THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer (LOF) is sent to you as a shareholder(s) of **Raasi Refractories Limited ("the Company" / "Target Company").** If you require any clarification(s) about the action to be taken, you may consult your stock broker or investment consultant or Manager to the Offer/ Registrar to the Offer. In case you have recently sold your Shares in the Target Company, please hand over this LOF and the accompanying Form of Acceptance cum Acknowledgement and Transfer Deed to the Member of Stock Exchange through whom the sale was effected.

OPEN OFFER by Mr. Konda Laxmaiah, residing at 6-3-92/D, Ramagiri, Nalgonda – 508001, Telangana;
Tel : +91-9848039579; e-mail : ramlaxman.mill@gmail.com **AND**
Ramlaxman Parboiled Rice Private Limited, having its registered office at H. No. 15-145/9, Gaddiannaram, Hyderabad-500036,Telangana, Tel:+91-9848039579; email: ramlaxman.mill@gmail.com
(hereinafter referred to as "**Acquirers**")
to the existing shareholders of **RAASI REFRACTORIES LIMITED**
Regd Office: H.No. 6-3-347/C, Sandhaya Enclave, Flat No. 503, Plot No. C, S. No.146, Dwarkapuri Colony, Punjagutta, Hyderabad-500082,Telangana; Tel: 040-23355462; Fax 040-23355461; e-mail :raasirefractory@rediffmail.com

TO ACQUIRE

12,25,416 Equity Shares of Rs.10/- each, representing in aggregate 26% of the Issued, Subscribed, Paid up and Voting Equity Share Capital of the Target Company, for cash at a price of Rs. 4.75 per Equity Share.

Notes:
1. The Offer is being made by the Acquirers pursuant to the Regulations 3(1) and 4 of Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 2011 (**SEBI SAST Regulations**)
2. This Offer is not conditional to any minimum level of acceptance.
3. This is not a competing offer.
4. There are no statutory approvals required to acquire equity shares that are tendered pursuant to this Open Offer. The Open Offer would be subject to all the statutory approvals that may become applicable at a later date before the completion of the Open Offer.
5. The Acquirers may revise the Offer Price at anytime upto 3 working days prior to the opening of the tendering period of the Offer i.e. April 27, 2015. Any upward revision/withdrawal, if any, of the Offer would be informed by way of another Announcement in the same newspapers and editions in which the original Detailed Public Statement had appeared. Consideration at the same rate will be paid by the Acquirers for all equity shares tendered anytime during the Offer.
6. There was no competing offer
7. A copy of the public announcement, detailed public statement and the LOF (including Form of Acceptance-cum-Acknowledgement) are also available on Securities and Exchange Board of India's (SEBI) website: www.sebi.gov.in.

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
ARIHANT capital markets ltd. **Merchant Banking Division** SEBI REGN NO.: INM 000011070 #1011, Solitaire Corporate Park, Guru Hargovindji Marg, Chakala, Andheri (E), Mumbai – 400 093 Tel : 022-42254800/862; Fax : 022-42254880 Email: mbd@arihantcapital.com **Contact Persons: Mr. Amol Kshirsagar / Mr. Satish Kumar P.**	**Aarthi Consultants Private Limited** SEBI Registration No. INR 000000379 Regd office: 1-2-285, Domalguda, Hyderabad-500029 Tel No.: 040-27638111, 040-27634445 ; Fax No.: (91-40) 27632184 Email:info@aarthiconsultants.com **Contact Person: Mr. G. Bhaskara Murthy**

The Schedule of activities is as follows:

Activity	To be completed by
Public Announcement Date	Saturday, February 28, 2015
Detailed Public Statement Date	Monday, March 9, 2015
Filing of draft Letter of Offer with SEBI	Monday, March 16, 2015
Last date for competing offer	Monday, March 30, 2015
SEBI observations on draft LOF	Wednesday, April 8, 2015
Identified Date (Identified date is only for the purpose of determining the shareholders to whom the LOF shall be sent)	Friday, April 10, 2015
Date by which LOF will be despatched to the shareholders	Monday, April 20, 2015
Late date by which the Board of Target Company shall give its recommendation	Thursday, April 23, 2015
Issue Opening Advertisement Date	Friday, April, 24, 2015
Date of commencement of tendering period (open date)	Monday, April 27, 2015
Date of expiry of tendering period (closure date)	Tuesday, May 12, 2015
Date by which all requirements including payment of consideration would be completed	Tuesday, April 26, 2015

RISK FACTORS
Risk Factors relating to the transaction

1. The Share Purchase Agreement (SPA) dated February 28, 2015 contains a clause that it is subject to the provisions of SEBI SAST Regulations and in case of non-compliance with any of the provisions of the SEBI SAST Regulations, the Sellers or the Acquirers shall not act upon the agreement for such sale.

Risk Factors relating to the proposed Offer

1. In the event that either (a) the regulatory approvals are not received in a timely manner; (b) there is any litigation to stay the offer, or (c) SEBI instructs the Acquirers to comply with certain conditions before proceeding with the offer, then the offer procedure may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the public shareholders of the Target Company, whose shares have been accepted in the offer as well as the return of shares not accepted by the Acquirer, may be delayed. In case of delay in receipt of any statutory approval, SEBI has the power to grant extension of time to the Acquirers for payment of consideration to the public shareholders of the Target Company who have accepted the Offer within such period, subject to the Acquirers agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI SAST Regulations.
2. **As per Regulation 18(9) of SEBI SAST Regulations, Shareholders who have tendered shares in acceptance of the open offer shall not be entitled to withdraw such acceptance during the tendering period, even if the acceptance of shares under the Offer and dispatch of consideration gets delayed.**
3. In the event of over-subscription to the Offer, the acceptance will be on a proportionate basis.
4. The tendered shares and the documents would be held in trust by the Registrar to the Offer until the completion of Offer formalities and during this period, shareholders who have tendered their shares in the Offer will not be able to trade in the shares on the Stock Exchanges or take advantage of upward movement in the share price, if any. Accordingly, the Acquirers make no assurance with respect to any decision by the shareholders on whether or not to participate in the offer.
5. The Acquirers and the Manager to the Offer accept no responsibility for statements made otherwise than in the Letter of Offer (LOF)/ Detailed Public Statement (DPS)/Public Announcement (PA) and anyone placing reliance on any other sources of information (not released by the Acquirer) would be doing so at his / her / its own risk.

Probable risks involved in associating with the Acquirers

1. The Acquirers make no assurance with respect to the financial performance of the Target Company after change of control of management and disclaims any responsibility with respect to any decision by the Shareholders on whether or not to participate in the Offer.
2. The Acquirers make no assurance with respect to its investment/divestment decisions relating to its proposed shareholding in the Target Company.
3. The Acquirers do not provide any assurance with respect to the market price of the Equity Shares of the Target Company before, during or after the Offer.

