole/joint Public Shareholder(s) in the same order and duly witnessed at the appropriate place. The transfer form should be left blank, except for the signatures and witness details as mentioned above. Attestation, where required (as indicated in the share transfer deed) (thumb impressions, signature difference, etc.) should be done by a Magistrate, Notary Public or Special Executive Magistrate or a similar authority holding a public office and authorized to use the seal of his office or a member of a recognized stock exchange under its seal of office and membership number or manager of the transferor's bank. No indemnity is required from the unregistered Public Shareholders. In case the equity share certificate(s) and the transfer deed(s) are lodged with the Target Company/its transfer agents for transfer, then the acceptance shall be accompanied by the acknowledgment of lodgement with, or receipt by, the Target Company/its transfer agents, of the equity share certificate(s) and the transfer deed(s). The Public Shareholders should ensure that the equity share certificate(s) and above documents reach the designated collection centre on or before 4:30 pm on Monday, May 26, 2014, i.e. Closure of the Tendering Period.

7.13. In case of non-receipt of this Letter of Offer, the eligible persons may send their acceptance to this Offer to the Registrar to the Offer, on a plain paper stating the name, address, number of Equity Shares held, number of Equity Shares offered, distinctive numbers, folio number, together with the documents as mentioned above so as to reach the Registrar to the Offer on or before 4:30 pm on Monday, May 26, 2014, i.e. Closure of the Tendering Period, or in case of beneficial owners, send the application in writing to the Registrar to the Offer, on a plain paper stating the name, address, number of Equity Shares held, number of Equity Shares tendered, DP name, DP ID, beneficiary account number and a photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP, in favor of the Depository Escrow Account, so as to reach the Registrar to the Offer, on or before 4:30 pm on Monday, May 26, 2014, i.e. Closure of the Tendering Period. In case of physical Shares, original equity share certificate(s) and valid transfer deed(s), duly completed and signed, will also have to be submitted. The Public Shareholders who have lodged their Shares for transfer with the Target Company must also send the acknowledgement received, if any, from the Target Company towards such lodging of the Shares. Public Shareholders who have sent their Shares for dematerialization/re- materialization need to ensure that the process of getting Shares dematerialized/rematerialized is completed well in time so that the credit in the Depository Escrow Account is received or physical equity share certificates are received by the Registrar to the Offer on or before 4:30 pm on Monday, May 26, 2014, i.e. Closure of the Tendering Period, else their application would be rejected.

7.14. If the Public Shareholders who are not persons resident in India (including NRIs, OCBs and FIIs) had required any approvals (including from the RBI or the FIPB or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals that they would have obtained for holding the Equity Shares, to tender the Equity Shares held by them in this Offer, along with the other documents required to accept this Offer. If, the

Equity Shares are held under general permission of the RBI, the non-resident Public Shareholders should state that the Equity Shares are held under general permission and whether on repatriable or non repatriable basis. In the event such approvals are not submitted, the Acquirer reserve the right to reject such Equity Shares tendered in this Offer.

7.15. In case of delay / non-receipt of any approval, SEBI may, if satisfied that non receipt of the requisite approvals was not attributable to any willful default, failure or neglect on the part of the Acquirer to diligently pursue such approval, grant extension of time for the purpose, subject to the Acquirer agreeing to pay interest to the Public Shareholders as directed by SEBI, in terms of Regulation 18(11) of the SEBI (SAST) Regulations. Provided where the statutory approvals extend to some but not all the Public Shareholders, the Acquirer will have the option to pay consideration to such Public Shareholders in respect of whom no statutory approvals are required in order to complete this Offer.

7.16. Equity Shares that are subject to any charge, lien or encumbrance are liable to be rejected in this Offer. Form of Acceptance-cum-Acknowledgment in respect of the Equity Shares that are the subject of litigation, wherein the Public Shareholders may be prohibited from transferring their Equity Shares during the pendency of the said litigation, are liable to be rejected, if the directions/orders regarding these Equity Shares are not received together with the Equity Shares tendered in this Offer. This Letter of Offer, wherever possible, will be forwarded to the concerned statutory authorities for further action by such authorities.

7.17. The Registrar to the Offer will hold in trust the Equity Shares held in physical form and in credit of the Depository Escrow Account, the Form of Acceptance-cum-Acknowledgement, if any, the transfer form(s) and other documents submitted on behalf of the Public Shareholders whose Equity Shares have been validly accepted in this Offer, till completion of formalities relating to this Offer. In case of Equity Shares tendered in physical form, where the original equity share certificates are required to be split, all the documents will be returned only upon receipt of the equity share certificates from the Target Company.

7.18. If the aggregate valid responses to this Offer by the Public Shareholders are more than the Equity Shares agreed to be acquired in this Offer, then the offers received from the Public Shareholders will be accepted on a proportionate basis, in consultation with the Manager to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that acquisition of the Equity Shares from a Public Shareholder shall not be less than the minimum marketable lot, or the entire holding if it is less than the marketable lot. The marketable lot of the Target Company is 1(One) Equity Share. (Source: BSE website)

7.19. Unaccepted equity share certificates, transfer deeds and other documents, if any, will be returned by registered post at the Public Shareholders'/unregistered Public Shareholders' sole risk to the sole/first Public Shareholder. The unaccepted Equity Shares held in dematerialized form will be credited back to the same account from which they were tendered. It will be the responsibility of the Public Shareholders to ensure that the unaccepted Shares are accepted by their respective DPs when transferred by the Registrar to the Offer. The Public Shareholders holding the Shares in dematerialized form are requested to issue the necessary standing instruction for the receipt of the credit, if any, in their DP account. It is advised that the demat account is maintained till the completion of the formalities relating to this Offer.

7.20. Payment to those Public Shareholders whose Shares and other documents are found valid and in order and are approved by the Acquirer, will be by way of a bankers' cheque/ demand draft/ direct credit/ NECS/ NEFT/ RTGS, so as to avoid fraudulent encashment in transit. In case of the Public Shareholder(s) holding the Shares in physical form, if the bank account details are not provided, then the consideration will be dispatched in the name of the sole/first named holder at his registered address (at its own risk). <u>For Shares that are tendered in dematerialised form, the bank account details as obtained from the beneficiary position download to be provided by the depositories will be considered and the payment shall be processed with the said bank particulars and not from any details provided in the Form of Acceptance-cum-Acknowledgement.</u> The decision regarding the acquisition (in part or full), or rejection of, the Shares tendered in this Offer and (i) any corresponding payment for the acquired Shares; and/or (ii) the equity share certificates for any rejected Shares, will be dispatched to the Public Shareholders by registered / speed post or by ordinary post as the case may be*, at the Public Shareholder's sole risk. The Shares held in dematerialized form to the extent not acquired will be credited back to the same account from which they were tendered.