The risk factors set forth above, pertain to the Offer and associating with the Acquirer, and are not in relation to the present or future business or operations of the Target Company or 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 shareholder in the Offer. Shareholders of the Target Company are advised to consult their stockbrokers or investment consultants, if any, for analysing all the risks with respect to their participation in the Offer

TABLE OF CONTENTS

1. DEFINITIONS/ABBREVIATIONS

The following definitions apply through this document, unless the context requires otherwise:

1.	Acquirers	Mr. Konda Laxmaiah and Ramlaxman Parboiled Rice Private Limited
2.	Book Value	Book Value of each Equity Share as on the date referred to
3.	BSE	BSE Limited
4.	DPS/ Detailed Public Statement	Announcement of this Offer published on behalf of the Acquirers to the Shareholders of the Target Company on March 9, 2015 in Business Standard, English and Hindi (all editions), Mumbai Lakshwadeep (Mumbai) and Prajashakti (Hyderabad)
5.	Eligible Person(s) for the Offer	All owners (registered or unregistered) of Shares of Target Company (other than the Acquirer, deemed PACs and the Sellers) anytime before the closure of the Offer
6.	EPS	Earnings per Equity Share
7.	FOA/Form of Acceptance	Form Of Acceptance Cum Acknowledgement
8.	Identified Date	Being the date for the purpose of determining the names of the Shareholders to whom the Letter of Offer will be sent
9.	Letter of Offer / LOF	This Letter of Offer
10.	Maximum Consideration	Total consideration payable by the Acquirers under this Offer assuming full acceptance by Eligible Person(s) for the Offer, amounting to Rs. 58,20,726/-
11.	Merchant Banker/ Manager to the Offer	Arihant Capital Markets Limited
12.	MOA	Memorandum of Association
13.	NAV	Net Asset Value per Equity Share
14.	NRI(s)	Non Resident Indians and persons of Indian origin residing abroad
15.	Offer	Open Offer being made by the Acquirers for acquisition of 12,25,416 Equity Shares to the public shareholders, representing 26% of the paid up voting equity share capital of the Target Company at the Offer Price payable in cash.
16.	Offer Price	Rs. 4.75 per Equity Share

17.	Public Announcement or PA	Public Announcement filed on February 28, 2015 with BSE Limited and Raasi Refractories Limited and on March 2, 2015 with Securities and Exchange Board of India
18.	PAT	Profit after Tax
19.	PBDIT	Profit Before Depreciation, Interest and Tax
20.	PBT	Profit Before Tax
21.	RBI	Reserve Bank of India
22.	RPRPL	Ramlaxman Parboiled Rice Private Limited, one of the Acquirers to the present Open Offer
23.	Registrar to the Offer	Aarthi Consultants Private Limited
24.	SEBI SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 2011 as amended till date
25.	SEBI	Securities and Exchange Board of India
26.	Sellers	Mr. Ashok Kumar Agarwal and Mr. Sanjay Agarwal
27.	Share(s)	Fully paid-up Equity Shares of face value of Rs. 10/- each of the Target Company
28.	Shareholders	Shareholders of the Target Company
29.	SPA	The Share Purchase Agreement dated February 28,2015 entered into by the Acquirers with the Sellers, for purchase of 23,87,220 Shares of the Target Company from the Sellers representing 50.65% of the paid up and voting equity share capital of the Target Company.
30.	Total paid-up Capital / Equity Capital of the Target Company	Consisting of 47,13,136 fully paid up Equity Shares of Rs. 10/- each of the Target Company as on the date of this Letter of Offer
31.	Target Company/ the Company	Company whose Equity Shares are proposed to be acquired viz. Raasi Refractories Limited
32.	Tendering Period	Period within which shareholders may tender their shares in acceptance of this open offer i.e. from 27/04/2015 to 12/05/2015

2. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF RAASI REFRACTORIES LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER(S), PACs OR THE COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRERS DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER M/S. ARIHANT CAPITAL MARKETS LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED MARCH 16, 2015 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAYBE REQUIRED FOR THE PURPOSE OF THE OFFER.

3. DETAILS OF THE OFFER

3.1 Background of the Offer

3.1.1 This Open Offer is being made by Mr. Konda Laxmaiah and Ramlaxman Parboiled Rice Private Limited (collectively referred to as the "Acquirers"). The Acquirers currently do not hold any equity shares in the Target Company. This offer to acquire 12,25,416 Equity Shares of face value of Rs.10/- each at a price of Rs. 4.75 per Equity Share, representing 26% of the fully diluted voting Equity Share capital of the Target Company is being made in terms of Regulation 3(1) and 4 of SEBI SAST Regulations for the purpose of substantial acquisition of Equity Shares and voting rights of the Target Company accompanied with the change in control and management. The aggregate equity stake of the Acquirers in the paid up equity share capital of the Target Company will be more than the stipulated threshold of 25% consequent to the acquisition of Shares by the Acquirers through the Share Purchase Agreement (SPA) dated February 28, 2015.

3.1.2 The Acquirers have entered into SPA on February 28, 2015 with the following shareholders ("Sellers") who are also the Promoters of the Target Company, to acquire in aggregate 23,87,220 Equity Shares of Rs.10/- each constituting 50.65% of the paid-up equity and voting share capital of the Target Company at a price of Rs. 4.75 per equity share ("Negotiated Price") :

Name	Shares	% of paid-up capital
Mr. Ashok Kumar Agarwal	12,88,900	27.35
Mr. Sanjay Agarwal	10,98,320	23.30
	23,87,220	50.65

This agreement has necessitated the Open Offer in terms of Regulation 3(1) and 4 of the SEBI SAST Regulations. The total consideration for the shares being acquired under the SPA is Rs. 1,13,39,295/-.

The sellers hold 50.65% of the voting Equity Capital in the Target Company, and these Shares are pledged with SREI Equipment Finance Limited ("**SREI**"). The sellers will procure no objection certificate (NOC) from SREI for effecting transfer of Sale Shares to the Acquirers. After the underlying transaction in terms of the SPA, their holding in the Target Company would be nil.

3.1.3 The salient features of the SPA are:

1. The total consideration for 23,87,220 Equity shares ('Sale Shares') representing 50.65% of the Equity and Voting Share Capital, at the negotiated price of Rs 4.75 per fully paid up equity share is Rs. 1,13,39,295/-.
2. The SPA shall not be acted upon in case any of the provisions of the SEBI Takeover Regulations are not complied with.
3. The Acquirers not to seek transfer of the Shares in their name or any of their nominee(s) by lodging the Delivery Instructions with the Depository Participant or in any other manner whatsoever, till the completion of their obligations envisaged under the SEBI Takeover Regulations.
4. The sellers shall procure NOC from SREI for effecting transfer of Seller's pledged shares to the Acquirers

3.1.4 Apart from the consideration of Rs. 4.75 per Equity Share, no other compensation, directly or indirectly, is payable to the Sellers under the SPA or otherwise. The total consideration is payable in cash for both the SPA and the present Open Offer.