[Dispatches involving payment of a value in excess of Rs. 1,500 will be made by registered / speed post at the Public Shareholder's sole risk. All other dispatches will be made by ordinary post at the Public Shareholder's sole risk.]*

7.21. For Public Shareholders who do not opt for electronic mode of transfer or whose payment consideration is rejected/not credited through NECS / NEFT / RTGS, due to technical errors or incomplete/incorrect bank account details, payment consideration will be dispatched through registered/speed post at the Public Shareholder's sole risk.

7.22. All bankers' cheques/demand drafts will be drawn in the name of the first holder, in case of joint holder(s). In case of unregistered owners of Equity Shares, payment will be made in the name of the person stated in the contract note. It will be desirable if the Public Shareholders provide bank account details in the Form of Acceptance-cum-Acknowledgement for incorporation in the bankers' cheque/demand draft.

7.23. Pursuant to Regulation 18(9) of the SEBI (SAST) Regulations, Shareholders who have accepted the Offer by tendering the Shares in terms of the PA and this Letter of Offer, shall not be entitled to withdraw such acceptance during the Tendering Period.

7.24. **Compliance with Tax Provisions:**

7.24.1. **General**

a) As per the provisions of Section 195(1) of the Income Tax Act, any person responsible for paying to a non-resident any sum chargeable to tax is required to deduct tax at source (including surcharge and education cess as applicable). The consideration received by the non-resident Public Shareholders for Shares accepted in the Offer may be chargeable to tax in India either as capital gains under Section 45 of the Income Tax Act or as business profits, depending on the facts and circumstances in respect of such Public Shareholder. The Acquirer is required to deduct tax at source (including surcharge and education cess) at the applicable rate as per the Income Tax Act on such capital gains/business profits subject to benefit available to such Public Shareholder under the applicable DTAA. Further, the payment of any interest (paid for delay in payment of Offer Price) by the Acquirer to a non-resident Public Shareholder may be chargeable to tax, as interest income under the Income Tax Act. The Acquirer is required to deduct tax at source (including surcharge and education cess) at the applicable rate as per the Income Tax Act on such interest or at the rate under the applicable DTAA.

b) The payment of any interest by the Acquirer to a resident Public Shareholder may be chargeable to tax, as interest income under the Income Tax Act. The Acquirer is required to deduct tax at source at the applicable rate under Section 194A of the Income Tax Act on such interest (paid for delay in payment of Offer Price).

c) All Public Shareholders whether resident or non-resident (including FIIs) are required to submit their PAN for income tax purposes. In case the PAN is not submitted or is invalid or does not belong to the Public Shareholder, the Acquirer will arrange to deduct tax on any taxable payment or consideration paid to such Public Shareholder at the rate of 20% (as provided in Section 206AA of the Income Tax Act) or at the rate in force or at the applicable tax rate, as may be applicable to the relevant category of Public Shareholder under the Income Tax Act, whichever is higher.

d) Each Public Shareholder shall certify its tax residence status (i.e., whether resident or non-resident) and its tax status (i.e., whether individual, firm, company, association of persons/ body of individuals, trust, any other, etc.) by selecting the appropriate box in the Form of Acceptance-cum-Acknowledgement. In case of ambiguity, incomplete or conflicting information or the information not being provided to the Acquirer, it will be assumed that the Public Shareholder is a non-resident Public Shareholder and taxes shall be deducted treating the Public Shareholder as a non-resident and at the maximum marginal rate as may be applicable, under the Income Tax Act, to the relevant category to which the Public Shareholder belongs, on the entire consideration and interest if any, payable to such Public Shareholder.

e) Any non-resident Public Shareholder claiming a benefit under any DTAA between India and any other foreign country should furnish a valid ‘Tax Residence Certificate’ provided to him/it by the Income Tax Authority of such other foreign country of which he/it claims to be a tax resident. In addition, the non-resident Public Shareholder is required in terms of Section 90(5) of the Income Tax Act to furnish prescribed additional information in the prescribed form (Form 10F). The information that is to be provided in Form 10F are as follows:

(i) Legal status (individual, company, firm, etc.);

(ii) Nationality of an individual or country/specified territory of incorporation or registration in case of other entities;

(iii) The non-resident tax payer’s tax identification number in the country or specified territory of residence or a unique identification number of the non-resident tax payer of the country or the specified territory of residence;

(iv) Period for which the residential status, as mentioned in the Tax Residency Certificate, is applicable; and

(v) Address of the non-resident tax payer in the country or specified territory outside India, during the period for which the Tax Residency Certificate is applicable.

Further, a non-resident tax payer is required to keep and maintain all documents substantiating the aforesaid information and furnish the same when required by the Indian tax authorities. The particulars already included in the Tax Residency Certificate are not required to be furnished separately.

f) The Acquirer will not accept any request from any Public Shareholder, under any circumstances, for non-deduction of tax at source or deduction of tax at a lower rate, on the basis of any self-computation/computation by any tax consultant, of capital gain and/or interest, if any and tax payable thereon.

g) Securities transaction tax will not be applicable to the Shares accepted in the Offer.

7.24.2. **Tax implications in case of non-resident Public Shareholders (other than FIIs)**

(a) **<u>Remittance of consideration</u>**: All non-resident Public Shareholders, who desire that no tax should be deducted at source or tax should be deducted at a lower rate or on a lesser amount, shall be required to submit certificate from the Indian income tax authorities under Section 195(3) of the Income Tax Act or Section 197 of the Income Tax Act along with the Form of Acceptance-cum-Acknowledgement certifying the amount of tax required to be deducted at source by the Acquirer before remitting the consideration to the Public Shareholders whose Shares have been validly accepted in this Offer. The Acquirer will arrange to deduct taxes at source in accordance with such certificate.

(b) In case the aforesaid certificate for no deduction or lower deduction of tax is not submitted, the Acquirer will arrange to deduct tax at the maximum marginal rate as may be applicable to the relevant category to which the Public Shareholder belongs, under the Income Tax Act on the entire consideration and interest amount payable to such Public Shareholder.