3.1.5 The Acquirers intend to gain control over the Target Company and make changes in the Board of Directors of the Target Company in accordance with the provisions of SEBI SAST Regulations. As on date, the Acquirers have not decided on the names of persons who may be appointed on the Board of Directors of the Target Company.

3.1.7 There is no person acting in concert (PAC) with the Acquirers in respect of this Open Offer within the meaning of Regulation 2(1)(q) of the SEBI SAST Regulations.

3.1.8 The Acquirers have not been prohibited by SEBI from dealing in securities, in terms of directions issued pursuant to Section 11B of the SEBI Act, 1992 or under any of the Regulations made under the SEBI Act.

3.1.9 The Board of the Target Company has in accordance with Regulation 26(6) of the SEBI SAST Regulations, constituted a committee of independent directors who would provide its written reasoned recommendation on the Offer to the Shareholders of the Target Company. In accordance with Regulation 26(7), the committee of independent directors of the Target Company shall provide their reasoned recommendations on this open offer to its shareholders and the Target Company shall in accordance with Regulation 26(6), cause to publish such recommendation atleast two working days before the commencement of the tendering period, in the same newspapers where the DPS of the Offer was published.

3.2 Details of the proposed Offer

3.2.1 A detailed public statement, as per Regulation 14 (3) of the SEBI SAST Regulations, was made in the following Newspapers, on March 09, 2015:

Newspaper	Language of the Newspapers	Editions
Business Standard	English and Hindi	All
Prajashakti	Telugu	Hyderabad edition
Mumbai Lakshadweep	Marathi	Mumbai edition

Copy of the detailed public statement is also available at SEBI's website: www.sebi.gov.in

3.2.2 The Acquirers are making an open offer in terms of Regulation 3(1) and 4 of the SEBI SAST Regulations as aforesaid, to the public equity shareholders of the Target Company to acquire up to 12,25,416 Equity Shares of Rs. 10/- each representing 26% of the paid up equity voting share capital of the Target Company, at a price of Rs 4.75 per Share ("Offer Price") payable in cash subject to the terms and conditions set out in the Public Announcement, DPS and this Letter of Offer

3.2.3 The Offer price is Rs. 4.75 per Equity Share. There are no partly paid up shares.

3.2.4 There is no differential pricing for the shares proposed to be acquired under the open offer.

3.2.5 This is not a competing offer.

3.2.6 The Offer is not subject to any minimum level of acceptance from the shareholders i.e. it is not a conditional offer and the Acquirers will be obliged to acquire all the equity shares tendered in response to the Offer, subject to a maximum of 12,25,416 Equity Shares that are tendered in the valid form in terms of the Offer subject to the terms and conditions mentioned in the DPS and the Letter of Offer ("LOF") to be mailed to the shareholders of the Target Company.

3.2.7 All the shares to be tendered in the Open Offer shall be free from lien, charge and encumbrances of any kind whatsoever.

3.2.8 There was no competing offer.

3.2.9 The Acquirers have not purchased any Shares of the Target Company after the date of Public Announcement (PA).

3.3 Object and Purpose of Acquisition/offer and Future Plans

3.3.1 The Acquirers intend to gain control over the Target Company and make changes in the Board of Directors of the Target Company subsequent to the completion of this Open Offer or in accordance with Regulation 24(1) and other applicable provisions of SEBI SAST Regulations as they may deem fit.

3.3.2 The main objects of the Target Company inter-alia includes carrying on the business to produce, manufacture, refine, prepare, install, import, export, purchase, sell, mine and generally deal in all kinds of refractories such as Basic, Silica, Fire-clay, Ball clays, white clays, Quartz, Felspar(moderate and high heat varieties) High Alumina, High garg, pouring,etc., Refractories, Siliminate and Kyanite, Acid proof, and insulation bricks, stopper heads, Ladle Bricks, Roofsets, Dolomite crucibles, Rashicrings, etc.,and also varieties of Mortars, Ramming, asses and Castables. The Acquirers, upon completion of the present open offer, intend to pursue these objects and may undertake new business with the approval of Shareholders of the Target Company.

3.3.3 The Acquirers do not currently have any plans to dispose off or otherwise encumber any assets of the Target Company in the succeeding two years from the date of closure of the Offer, except in the ordinary course of business. The Acquirers undertake that they shall not sell, dispose of or otherwise encumber any substantial assets of the Target Company except with the prior approval of the Shareholders.

4 BACKGROUND OF THE ACQUIRERS

The Offer is being made by Mr. Konda Laxmaiah and Ramlaxman Parboiled Rice Private Limited

4.1 Mr. Konda Laxmaiah

4.1.1Mr. Konda Laxmaiah, aged about 56 years, is residing at 6-3-92/D, Ramagiri, Nalgonda- 508001, Telangana; Tel +91-9848039579, e-mail: ramlaxman.mill@gmail.com. Mr. Laxmaiah, a non-matriculate, is the main promoter of Ramlaxman Parboiled Rice Private Limited, one of the Acquirers in the present Open Offer. Mr. Laxmaiah has about 25 years of experience in the varied business activities related to transport, charcoal, thermocol, wines etc.

4.1.2 Mr. Konda Laxmaiah does not presently hold any Equity Shares in the Target Company and has not held any Equity Shares in the Target Company in the past. In view of this, compliances of applicable provisions of SEBI SAST Regulations, 1997 / 2011 are not applicable.

4.1.3 Mr. Prakasa Rao, Partner, M/s GMK Associates., Chartered Accountants, having their office at 607, Raghava Ratna Towers , Chirag Ali Lane, Abids, Hyderabad- 500001, (Membership No.027278; Firm Registration No. 006945S), Tel: 040-23201357; email:gmkassociates@gmail.com, has certified vide their certificate dated February 28, 2015 that the net worth of Mr. Konda Laxmaiah as on November 30, 2014 is Rs. 19,37,60,000/- (Rupees Nineteen Crore Thirty Seven Lakh Sixty Thousand only) and that he has sufficient liquid assets as on date to fulfill the monetary obligations under this Open Offer.

4.1.4 Mr. Laxmaiah does not hold any position in the Board of Directors of any listed company. He is the promoter director of Ramlaxman Parboiled Rice Private Limited, one of the Acquirers. He also holds directorship in Nalgonda Warehousing Private Limited and Sri Rama E.P.S. Products Private Limited. He does not hold any whole-time directorship in any of the Companies.

4.2 Ramlaxman Parboiled Rice Private Limited

4.2.1 Ramlaxman Parboiled Rice Private Limited (RPRPL) was incorporated on October 4, 2006 with the Registrar of Companies, Hyderabad at Andhra Pradesh. The registered office of RPRPL is situated at H.No.15-145/9, Gaddiannaram, Hyderabad-500036, Telangana; Tel: +91-9848039579; e-mail: ramlaxman.mill@gmail.com.

4.2.2 RPRPL is promoted by Mr. Konda Laxmaiah, one of the Acquirers, along with his family members and associates in October 2006 with the main objects of carrying on business as millers in all its branches and construct, set up and running of mills for milling Paddy, Parboiled and boiled Rice, Wheat, Grain, other grams and Cereals, Dal, Besan, Maida, Atta and other allied products.

4.2.3 RPRPL does not belong to any group

4.2.4 The paid-up capital of RPRPL as on date is Rs. 6,50,27,400/- divided into 6,50,274 Equity Shares of Rs.100/- each held as under :

Sr. No	Shareholders	No. of Equity Shares	% of shareholding
1.	Mr. Konda Laxmaiah	2,50,600	38.54
2.	Mrs. Konda Padma	2,50,400	38.51
3.	Relatives & associates	1,49,274	22.95
	Total	**6,50,274**	**100.00**

Shareholding pattern of RPRPL

Sr. No	Shareholders	No. of Equity Shares	% of shareholding
1	Promoters & associates	6,50,274	100.00
2.	FII/Mutual Funds/FIs/Banks	-	-
3.	Public	-	-
	Total	**6,50,274**	**100.00**

4.2.5 The details of Board of Directors of RPRPL are :

Name & DIN	Address	Date of Appointment	Qualification	Experience
Mr. Konda Laxmaiah DIN : 00573281	6-3-02/D, Ramgiri Nalgonda – 508001 Telangana	04/10/2006	Non-matriculate	About 25 years of experience in the varied business activities related to transport, charcoal, thermocol, wines etc.
Mrs. Konda Padma DIN : 03300465	6-3-02/D, Ramgiri Nalgonda – 508001 Telangana	04/10/2006	Non-matriculate	About 15 years of experience in the business of paddy trade and also dealing in agricultural products

None of the above Directors are on the Board of the Target Company.

4.2.6 Ramlaxman Parboiled Rice Private Limited is not listed on any Stock Exchanges.

4.2.7 RPRPL does not presently hold any Equity Shares in the Target Company and has not held any Equity Shares in the Target Company in the past. In view of this, compliances of applicable provisions of SEBI SAST Regulations, 1997 / 2011 are not applicable

4.2.8 Mr. Prakasa Rao, Partner, M/s GMK Associates, Chartered Accountants, having their office at 607, Raghava Ratna Towers, Chirag Ali Lane, Abids, Hyderabad- 500001 (Membership No. 027278; Firm Registration No. 006945S), Tel: 040-23201357; email : gmkassociates@gmail.com has certified vide their certificate dated February 28, 2015 that the net worth of Ramlaxman Parboiled Rice Private Limited as on November 30, 2014 is Rs. 18,81,59,737/- (Rupees Eighteen Crore Eighty One Lakh Fifty Nine Thousand Seven hundred and Thirty Seven only) and that it has sufficient liquid assets as on date to fulfill the monetary obligations under this Open Offer.

4.2.9 Brief audited financial data of RPRPL for the last 3 financial years and certified financials for the period ended November 30, 2014 are given hereunder :

Profit & Loss Statement

(Rs. in lakhs)

Particulars	30/11/2014	31/03/2014	31/03/2013	31/03/2012
Income from operations	12,947.29	7,421.00	2,424.55	4,335.71
Other Income	112.67	116.38	54.48	241.12
Total Income	13,059.96	7,537.38	2,479.03	4,576.83
Total Expenditure	12,061.19	6,663.83	2,023.96	4,054.22
Extraordinary Items	-		200.79	-
PBDIT	998.77	873.55	254.28	522.61
Depreciation	71.83	119.59	137.49	150.39
Interest	392.83	650.14	651.34	489.82
PBT	534.11	103.82	(534.55)	(117.60)
Current Tax	-	3.94	-	-
Deferred Tax	-	(23.64)	(32.80)	(23.00)
PAT	534.11	123.51	(501.75)	(94.60)

Balance Sheet Statement

(Rs. in lakhs)

Particulars	30/11/2014	31/03/2014	31/03/2013	31/03/2012
EQUITY AND LIABILITIES				
Shareholders' funds				
- Share Capital	650.27	650.27	650.27	650.27
- Reserves & Surplus (excluding revaluation reserves)	301.22	(232.89)	(356.40)	97.13
- Share application pending allotment	1,023.91	1,012.03	823.21	72.00
Networth	**1,975.40**	**1,429.41**	**1,117.08**	**819.40**
Non current Liabilities				
- Long term borrowings	3,218.07	2,574.30	1,403.92	2,171.60
- Deferred tax liabilities (net)	-	-	-	
- Other long term liabilities	-	-	-	
- Long term provisions	-	-	-	
Sub-total – Non-current liabilities	**3,218.07**	**2,574.30**	**1,403.92**	**2,171.60**
Current Liabilities				
- Short-term borrowings	2,369.46	1,411.92	1,395.12	1,415.27
- Trade payables	2,591.30	622.55	85.69	37.37
- Other current liabilities	579.83	768.51	477.56	265.44
- Short-term provisions	-	3.69	-	
Sub-total – Current liabilities	**5,540.59**	**2,806.67**	**1,958.37**	**1,718.08**
TOTAL – EQUITY & LIABILITIES	**10,734.06**	**6,810.38**	**4,479.37**	**4,709.08**
ASSETS				
Non-current Assets				
Fixed Assets	2,103.99	2,153.06	1,820.01	1,867.07
Deferred Tax Assets (net)	93.81	93.81	70.17	37.37
Long-term loans and advances	217.87	271.37	261.14	470.75
Other non-current assets	-	-	-	1.12
Sub-total – Non-current assets	**2,415.67**	**2,518.24**	**2,151.32**	**2,376.31**
Current Assets				
Current investments	-			
Inventories	5,002.64	1,144.19	2,217.74	2,248.50
Trade receivables	3,112.95	3,011.29	21.56	15.32
Cash and cash equivalents	125.65	132.41	29.30	52.14
Short term loans and advances	75.21	2.32	57.59	15.40
Other Current Assets	1.94	1.94	1.86	1.41
Sub-total – Current assets	**8,318.39**	**4,292.15**	**2,328.05**	**2,332.77**
TOTAL – ASSETS	**10,734.06**	**6,810.39**	**4,479.37**	**4,709.08**

Other financial data

	30/11/2014	31/03/2014	31/03/2013	31/03/2012
Dividend (%)	-	-	-	-
Earnings Per Share (Rs.)	82.14	18.99	-	-
Return on Networth (%)	27.04	8.64	-	-
Book Value per Share (Rs.)	146.32	64.21	45.21	114.98

Contingent Liabilities – there are no contingent liabilities as on March 31, 2014 and November 30, 2014.