(c) The Acquirer will not take into consideration any other details and documents (including self-certified computation of tax liability or the computation of tax liability certified by any tax professionals including a chartered accountant, etc.) submitted by the Public Shareholder for deducting a lower amount of tax at source. NRIs, OCBs and other non-resident Public Shareholders (excluding FIIs) holding Shares as capital account will be required to certify the period of its holding (i.e., whether Shares are held for more than 12 (twelve) months) of Shares in the Target Company by selecting the appropriate box in the Form of Acceptance-cum-Acknowledgement along with proof such as a dematerialised account statement or broker's note.

(d) All NRIs, OCBs and other non-resident Public Shareholders (excluding FIIs) are required to submit their PAN for income tax purposes. In case the PAN is not submitted or is invalid or does not belong to the Public Shareholder, the Acquirer will arrange to deduct tax at the rate of 20% (Twenty per cent) (as provided in Section 206AA of the Income Tax Act) or at the rate in force or at the applicable rate, as may be applicable, to the category of Public Shareholder under the Income Tax Act, whichever is higher, on the entire consideration amount payable to such Public Shareholder that is taxable under the Income Tax Act.

(e) **<u>Treaty Benefits</u>**: Any NRIs, OCBs and other non-resident Public Shareholders (excluding FIIs) claiming benefit under any DTAA between India and any other foreign country should furnish the 'Tax Residence Certificate' provided to him/it by the Income Tax Authority of such other foreign country of which it claims to be a tax resident and a self-declaration stating that the Public Shareholder is eligible for claiming benefit under the DTAA entered into between India and the country of its tax residence, and that the Public Shareholder does not have a permanent establishment in India in terms of such DTAA. Further, the Public Shareholder will be required to furnish such other documents and information as prescribed in terms of Section 90(5) of the Income Tax Act as detailed in paragraph 7.24.1.(e) of this Letter of Offer. In the absence of such Tax Residence Certificate/certificates/declarations/ information/documents, the Acquirer will arrange to deduct tax in accordance with the provisions of the Income Tax Act and without having regard to the provisions of any DTAA.

7.24.3. **Tax implications in case of FII**

a) <u>Tax Benefits for FIIs in respect of the consideration paid by the Acquirer</u>: As per the provisions of Section 196D(2) of the Income Tax Act, no deduction of tax at source is required to be made from any income by way of capital gains arising from the transfer of securities referred to in Section 115AD of the Income Tax Act, to an FII.

b) An FII should certify the nature of its income arising from the sale of the Shares as per the Income Tax Act (whether capital gains or otherwise) by selecting the appropriate option provided in the Form of Acceptance-cum-Acknowledgement for this purpose. In the absence of an FII certifying to the effect that its income from sale of Shares is in the nature of capital gains, the Acquirer will deduct tax at the maximum rate applicable to the category to which such FII belongs on the entire consideration payable to such FII along with applicable surcharge and education cess.

c) Notwithstanding anything contained in paragraph b) above, in case an FII furnishes a certificate from the income tax authorities under Section 195(3) or Section 197 of the Income Tax Act along with the Form of Acceptance-cum-Acknowledgement for deduction of tax at lower rate, the Acquirer will arrange to deduct taxes at source in accordance with such certificate.

d) Interest Payments: For interest payments by the Acquirer for delay in payment of Offer Price, if any, FIIs will be required to submit a certificate from the income tax authorities under Section 195(3) or Section 197 of the Income Tax Act for deduction of tax at lower rate certifying the amount of tax to be deducted by the Acquirer before remitting the consideration. The Acquirer will arrange to deduct taxes at source in accordance with such certificate.

e) In case the aforesaid certificate is not submitted, the Acquirer will arrange to deduct tax at the maximum marginal rate as may be applicable to the relevant category to which the FII Public Shareholder belongs under the Income Tax Act on the entire consideration payable as interest to such Public Shareholder.

f) All FIIs shall submit their PAN for income tax purposes. In case PAN is not submitted or is invalid or does not belong to the Public Shareholder, the Acquirer will arrange to deduct tax at the rate of 20% (as provided in Section 206-AA of the Income Tax Act) or at the rate in force or at the rate, as may be applicable to the category of the FII Public Shareholder under the Income Tax Act, whichever is higher, on the entire consideration amount payable to such Public Shareholder.

g) Treaty Benefits: Any FII claiming benefit under any DTAA between India and any other foreign country should furnish a "Tax Residence Certificate" provided to it by the income tax authority of such other foreign country of which it claims to be a tax resident and a self-declaration stating that the FII does not have a business connection in India as defined in Section 9(1)(i) of the Income Tax Act or a permanent establishment in India, in terms of the DTAA and the FII is eligible for claiming benefit under the DTAA entered between India and the country of its tax residence. Further, the FII will also be required to furnish such other documents and information as prescribed in terms of Section 90(5) of the Income Tax Act as detailed in paragraph 7.24.1.(e) of this Letter of Offer. In the absence of such Tax Residence Certificate/certificates/ declarations/information/documents, the Acquirer will arrange to deduct tax in accordance with the provisions of the Income Tax Act and without having regard to the provisions of any DTAA.

7.24.4. **Tax to be deducted in case of resident Shareholders**

a) Remittance of consideration: In the absence of any specific provision under the Income Tax Act, the Acquirer will not deduct tax on the consideration payable to resident Public Shareholders for the acquisition of Shares. Such resident Public Shareholders will be liable to pay tax on their income as per the provisions of the Income Tax Act as applicable to them.

b) For interest payments by the Acquirer for delay in payment of Offer Price, if any, the Acquirer will arrange to deduct tax at the rate of 10% on the interest amount (as provided in Section 194A of the Income Tax Act).

c) All resident Public Shareholders shall submit their PAN for income tax purposes. In case the PAN is not submitted or is invalid or does not belong to the Public Shareholder, the Acquirer will arrange to deduct tax at the rate of 20% (twenty per cent) (as provided in Section 206-AA of the Income Tax Act).

d) Notwithstanding anything contained in paragraphs b) and c) above, no deduction of tax shall be made at source by the Acquirer where the total amount of interest payable to a resident Public Shareholder does not exceed Rs 5,000 (Rupees Five thousand) or where a self-declaration in Form 15G or Form 15H (as provided in the Income Tax Rules, 1962 (as amended)), as may be applicable, has been furnished by a resident Public Shareholder. The self-declaration in Form 15G and Form 15H will not be regarded as valid unless the resident Public Shareholder furnished its PAN in such declaration. Additionally, no tax is to be deducted on the amount of interest in case of a resident Shareholder being a Mutual Fund as per Section 10(23D) of the Income Tax Act or a Bank/an entity specified under Section 194A(3)(iii) of the Income Tax Act if it submits a copy of relevant registration or notification along with the Form of Acceptance-cum-Acknowledgement.