4.2.10 There are no persons acting in concert with the Acquirers for the present Open Offer.

4.2.11 The Acquirers do not belong to any group.

4.2.12 Besides the shareholding as proposed to be acquired under the SPA dated February 28, 2015, the Acquirers do not have any other interest in the Target Company.

4.2.13 The Acquirers have not been prohibited by the Securities and Exchange Board of India (hereinafter referred to as "SEBI") from dealing in securities, in terms of directions issued under Section 11B of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as "SEBI Act") or under any of the Regulations made under the SEBI Act.

5. BACKGROUND OF THE TARGET COMPANY

5.1 Share Capital Structure of the Target Company

Paid-up Equity Shares	No. of Shares/voting rights	% of shares/voting rights
Fully paid-up Equity Shares	47,13,136	100.00
Partly paid-up Equity Shares	Nil	-
Total paid-up Equity Shares	47,13,136	100.00
Total voting rights	47,13,136	100.00

5.2 All the shares of the Target Company are listed and permitted for trading on BSE. They are not suspended for trading.

5.3 There are no outstanding convertible instruments / partly-paid up Equity Shares in the Target Company.

5.5 Composition of the Board of Directors :

Name	**DIN**	**Designation**
Mr. Ashok Kumar Agarwal	00161705	Whole-time Director
Mr. Muralidhar Agarwal	00823521	Independent Director
Mr. Rabindra Chandra Biswas	00791994	Whole-time Director
Mr. K. Rajendra Prasad	00143653	APIDC Nominee Director

None of the Directors of the Target Company represents the Acquirers

5.6 The Target Company, was incorporated as a Public Limited Company under the Companies Act, 1956 on December 24, 1981 with the Registrar of Companies, Andhra Pradesh, in the name and style of Raasi Refractories Limited.

The target Company was originally promoted by Mr. Nandyala Krishna Prasad Raju, Mr. Kalidindi Satyanarayana Raju, Ms. Kalidindi Usha Rani, Ms. Nandyala Shoba Rani, Mr. P. Krishnaganga Raju, Mr. K Suryanarayana Raju, Mr. A. Vijaya Kumar Raju, Mr. P.P.Avasthi and Mr. Bhupathiraju Vissam Raju and their associates. Later during the year 2004, there was change in the ownership and management of the target Company.

Mr. Ashok Kumar Agarwal and Mr. Sanjay Agarwal acquired controlling interest in the Target Company. In compliance with the Regulations 10 and 12 of the SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 1997, they made Open Offer to the then shareholders of the Target Company during June 2004.

There have been no merger/de-merger / spin off during the last 3 years involving the Target Company.

5.7 **Financial Highlights of the Target Company**

The brief audited financial details of the Target Company for the last 3 Financial Years are as under :

Profit & Loss Statement

(Rs. in lakhs)

Particulars	31/03/2014	31/03/2013	31/03/2012
Income from operations	1,508.26	3584.41	2159.86
Other Income	6.53	0.02	38.06
Total Income	1,514.79	3584.44	2197. 92
Total Expenditure	1,751.51	3393.10	1777.42
PBDIT	(236.72)	191.34	420.50
Depreciation	103.95	103.94	103.36
Interest	15.19	286.03	303.82
PBT	(355.86)	(198.63)	13.32
Provision for Tax			
Deferred tax liability	-	-	
PAT	(355.86)	(198.63)	2.32

Balance Sheet Statement

(Rs. in lakhs)

Particulars	31/03/2014	31/03/2013	31/03/2012
EQUITY AND LIABILITIES			
Shareholders' funds			
Share Capital	471.31	471.31	471.31
Reserves & Surplus	(403.69)	(47.83)	150.80
Networth	**67.62**	**423.48**	**622.11**
Noncurrent Liabilities			
Long term borrowings	1,845.05	2,457.93	964.40
Deferred tax liabilities (net)	104.55	104.55	104.55
Other long term liabilities	-	-	-
Long term provisions	92.59	89.33	84.29
Sub-total – Non-current liabilities	**2,042.19**	**2,651.81**	**1,153.24**
Current Liabilities			
Short-term borrowings	-	-	-
Trade payables	603.07	339.22	482.29
Other current liabilities	998.21	414.25	87.14
Short-term provisions	14.22	15.31	2.91
Sub-total – Current liabilities	**1,615.50**	**768.78**	**1,658.04**
TOTAL – EQUITY & LIABILITIES	**3,725.31**	**3,844.07**	**3,433.39**
ASSETS			
Non-current Assets			
Fixed Assets	881.40	985.35	1088.38
Non-current investments	98.45	98.45	98.45
Long-term loans and advances	-	-	-
Sub-total – Non-current assets	**979.85**	**1083.8**	**1186.83**
Current Assets			
Inventories	1,547.09	1,358.00	1,175.09
Trade receivables	850.56	843.52	661.50
Cash and cash equivalents	48.88	296.28	171.92
Short term loans and advances	298.93	262.47	238.05
Sub-total – Current assets	**2,745.46**	**2,760.27**	**2,246.56**
TOTAL – ASSETS	**3,725.31**	**3,844.07**	**3,433.39**

Other Financial Data

	31/03/2014	31/03/2013	31/03/2012
Dividend (%)	-	-	-
Earnings Per Share (Rs.)	-	-	0.05
Return on Networth (%)	-	-	0.37
Book Value per Share (Rs.)	1.43	8.99	13.20

Unaudited financial results of the Target Company, for the nine months period ended December 31, 2014 are as under (*based on financials as filed with BSE and Limited Review by the Statutory Auditors*)

Particulars	(Rs. in lakhs)
Income from operations	1,315.76
Other Income	-
Total Income	1,315.76
Total Expenditure	2,855.91
PBDIT	(1,540.51)
Depreciation	77.94
Interest/finance cost	3.61
PBT	(1,621.70)
Provision for Tax	-
(Loss) / Profit After Tax	(1,621.70)
Share Capital	471.31

The Target Company has not filed the Limited Review Report with BSE for the period mentioned above.

5.7 Pre and Post - Offer Share holding pattern of the Target Company shall be as follows:

Share holders category	**Shareholding prior to the acquisition and offer (A)**		**Shares agreed to be acquired which triggered off the Regulation (B)**		**Shares to be acquired in open offer (Assuming full Acceptance) (C)**		**Shareholding after the acquisition and offer pursuant to the Regulations i.e. (A)+(B)+(C)=(D)**	
	No.	%	**No.**	%	**No.**	%	**No.**	%
(1) Promoter Group								
(a) Parties to the Agreement								
Mr. Ashok Kumar Agarwal	12,88,900	27.35	(12,88,900)	(27.35)	-	-	-	-
Mr. Sanjay Agarwal	10,98,320	23.30	(10,98,320)	(23.30)	-	-	-	-
Total (a)	**23,87,220**	**50.65**	**(23,87,220)**	**(50.65)**	-	**-**	**-**	**-**
(b) Promoters other than (a) above								
-		-	-	-	-	-	-	-
Total (1)	**23,87,220**	**50.65**	**(23,87,220)**	**(50.65)**	-	**-**	**-**	**-**
(2) Acquirer								
Mr. Konda Laxmaiah & Ramlaxman Parboiled Rice Private Limited	-	-	23,87,220	50.65	12,25,416	26.00	36,12,636	76.65
b. PACs	-	-				-	-	-
Total 2	**-**	**-**	**23,87,220**	**50.65**	**12,25,416**	**26.00**	**36,12,636**	**76.65**
(3) Parties to agree-ment other than 1 & 2	-	-	-	-	-	-	-	-
Total 3	**-**	**-**	-	-	-	-	-	-
(4) Public (other than parties to agreement / Acquirer)								
a)FIs/MFs/FII/Banks	-	-	**-**	**-**	**-**	**-**	**-**	**-**
b) Others	23,25,916	49.35			(12,25,416)	(26.00)	11,00,500	23.35
Total 4	**23,25,916**	**49.35**			**(12,25,416)**	**(26.00)**	**11,00,500**	**23.35**
Total (1+2+3+4)	**47,13,136**	**100.00**					**47,13,136**	**100.00**

Notes:

1. The actual Post-Offer Shareholding of Public would depend on the response and acceptance of the shareholders in this Open Offer.
2. As on March 6, 2015, there are about 6,100 Shareholders in the Target Company.

5.8 Upon completion of this Offer, assuming full acceptance, the public shareholding in the Target Company will fall below the minimum public shareholding requirement as per the Securities Contract (Regulations) Rules as amended and the Listing Agreement entered into between the Target Company and the Stock Exchange. However, the Acquirers undertake to take necessary steps to facilitate compliances of the Target Company with the relevant provisions of the Listing Agreement within the period mentioned therein..

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1 Offer price

6.1.1 The shares of the Target Company are listed on BSE. Its Scrip Code is 502271.

6.1.2 The annual trading turnover of Shares of Raasi Refractories Limited during the preceding 12 calendar months prior to the month in which PA was made, i.e. during the months from February 2014 to January 2015 is given below :

Name of stock Exchange	Total no. of share traded during the 12 calendar months prior to the month in which PA was made.	Total No. of listed Shares	Annual Trading turnover (in terms of % to total listed shares)
BSE	**1,13,481**	**47,13,136**	**2.41%**

Based on parameters set out in Regulation 2(j) of SEBI SAST Regulations, the Equity Shares of the Target Company are infrequently traded.

6.1.3 <u>Justification of offer price:</u>

The offer price of Rs. 4.75 per Equity Share of the Target Company has been determined after considering the following in terms of Regulations 8(1) and 8(2) of the SEBI SAST Regulations:

PARTICULARS	**Price (**Rs.)
1. Negotiated price	4.75
2. Volume weighted average price paid/payable for acquisitions during the 52 weeks preceding the date of public announcement	N.A.
3. Highest price paid/payable for acquisition during the 26 weeks preceding the date of public announcement	N.A.
4. Volume weighted average market price of shares for a period of 60 trading days immediately preceding the date of public announcement (*where the shares are frequently traded*)	N.A.
5. Fair Value determined in accordance with parameters of Regulation 8(2) (e)*	3.00
6. Highest of the above	4.75
7. Offer Price	4.75

*As certified by Mr. Prakasa Rao, Partner, M/s GMK Associates., Chartered Accountants, having their office at 607, Raghava Ratna Towers , Chirag Ali Lane, Abids, Hyderabad- 500001 (Membership No. 027278; Firm Registration No. 006945S), Tel:.040-23201357; email :gmkassociates@gmail.com vide their certificate dated February 28, 2015. The above referred valuation has been done considering the market value of land and building of the Target Company and other parameters. The valuation is based on different valuation approaches with appropriate weightage in accordance with the view of the Hon'ble Supreme Court of India in the case of Hindustan Lever Employees Union v/s Hindustan Lever Limited 1995 (83 Com. Case 30).

6.1.4 The Manager to the Offer, Arihant Capital Markets Limited does not hold any Equity Shares in the Target Company as at the date of LOF. The Manager to the Offer further declare and undertake that they will not deal on their own account in the Equity Shares of the Target Company during the Offer Period.

6.2 Financial arrangements:

6.2.1 Assuming full acceptance, the total fund requirements for this Offer is Rs.58,20,726/- (Rupees Fifty Eight Lakhs Twenty Thousand Seven Hundred Twenty Six only).

6.2.2 In accordance with Regulation 17 of the SEBI SAST Regulations, the Acquirers have deposited Rs.60,00,000/- (Rupees Sixty Lakhs only) by way of cash, being more than 100% of the entire amount of the consideration (assuming full acceptance by the shareholders) in an Escrow Account with ICICI Bank, Capital Market division, 1st floor, 122 Mistry Bhawan, Dinshaw Vachha Road, Backbay Reclamation, Churchgate, Mumbai- 400020 – with exclusive authority to operate the account in favour of Arihant Capital Markets Ltd., the Manager to the Offer. The Acquirers have duly empowered the Managers to the Offer to realise the value of the Escrow Account in terms of Regulation 21(1) of the SEBI SAST Regulations.

6.2.3 The Acquirers have adequate resources to meet the financial requirements of the Offer. The fund requirements will be met from existing sources/Net Worth. No separate borrowings from Indian Banks / Financial Institutions or sources such as NRIs are envisaged by the Acquirer. The Acquirers hereby declare and confirm that they have adequate and firm financial resources to fulfill the total financial obligation under the Offer

6.2.4 Mr. Prakasa Rao, Partner, M/s GMK Associates., Chartered Accountants, having their office at 607, Raghava Ratna Towers, Chirag Ali Lane, Abids, Hyderabad- 500001 (Membership No. 027278; Firm Registration No. 006945S), Tel no. 040- 23201357; email: gmkassociates@gmail.com, has certified vide their certificate dated February 28 , 2015 that the net worth of Mr. Konda Laxmaiah and Ramlaxman Parboiled Rice Private Limited as on November 30, 2014 is Rs. 19,37,60,000 (Rupees Nineteen Crore Thirty Seven Lakh Sixty Thousand only) and Rs.18,81,59,737/- (Rupees Eighteen Crore Eighty one Lakh Fifty Nine Thousand Seven Hundred and Thirty Seven only), respectively, and that they have sufficient liquid assets as on date to fulfill the monetary obligation under this Open Offer.