7.24.5. **Issue of tax deduction at source certificate**

a) The Acquirer will issue a certificate in the prescribed form to the Public Shareholders (both resident and non-resident) who have been paid the consideration and interest, after deduction of tax at source on the same, certifying the amount of tax deducted at source and other prescribed particulars in accordance with the provisions of the Income Tax Act read with the Income Tax Rules, 1962 (as amended).

7.24.6. **Tax implication in foreign jurisdictions**

a) Apart from the above, the Acquirer is entitled to deduct tax in accordance with the tax laws applicable in overseas jurisdictions where the non-resident Public Shareholder is a resident for tax purposes (the "Overseas Tax"). For this purpose, the non-resident Public Shareholder shall furnish a self-declaration stating the quantum of the Overseas Tax to be deducted as per the relevant tax laws of the country in which the non-resident Public Shareholder is a tax resident and the Acquirer will be entitled to rely on this representation at their sole discretion.

b) Notwithstanding the details given above, all payments will be made to Public Shareholders subject to compliance with prevailing tax laws.

c) The tax deducted by the Acquirer while making payment to a Public Shareholder may not be the final tax liability of such Public Shareholder and shall in no way discharge the obligation of the Public Shareholder to appropriately disclose the amounts received by it, pursuant to the Offer, before the income tax authorities in the jurisdiction where it is a tax resident. The tax rates and other provisions may undergo change.

7.24.7. Public Shareholders who wish to tender their Shares must submit the following information along with the Form of Acceptance-cum-Acknowledgement:

a) Information requirement from non-resident Public Shareholder:

(i) Self-attested copy of PAN card;
(ii) Certificate from the income tax authorities for no/lower deduction of tax;
(iii) Self-attested declaration in respect of residential status, status of Public Shareholders (e.g. individual, firm, company, trust, or any other - please specify);
(iv) In case of FII, self-attested declaration certifying the nature of income arising from the sale of Equity Shares is capital gains;
(v) SEBI registration certificate for FII; and
(vi) RBI and other approval(s) obtained for acquiring the Shares, if applicable.

b) Information requirement in case of resident Public Shareholder:

(i) Self-attested copy of PAN card;
(ii) Self-attested declaration in respect of residential status, status of Public Shareholders (e.g. individual, firm, company, trust, or any other - please specify);
(iii) If applicable, self-declaration form in Form 15G or Form 15H (in duplicate), as applicable for interest payment, if any;
(iv) Certificate from the income tax authorities (applicable only for the interest payment, if any) for no/lower deduction of tax; and
(v) For Mutual Funds/Banks/other specified entities under Section 194A(3)(iii) of the Income Tax Act – Copy of relevant registration or notification (applicable only for the interest payment, if any).

7.24.8. The tax deducted under the Offer is not the final liability of the Public Shareholders or in no way discharges the obligation of Public Shareholders to disclose the consideration received pursuant to the Offer in their respective tax returns. The tax rates and other provisions may undergo changes.

7.24.9. Public Shareholders who wish to tender their Shares must submit the information all at once as given in the Form of Acceptance-cum-Acknowledgement and those that may be additionally requested for by the Acquirer. The documents submitted by the Public Shareholders along with the Form of Acceptance-cum-Acknowledgement will be considered as final. Any further/delayed submission of additional documents, unless specifically requested by the Acquirer may not be accepted. In case the documents/information as requested in this Letter of Offer/Form of Acceptance-cum-Acknowledgement are not submitted by a Public Shareholder, or the Acquirer consider the documents/information submitted by a Public Shareholder to be ambiguous/incomplete/conflicting, the Acquirer reserve the right to withhold tax on the gross consideration at the maximum marginal rate as applicable to the category of the Public Shareholder.

7.24.10. Based on the documents and information submitted by the Public Shareholders, the final decision to deduct tax or not, or the quantum of taxes to be deducted rests solely with the Acquirer.

7.24.11. Taxes once deducted will not be refunded by the Acquirer under any circumstances.

7.24.12. The Acquirer shall deduct tax (if required) as per the information provided and representation made by the Public Shareholders. In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided/to be provided by the Public Shareholders, such Public Shareholders will be responsible to pay such income tax demand (including interest, penalty, etc.) and provide the Acquirer with all information/documents that may be necessary and co-operate in any proceedings before any income tax/appellate authority.

7.24.13. All Public Shareholders are advised to consult their tax advisors for 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 Acquirer and the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of such advice. The aforesaid treatment of tax deduction at source may not necessarily be the treatment also for filing the return of income.

8. DOCUMENTS FOR INSPECTION

8.1. Copies of the following documents will be available for inspection to the Public Shareholders at the office of the Manager to the Offer located at Motilal Oswal Tower, Junction of Gokhale & Sayani Road, Prabhadevi, Mumbai - 400 025, India, on all Working Day (i.e. Monday to Friday and not being a bank holiday in Mumbai) between 10:30 a.m. to 1:00 p.m. during the Tendering Period:

a) Certified true copies of the certificate of Incorporation, Memorandum and Articles of Association of the Acquirer.

b) Board resolution of the Acquirer authorising this Offer.

c) Letter dated March 12, 2014, from M/s. J. Karthik Bharthi &Co., Chartered Accountants with Firm Registration No.010333S (through its Partner, Mr. S. Baskaran having membership no. 211403), having its address at No. 53, "Wellington Estate", 3rd Floor, Ethiraj Salai, Chennai - 600 105, India, certifying that the Acquirer has adequate and firm financial resources to meet its financial obligations under this Offer.

d) Annual reports of the Acquirer for the financial years ending March 31, 2013, March 31, 2012 and March 31, 2011.

e) Annual reports of the Target Company for the financial years ending March 31, 2013, March 31, 2012 and March 31, 2011.