6.2.5 Based on the above and in the light of the escrow arrangement, the Manager to the Offer is satisfied that firm arrangements have been put in place by the Acquirers to fulfill their obligations through verifiable means in relation to the Offer in accordance with the SEBI SAST Regulations.

7. TERMS AND CONDITIONS OF THE OFFER

7.1 **Operational terms and conditions :**

7.1.1 The Offer is not subject to any minimum level of acceptances from shareholders.

7.1.2 The Letter of Offer along with Form of Acceptance cum Acknowledgement will be mailed to all those shareholder(s) of the Target Company (except the Acquirers, deemed PACs and shareholders who are parties to SPA) whose name appear on the Register of Members and to the beneficial owners of the shares of the Target Company whose names appear on the beneficial records of the Depository Participant, at the close of business hours on April 10, 2015 ("Identified Date").

7.1.3 The Offer is subject to the terms and conditions set out in this Letter of Offer, the Form of Acceptance, the PA, the DPS and any other Public Announcements that may be issued with respect to the Offer.

7.1.4 The LOF along with the Form of Acceptance cum acknowledgement would also be available at SEBI's website, www.sebi.gov.in, and shareholders can also apply by downloading such forms from the website

7.1.5 This Offer is subject to the receipt of the statutory and other approvals as mentioned in paragraph 7.4 of this LOF. In terms of Regulation 23(1) of the SEBI SAST Regulations, if the statutory approvals are refused, the Offer would stand withdrawn.

7.1.6 Accidental omission to dispatch this Letter of Offer to any member entitled to this Open Offer or non-receipt of this Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever.

7.1.7 The acceptance of the Offer must be unconditional and should be on the enclosed Form of Acceptance-cum-Acknowledgement sent along with the other documents duly filled in and signed by the applicant shareholder(s).

7.1.8 Any equity shares that are subject matter of litigation or are held in abeyance due to pending court cases/attachment orders/ restriction from other statutory authorities wherein the shareholder may be precluded from transferring the equity shares during pendency of the said litigation are liable to be rejected if directions/orders regarding these equity shares are not received together with the equity shares tendered under the Offer.

7.2 **Locked in shares**: There are no locked in shares in the Target Company.

7.3 **Persons eligible to participate in the Offer**

Except the Acquirer, deemed PACs and the Promoters of the Target Company, all the registered shareholders of the Target Company and unregistered shareholders who own the Equity Shares of the Target Company any time prior to the Closure of Offer, including the beneficial owners of the shares held in dematerialised form, are eligible to participate in the Offer.

7.4 **Statutory and Other Approvals**

7.4.1 Non-resident equity shareholders who wish to tender their equity shares in the Target Company in this Offer will be required to submit all the applicable Reserve Bank of India (hereinafter referred to as "**RBI**") approvals (specific or general) that they would have obtained for acquiring, the equity shares of the Target Company. In the event such RBI approvals are not submitted, the Acquirers reserve the sole the right to reject the equity shares tendered in the Offer. This Open Offer is subject to receipt of the requisite RBI approvals, if any, for acquisition of equity shares by the Acquirers from NRIs and OCBs.

7.4.2 As on the date of this detailed public statement, no statutory approvals, except as mentioned above, are required by the Acquirers to acquire the Equity Shares that are tendered pursuant to the Offer. However, the Offer would be subject to all statutory approvals that may become applicable at a later date.

7.4.3 In terms of Regulation 18(11) of the SEBI SAST Regulations, in the case of non-receipt of statutory approvals, SEBI has the power to grant extension of time for the purpose of making payment subject to, the Acquirers agreeing to pay interest to the Shareholders as may be directed by the SEBI.

8 PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

8.1 Shareholders who are holding **Physical** equity shares and wish to tender their equity shares will be required to send their Form of Acceptance-cum-Acknowledgement, original Share Certificate(s) and blank transfer deed(s) duly signed to Aarthi Consultants Private Limited, the Registrar to the Offer by Registered Post at the applicants sole risk so that the same are received on or before the Offer closing date, at the address given below, in accordance with the procedures as specified in this Letter of Offer and the Form of Acceptance cum Acknowledgement. **The relevant documents should NOT be sent to the Seller, Acquirer, the Target Company or the Managers to the Offer.**

All eligible owners of fully paid equity shares of the Target Company registered or unregistered including those holding shares in street names who wish to avail and accept the Offer can deliver the Form of Acceptance-cum-Acknowledgement along with all the relevant documents to the Registrar as per the following details

Name & Address	Contact Person & Contact Numbers	Workings Days and timings	Mode of delivery
Aarthi Consultants Private Limited 1-2- 285,Domalguda, Hyderabad-500029, Telangana	Mr. G. Bhaskara Murthy Tel : 040-27638111 / 27634445; Fax: 040-27632184 Email:info@aarthiconsultants.com	Weekdays between 10.00 am to 1.00 pm and 2.00 pm to 4.00 pm. The centre will be closed on Saturday, Sunday and on public holidays	Registered Post / Courier / Hand Delivery

8.2 The Registrar to the Offer, Aarthi Consultants Private Limited has opened a special depository account with National Securities Depository Limited ("NSDL") for receiving equity shares during the offer from eligible shareholders who hold equity shares in **demat form.**

8.3 Shareholders holding equity shares in dematerialized form, will be required to send their Form of Acceptance cum Acknowledgement and other documents as may be specified in the Letter of Offer to the Registrar to the Offer either by Registered Post/Courier or by hand delivery so as to reach on or before the date of closing of the business hours on the date of closure of the Offer along with a photocopy of the delivery instructions in "Off market" mode or counterfoil of the delivery instructions in "Off-market" mode, duly acknowledged by the Depository Participant ("DP"), in favour of the demat escrow account filled in as per the details / instructions given below:

A/c Name	RAASI REFRACTORIES LIMITED – ESCROW ACCOUNT OPERATED BY AARTHI CONSULTANTS PVT LTD
DP Name:	HSE Securities Limited
DP ID:	IN 302734
Client ID:	10079273
Depository:	National Securities Depository Limited

Note: Shareholders who wish to transfer their shares to the above mentioned escrow account from a demat account maintained with CDSL, should use "inter depository" delivery instruction slip.