f) Letter from Axis Bank Limited dated March 15, 2014, confirming the amount kept in the Escrow Account. Share Purchase Agreement dated March 12, 2014 between the Acquirer, the Sellers and the Target Company. A copy of Public Announcement dated March 12, 2014, published copy of the Detailed Public Statement dated March 19, 2014 and a copy of the Issue Opening Public Announcement dated [•].

g) Published copy of the recommendation of the committee of independent directors of the Target Company's Board of Directors in terms of regulation 26(7) of the SEBI (SAST) Regulations.

h) Letter from SEBI dated [●] giving its comments on this Letter of Offer.

i) Copy of the Escrow Agreement dated March 14, 2014 entered into by the Acquirer, the Manager to the Offer and the Escrow Agent.

j) A copy of the agreement, entered into by the Acquirer and the Registrar to the Offer for opening of the Depository Escrow Account for the purposes of this Offer

Manager to the Offer, for and on behalf of the Acquirer

MOTILAL OSWAL INVESTMENT ADVISORS PRIVATE LIMITED

9. DECLARATION BY THE ACQUIRER

For the purpose of disclosures in this Letter of Offer relating to the Target Company and the Sellers, the Acquirer has relied on the information available from public sources or provided by the Target Company and/ or the Sellers and the accuracy thereof has not been independently verified by the Acquirer and/or the Manager to the Offer. Subject to the aforesaid, the Acquirer, and the directors of the Acquirer accept full responsibility for the information contained in this Letter of Offer and also accept responsibility for the obligations of the Acquirer as laid down in the SEBI (SAST) Regulations. The Acquirer shall be responsible for ensuring compliance with the SEBI (SAST) Regulations.

The person(s) signing this Letter of Offer is duly and legally authorized by the Acquirer to sign this Letter of Offer.

By Order of the Board,

For and on behalf of Chettinad Cement Corporation Limited (the 'Acquirer")

Sd/-

Authorized Signatory

Place: Chennai

Date: March 26, 2014

Encl: 1) Form of Acceptance-cum-Acknowledgement

2) Share transfer deed.

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT

Anjani Portland Cement Limited Open Offer

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

(Please send this Form of Acceptance with enclosures to any of the Collection Centres as mentioned in the Letter of Offer)

(All terms and expressions used herein shall have the same meaning as ascribed thereto in the Letter of Offer)

From

Folio No./DP ID No./Client ID No.:

OFFER OPENS ON	[●]
OFFER CLOSES ON	[●]

<table>
<tr><td rowspan="2">To
The Acquirer:
Chettinad Cement Corporation Limited
C/o Karvy Computershare Private Limited
Plot No. 17 to 24, Vithalrao Nagar,
Hi-Tec City Road, Madhapur, Hyderabad,
Andhra Pradesh-500 081, India
Tel: +91 40 2342 0818-828
Fax: +91 40 2343 1551,
E-mail: murali.m@karvy.com</td><td colspan="4">Status of the Public Shareholder
(Please tick whichever is applicable)</td></tr>
<tr><td>☐ Individual

☐ Partnership / Proprietorship firm / LLP

☐ Foreign Trust

☐ OCB</td><td>☐ Company

☐ Private Equity Fund

☐ Financial Institution

☐ Domestic Trust</td><td>☐ FII

☐ Pension/ Provident Fund

☐ NRIs / PIOs

☐ Banks</td><td>☐ FVCI

☐ Sovereign Wealth Fund

☐ Insurance Company

☐ Others________</td></tr>
</table>

Dear Sir,

Sub: Open offer ("Offer") for acquisition of 47,81,296 Shares of Anjani Portland Cement Limited ("Target Company") of Rs. 10/- each at a price of Rs. 61.75/- per Share by Chettinad Cement Corporation Limited (the "Acquirer"), in compliance with Regulation 3(1) and 4 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ("SEBI (SAST) Regulations")

I/We refer to the Public Announcement dated March 12, 2014, Detailed Public Statement dated March 20, 2014 and the Letter of Offer dated March 26, 2014 for acquiring the Equity Shares held by me/us in Anjani Portland Cement Limited**.**

I/We, the undersigned, have read the Public Announcement, the Detailed Public Statement and the Letter of Offer and understood their contents including the terms and conditions mentioned therein and unconditionally agree to such terms and conditions.

I/We acknowledge and confirm that all the particulars/statements given herein are true and correct.

€ EQUITY SHARES IN DEMATERIALIZED FORM

I/We, holding the Equity Shares in dematerialised form, accept the Offer and enclose a photocopy or counterfoil of the delivery instructions in "Off-market" mode, duly acknowledged by my/our Depository Participant ("**DP**") in respect of my / our Equity Shares as detailed below:

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

I/We have executed an off-market transaction for crediting the Equity Shares to the Depository Escrow Account as per the details below:

€ **via a delivery instruction from my/our account with NSDL**

€ **via an inter-depository delivery instruction from my/our account with CDSL**

Depository Participant Name	Karvy Stock Broking Limited	Public Shareholders having their beneficiary account in CDSL shall use the inter-depository delivery instruction slip for the purpose of crediting their Equity Shares in favor of the Depository Escrow Account with NSDL.
DP ID	IN300394	
Client ID	18724580	
Account Name	KCPL - APCL OPEN OFFER ESCROW ACCOUNT	
Depository	National Securities Depository Limited ("NSDL")	
ISIN of the Target Company	INE071F01012	

I/We note and understand that the Equity Shares will be held in the credit of the Depository Escrow Account by the Registrar to the Offer on behalf of the Public Shareholders who have accepted this Offer, till completion of formalities relating to this Offer. I/We also note and understand that the consideration will be paid only to those Public Shareholders whose Equity Shares are validly accepted in this Offer, in accordance with the terms of the Letter of Offer.

Enclosures (√ whichever is applicable)

- € Photocopy or counterfoil of the delivery instructions in "off market" mode duly acknowledged by the Public Shareholders' DP, in favour of the Depository Escrow Account
- € Duly attested power of attorney, if any person apart from the Public Shareholder, has signed the Form of Acceptance-cum-Acknowledgement or Equity Share transfer deed(s)
- € Corporate authorization, in case of companies along with certified board resolution and specimen signatures of authorised signatories
- € Duly attested death certificate and succession certificate / probate / letter of administration (in case of single Public Shareholder), in case the original Shareholder has expired
- € Other relevant documents (please specify)

€ EQUITY SHARES IN PHYSICAL FORM

I/We accept this Offer and enclose the original equity share certificate(s) and duly signed Equity Shares transfer deed(s) in respect of my/our Equity Shares in physical form as detailed below:

Sr. No.	Ledger Folio No.(s)	Certificate No.(s)	Distinctive No.(s)		No. of Equity Shares
			From	To	
Total No. of certificate(s)			Total No. of Equity Shares		

(In case the space provided is inadequate, please attach a separate sheet with details and authenticate the same)

I /We note and understand that the original equity share certificate(s), valid Equity Share transfer deed(s) and the Form of Acceptance-cum-Acknowledgement will be held in trust by the Registrar to this Offer, on behalf of the Public Shareholders who have accepted this Offer, till completion of formalities relating to this Offer. I/We also note and understand that the consideration will be paid only to those Public Shareholders whose Equity Shares are validly accepted in this Offer, in accordance with the terms of the Letter of Offer. In case of Equity Shares tendered in physical form, where the original equity share certificates are required to be split, all the documents will be returned only upon receipt of equity share certificates from the Target Company.

Enclosures (√ whichever is applicable)

- € Duly attested power of attorney, if any person apart from the Public Shareholder, has signed the Form of Acceptance-cum-Acknowledgement or Equity Share transfer deed(s)
- € Original equity share certificates
- € Valid Equity Share transfer deed(s)
- € Corporate authorization, in case of companies along with certified board resolution and specimen signatures of authorised signatories
- € Duly attested death certificate and succession certificate / probate / letter of administration (in case of single Public Shareholder), in case the original Public Shareholder has expired;
- € Self attested copy of PAN card of all the transferor(s)
- € Other relevant documents (please specify)
- € ____

For all Public Shareholders

I / We, confirm that our residential status for the purposes of tax under the Income Tax Act is:

- € Resident
- € Non-resident. If yes, please state country of tax residency - _______________

I / We, confirm that our status is:

□ Individual
□ Firm
□ Company
□ Association of Person / Body of Individual
□ Trust
□ Any other - please specify _____________________

For FII and FII sub-account Public Shareholders

I/We, confirm that the income arising from the transfer of Equity Shares tendered by me/us in this Offer is in the nature of *(select whichever is applicable)*:

□ Capital gains
□ Any other income

I / We, have enclosed the following documents:

- € Self attested copy of PAN card
- € SEBI registration certificate for FII (including sub - account of FII)
- € Tax Residency Certificate, containing all particulars mentioned in Rule 21AB (1) of Income Tax Rules, 1962, provided by the income tax authority of foreign country of which the FII claims to be a tax resident, wherever applicable
- € Certificate from the income tax authorities under Section 195 (3) / 197 of the Income Tax Act, wherever applicable
- € Previous RBI, FIPB or other regulatory approval, if any, for holding Equity Shares tendered in this Offer

For non-resident Public Shareholders (other than FII and FII sub-account Shareholders)

I / We, have enclosed the following documents:

- € Self attested copy of PAN card
- € Copy of relevant pages of demat account statement in case of non - resident Public Shareholders (other than FII and FII sub-account Public Shareholders) if the Equity Shares are claimed to have been held for more than 12 months prior to the date of acceptance, if any, of the Equity Share under this Offer.
- € Copy of relevant pages of demat account statement in case of a Public Shareholder claiming benefit of clause mentioned in paragraph 7.24.2 of the Letter of Offer. Also banker's certificate certifying inward remittances of funds for acquisition of Equity Shares.
- € Tax Residency Certificate, containing all particulars mentioned in Rule 21AB (1) of Income Tax Rules, 1962, provided by the income tax authority of foreign country of which the Public Shareholder claims to be a tax resident, wherever applicable
- € Certificate from the income tax authorities under Section 195 (3) / 197 of the Income Tax Act, wherever applicable
- € Previous RBI, FIPB or other regulatory approval, if any, for holding Equity Shares tendered in this Offer and RBI approval evidencing the nature of shareholding, i.e. repatriable or non-repatriable basis, if applicable

For Resident Public Shareholders

I / We, have enclosed the following documents:

- € Self attested copy of PAN card
- € Self declaration form in Form 15G / Form 15H (in duplicate), if applicable (applicable only for interest payment, if any)
- € Certificate from the income tax authorities under Section 197 of the Income Tax Act, wherever applicable□ For Mutual Fund/Banks/Notified Institution under Section 194A(3)(iii)(f) of the Income Tax Act, copy of relevant registration or notification (applicable only for interest payment, if any)
- € Other relevant documents (please specify)
- € ____

For All Public Shareholders

I/We confirm that the Equity Shares, which are being tendered herewith by me/us under this Offer, are free from liens, charges and encumbrances of any kind whatsoever and are also not the subject matter of litigation, where under the transfer of Equity Shares may be prohibited during the pendency of such litigation.

I/We authorize the Acquirer to accept the Equity Shares so tendered by me/us or such lesser number of Equity Shares offered which it may decide to accept in consultation with the Manager to the Offer and in terms of the Letter of Offer. I/We further authorize the Acquirer to return to me/us, equity share certificate(s)/Equity Shares to the extent that the Equity Shares tendered by me /us are not accepted without specifying the reasons thereof, at my/our sole risk. I/We authorize the Acquirer/ Registrar to the Offer to split / consolidate the equity share certificates comprising the Equity Shares that are not acquired or accepted to be returned to me/us and for the aforesaid purposes the Acquirer / Registrar to the Offer is hereby authorized to do all such things and execute such documents as may be found necessary and expedient for the purpose.

I/We authorize the Acquirer, the Registrar to the Offer and the Manager to the Offer to send by Registered / Speed Post, as may be applicable (as described in the Letter of Offer) at my/our sole risk, the bankers' cheque/ demand draft/ direct credit/ NECS/ NEFT/ RTGS as consideration, in full and final settlement of the amount due to me/us and/or other documents or papers or correspondence to the sole/first holder at the address mentioned below. In case I have tendered my Equity Shares in dematerialized form, I authorize the Acquirer, the Registrar to the Offer and the Manager to the Offer to use my details regarding my address and bank account details as obtained from my DP for the purpose of mailing the aforementioned instruments.

I/We also note and understand that the Acquirer will pay the purchase consideration only after verification of the documents and signatures.

Bank Details

Permanent Account Number (PAN) allotted under the Income Tax Act, 1961 is as under:

	1st Shareholder	2nd Shareholder	3rd Shareholder
PAN			

So as to avoid fraudulent encashment in transit, the Public Shareholder(s) holding Equity Shares in physical form should provide details of bank account of the first/sole Public Shareholder and the consideration payment will be drawn accordingly. For Equity Shares that are tendered in demat form, the bank account details as obtained from the beneficiary position download to be provided by the depositories will be considered and the consideration payment will be issued with the said bank particulars, and not any details provided herein.

Sr No.	Particulars required	Details
I.	Name of the Bank	
II.	Name of the Branch with address	
III.	Account Type (Current Account/ Saving Bank/Others – please mention)	
IV.	Account No.	
V.	9 Digit MICR Code	
VI.	IFSC Code (for RTGS/NEFT/NECS transfers)	

Yours faithfully,

Signed and Delivered

	Full Name(s) of the Shareholders	Signature
First/Sole Holder		
Joint Holder 1		
Joint Holder 2		

Address of First/Sole Shareholder ___________________________

Note: In case of joint holdings, all Shareholders must sign. In case of body corporate, the company seal should be affixed.

Place: Date:

PUBLIC SHAREHOLDERS ARE REQUESTED TO NOTE THAT THE ACCEPTANCE FORMS / SHARES THAT ARE RECEIVED BY THE REGISTRAR TO THE OFFER AFTER CLOSURE OF THE TENDERING PERIOD i.e. BY 4:30 P.M. ON MAY 26, 2014 SHALL NOT BE ACCEPTED UNDER ANY CIRCUMSTANCES AND HENCE ARE LIABLE TO BE REJECTED.

--- Tear along this line---

ACKNOWLEDGEMENT SLIP

Anjani Portland Cement Limited - Open Offer

(To be filled in by the Public Shareholder) (Subject to verification)

Received from Mr. / Ms. / M/s. ____ a Form of Acceptance-cum-Acknowledgement for ________________Equity Shares along with:

Physical Shares: Folio No. ________________ / Demat Shares: DP ID: __________; Client ID: _________

Form of Acceptance along with:

€ Copy of depository instruction slip for [_________] number of Shares from DP ID ____________________Client ID _________________________

€ _________________ equity share certificate(s) _________________ Equity Shares transfer deed(s) under folio number(s) __________________and other relevant enclosures for accepting this Offer.

Stamp of Collection Centre:		Signature of Official:		Date of Receipt:	

INSTRUCTIONS

PLEASE NOTE THAT NO SHARES / FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT SHOULD BE SENT DIRECTLY TO THE ACQUIRER / THE TARGET COMPANY/ THE MANAGER TO THE OFFER.

1. All queries pertaining to this Offer may be directed to the Registrar to the Offer.

2. **Public Shareholders holding registered Equity Shares** in physical form should submit the Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein, by all the holders of the Equity Shares, along with the original equity share certificate(s) and valid Equity Share transfer deed(s) duly signed as per the specimen signatures lodged with the Target Company and duly witnessed at the appropriate place. Please do not fill in any other details in the Equity Shares transfer deed(s). A blank share transfer form is enclosed with the Letter of Offer

3. **Public Shareholders holding Equity Shares in dematerialised form** should submit (a) the Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein by all the beneficial holders of the Equity Shares, as per the records of the DP and (b) Photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction slip in "Off-market" mode, duly acknowledged by the DP. The Form of Acceptance-cum-Acknowledgement has to be executed by the beneficial holder of the Equity Shares only. For each delivery instruction, the beneficial owner should submit a separate Form of Acceptance. In case of non-receipt of the aforesaid documents, but receipt of the Equity Shares in the Depository Escrow Account, the Acquirer may deem the Offer to have been accepted by the Public Shareholder.

4. **In case of Equity Shares held in joint names**, names should be filled up in the same order in the Form of Acceptance-cum-Acknowledgement and in the Equity Shares transfer deed(s) as the order in which they hold Equity Shares in the Target Company, and should be duly witnessed. This order cannot be changed or altered nor can any new name be added for the purpose of accepting this Offer.

5. **In case where the signature is subscribed by thumb impression**, the same shall be verified and attested by a Magistrate, Notary Public or Special Executive Magistrate or a similar authority holding a public office and authorized to use the seal of his office.

6. **Persons who own physical Equity Shares but are not the registered holders** of such Equity Shares and who desire to accept this Offer, will have to communicate their acceptance in writing to the Registrar to the Offer on a plain paper stating the name, address, number of Equity Shares held, number of Equity Shares tendered, distinctive numbers, folio number or Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein together with the original contract note issued by the broker through whom they acquired the Equity Shares, the equity share certificate(s), valid Equity Share transfer deed(s) as received from the market, duly executed in favour of the unregistered owner as the proposed transferee(s), along with self attested copy of PAN card of all the proposed transferee(s), an additional valid Equity Share transfer deed(s) duly signed by the unregistered owner as transferor(s) by the sole/joint Shareholder(s) in the same order and duly witnessed at the appropriate place. The details of buyer should be left blank failing which the same will be invalid under this Offer. The details of the buyer will be filled by the Acquirer, upon verification of the Form of Acceptance-cum-Acknowledgement and the same being found valid. All other requirements for valid transfer will be preconditions for valid acceptance. In case the equity share certificate(s) and Equity Shares transfer deed(s) are lodged with the Target Company/its transfer agents for transfer, then the Form of Acceptance-cum-Acknowledgement shall be accompanied by the acknowledgment of lodgement with, or receipt by, the Target Company/its transfer agents, of the equity share certificate(s) and Equity Shares transfer deed(s). Persons under this clause should submit their acceptance and necessary documents by registered post or in person to the Registrar to the Offer at their offices as mentioned below. The sole/first Public Shareholder may also mention particulars relating to savings account /current account / Non-Resident External (NRE) account / Non-Resident Ordinary account (NRO) / others (please specify) number and the name of the bank and branch with whom such account is held in the respective spaces allotted in the Form of Acceptance-cum-Acknowledgement, to enable the Registrar to the Offer to print the said details in the payment instrument after the name of the payee.

7. **Non-resident Shareholders** should enclose copy(ies) of permission received from the RBI to acquire Equity Shares held by them in the Target Company.

8. **Public Shareholders** are also advised to refer to paragraph 7.24 of the Letter of Offer regarding important disclosures on taxation of the consideration to be received by them.

9. NRIs, OCBs and other foreign Public Shareholders are required to furnish banker's certificate certifying inward remittances of funds for acquisition of Equity Shares of the Target Company.

10. **In case of bodies corporate**, certified copies of appropriate authorization (including board/shareholder resolutions, as applicable) authorizing the sale of Equity Shares along with specimen signatures duly attested by a bank must be annexed. The common seal of the body corporate should also be affixed.

11. **All the Public Shareholders** should provide all relevant documents which are necessary to ensure transferability of the Equity Shares in respect of which the acceptance is being sent. Such documents may include (but not be limited to):

    a) Duly attested death certificate and succession certificate (in case of single Public Shareholder) in case the original Public Shareholder has expired.
    b) Duly attested power of attorney if any person apart from the Public Shareholder has signed the Form of Acceptance-cum-Acknowledgement or Equity Shares transfer deed(s).

12. Pursuant to Regulation 18(9) of the SEBI (SAST) Regulations, Shareholders who have accepted the Offer by tendering the Shares in terms of the PA and Letter of Offer, shall not be entitled to withdraw such acceptance during the Tendering Period.
13. In case PAN is not submitted or is invalid or does not belong to the Public Shareholder, the Acquirer will arrange to deduct tax at the rate of 20% (twenty percent) or at the rate in force or at the rate specified in the relevant provisions of the IT Act, whichever is higher.
14. In case of ambiguity, incomplete or conflicting information or the information (including any additional information or documents which may be requested by the Acquirer from a Public Shareholder for ascertaining the taxes to be deducted) not being provided to the Acquirer, it would be assumed that the Public Shareholder is a non-resident Public Shareholder and taxes shall be deducted at the maximum rate as may be applicable to the relevant category to which the Public Shareholder belongs under the IT Act, on the entire consideration and interest if any, payable to such Public Shareholder.
15. In the event the Acquirer, on the basis of any misrepresentation, inaccuracy or omission of information provided by a Public Shareholder, fail to withhold/deduct the required tax, and as a result of such failure the Acquirer is called upon by the income tax authorities (by way of a demand notice or otherwise) for recovery of the shortfall in the taxes withheld/deducted by the Acquirer, the Acquirer shall be entitled to seek indemnification from such Public Shareholder towards any payments made by the Acquirer to the income tax authorities towards such shortfall, together with any interest, penalties, costs and expenses payable or incurred or to be incurred by the Acquirer
16. Tax rates and other related provisions may undergo changes. Tax will be withheld as per the laws / rates prevailing at the time of making payment to the Public Shareholders.
17. Taxes once withheld will not be refunded by the Acquirer under any circumstances. The tax withheld under this Offer is not the final liability of the Public Shareholders or in no way discharges the obligation of Public Shareholders to disclose the amount received pursuant to this Offer.
18. Public Shareholders are advised to consult their tax advisors for 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 Acquirer and the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of such advice. The aforesaid treatment of tax deduction at source may not necessarily be the treatment also for filing the return of income.
19. The final decision to withhold tax or not, or the quantum of taxes to be withheld rests solely with the Acquirer

The Form of Acceptance-cum-Acknowledgement and other related documents should be submitted by the mode of delivery at any of the collection centers mentioned overleaf.

FOR DETAILED PROCEDURE FOR TENDERING THE EQUITY SHARES IN THIS OFFER, REFER TO THE LETTER OF OFFER.

-- Tear along this line--

All future correspondence, if any, should be addressed to the Registrar to the Offer at the following address quoting your reference Folio No. / DP ID and Client ID

KARVY COMPUTERSHARE PRIVATE LIMITED

Plot No. 17 to 24, Vithalrao Nagar,
Hi-Tec City Road, Madhapur, Hyderabad,
Andhra Pradesh-500 081, India
Tel: +91 40 2342 0818-828
Fax: +91 40 2343 1551,
E-mail: murali.m@karvy.com
Contact Person: Mr. M. Muralikrishna

The Form of Acceptance-cum-Acknowledgement and other related documents should be submitted by the mode of delivery at any of the collection centers, as mentioned below:

Sl No	Collection Center	Address of Collection Centre	Contact Person	Telephone No., Fax No. and Email	Mode of Delivery
1	New Delhi	Karvy Computershare Private Limited 305, New Delhi House, 27, Barakhamba Road, New Delhi-110 001	Mr. K R Menon	Telephone No.: +91 11 4368 1700 Fax No.: +91 11 4368 1710 Email: krm@karvy.com	Hand Delivery
2	Mumbai	Karvy Computershare Private Limited 24-B, Rajabahudur Mansion, Ground Floor, 6, Ambalal Doshi Marg, Behind BSE Ltd, Fort, Mumbai - 400 001	Mr. Francis Fernandes	Telephone No.: +91 22 6638 2666 Fax No.: +91 22 6633 1135 Email: francisjf@karvy.com	Hand Delivery
3	Kolkata	Karvy Computershare Private Limited 49, Jatin Das Road, Near Deshpriya Park, Kolkata - 700 029	Mr. Sujit Kundu	Telephone No.: +91 33 2464 7231/2463 4789 Fax No.: +91 33 2464 4866 Email: sujit.kundu@karvy.com	Hand Delivery
4	Hyderabad	Karvy Computershare Private Limited Plot No 17-24, Vithalrao Nagar, Hi-Tec	Mr. Bhakta Singh/ Mr. Shyam	Telephone No.: +91 40 4465 5000/ 2342 0818-23	Registered Post /

Sl No	Collection Center	Address of Collection Centre	Contact Person	Telephone No., Fax No. and Email	Mode of Delivery
		City Road, Madhapur, Hyderabad 500 081		Fax No.: Not Available Email: ircmadhapur@karvy.com or einward.ris@karvy.com	Courier
5	Chennai	Karvy Computershare Private Limited No. F11 First Floor, Akshya Plaza, New no. 108, Adhithanar Salai, Egmore, Chennai - 600 002	Mr. G Karthikeyan	Telephone No.: +91 44 2858 7781/ 4202 8513 Fax No.: Not Available Email: chennaiirc@karvy.com	Hand Delivery

Note: All of the centres of the Registrar to the Offer mentioned above will be open from Monday to Friday - 10:00 am to 4:30 pm and Saturday - 10:00 am to 1:00 pm during the Tendering Period. The centres will be closed on Sundays and public holidays.