8.4 **The shares and other relevant documents should not be sent to the Sellers / Acquirers / Target Company / Manager to the Offer. The Acquirers and Manager to the Offer are not responsible for such shares sent to them and the same are liable to be returned to the sender at their own risk.**

Procedure for acceptance of the Offer by unregistered Shareholders, owners of Shares who have sent them for transfer or those who did not receive the Letter of Offer:

8.5 In case of (a) shareholders who have not received the LOF, (b) unregistered shareholders, (c) owners of the shares holding in street names, (d) owner of the shares who have sent the shares to the Target Company for transfer; may send their consent to the Registrar to the Offer on plain paper, stating the name, address, number of shares held, distinctive numbers, folio numbers, number of shares offered 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 valid share transfer deeds (one per folio), duly signed by such shareholders (in case of joint holdings in the same order as per the specimen signatures lodged with the Target Company), and witnessed (if possible) by the notary public or a bank manager or the member of the stock exchange with membership number, as the case may be, 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 Offer. Such shareholders can also obtain the LOF from the Registrar to the Offer by giving an application in writing to that effect. **Shares once tendered cannot be withdrawn.**

8.6 In case of shareholders who have not received the LOF and holding equity shares in the dematerialized form may send their consent to the Registrar to the Offer on plain paper, stating the name, address, number of shares held, Depository name, Depository I.D., Client name, Client I.D., number of equity shares offered along with a photocopy of the original delivery instructions in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the Depository Participant as specified in Para 8.3 above, 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 Offer. Such equity shareholders can also obtain the LOF from the Registrar to the Offer by giving an application in writing.

8.7 Alternatively, such shareholders, if they so desire, may apply on the Form of Acceptance cum Acknowledgement obtained from SEBI's website (www.sebi.gov.in)

8.8 Shareholders who have sent their equity shares for dematerialization need to ensure that the process of getting shares dematerialized is completed well in time so that the credit in the Depository Escrow Account should be received on or before the date of closing of the business hours on the date of closure of the Offer, else the application would be rejected.

8.9 No indemnity is needed from unregistered shareholders.

8.10 Where the number of equity shares offered for sale by the shareholders are more than the equity shares agreed to be acquired by the Acquirers, the Acquirers will accept the offers received from the share holders 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 equity shares from a shareholder shall not be less than the minimum marketable lot or the entire holding if it is less than the marketable lot.

8.11 In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirers for payment of consideration to the public shareholders of the Target Company who have accepted the Offer within such period, subject to Acquirers agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI SAST Regulations.

8.12 The consideration to the shareholders whose shares have been accepted will be paid by crossed account payee cheques/ demand drafts/Electronic Clearance Service (ECS) where applicable within ten working days from the offer closing date. Such payments through account payee cheques/demand drafts will be returned by registered post, at the shareholders' registered / unregistered owners' sole risk to the sole/ first shareholder/ unregistered owner.

8.13 Unaccepted share certificate(s) , transfer deed(s) and other documents, if any, will be returned by registered post, at the shareholders' registered / unregistered owners' sole risk to the sole/ first shareholder/ unregistered owner. Equity shares held in dematerialized form, to the extent not accepted, will be credited back to the beneficial owners' depository account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance or otherwise. It will be the responsibility of the shareholders to ensure that the unaccepted shares are accepted by their respective DPs when transferred by the Registrar to the Offer.

8.14 The Registrars to the Offer will hold in trust the equity shares and share certificate(s), equity shares lying in credit of the Special Depository Account, Form of Acceptance, on behalf of the shareholders of Target Company who have accepted the Offer, until the cheques/ drafts for the consideration and/ or the unaccepted equity shares/ share certificates are dispatched/ returned

9. MATERIAL DOCUMENTS FOR INSPECTION

Copies of the following documents are regarded as material documents and are available for inspection at 1011, Solitaire Corporate Park, 1st floor, Building No. 10, Guru Hargovindji Marg, Chakala, Andheri (E), Mumbai – 400 093, the Corporate Office of Arihant Capital Markets Limited, the Manager to the Offer. The documents can be inspected during normal business hours (11.00 A.M. to 3.00 P.M.) on all working days (except Saturdays and Sundays and Public/Bank Holidays) from the date of opening of the Offer up till the date of closure of the Offer.

a) Copies of certificate dated November 30, 2014 issued by Mr. M S Prakasa Rao, Partner of M/s GMK Associates, Chartered Accountants certifying the net worth Mr. Konda Laxmaiah and Ramlaxman Parboiled Rice Private Limited (RPRPL), the Acquirers and adequacy of liquid resources to fulfil the monetary obligations under the Open Offer.

b) Valuation Certificate issued by Mr. Prakasa Rao, Partner, M/s GMK Associates, Chartered Accountants, certifying the fair valuation of the Equity Shares of the Target Company

c) Annual Reports of the Target Company for the financial years 2011–12, 2012-13 and 2013-14

d) Copy of Certificate of Incorporation dated October 4, 2006 of RPRPL issued by the Registrar of Companies, Hyderabad.

e) Copy of Memorandum of Association and Articles of Association of RPRPL

f) Annual Reports of the RPRPL for the financial years 2001–12, 2012-13 and 2013-14 and certified financials for the period ended November 30, 2014

g) Copy of Escrow Agreement entered into between ICICI Bank Limited, the Escrow Bankers; Arihant Capital Markets Limited, Merchant Bankers and the Acquirers in connection with the Escrow Account opened in terms of the SEBI SAST Regulation

h) Copy of Share Purchase Agreement dated February 28, 2015 between the Acquirers & the Sellers for acquisition of shares of the Target Company.

i) A copy of Public Announcement dated February 28, 2015

j) Copy of Detailed Public Statement dated March 9, 2015

k) Document evidencing the opening of demat escrow account (Special Depository Account) by the Registrar to the Offer.

l) SEBI Observation Letter dated ______ bearing reference number _______

10. DECLARATION

1. In terms of Regulation 25(3) of the SEBI SAST Regulations, the Acquirers accept full responsibility for the information contained in the Letter of Offer, Form of Acceptance, Public Announcement and Detailed Public Statement and also for ensuring compliance with the SEBI SAST Regulations.

2. The Manager to the Offer hereby states that the person signing this Letter of Offer is the Acquirer and is also duly and legally authorised by the Board of Directors of the RPRPL (one of the Acquirers) to sign this Letter of Offer.

Signed by the Acquirers
For Ramlaxman Parboiled Rice Private Limited

Konda Laxmaiah	**Konda Padma**	
Director	**Director**	**Konda Laxmaiah**

Date: March 16, 2015

Encl.:

1. Form of Acceptance cum Acknowledgement
2. Share Transfer Form

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FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT
THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION
(Please send this Form with enclosures to the Registrars to the Offer)

Offer opens on	******
Offer closes on	******

From:

Name:
Address:

Tel No.:__________________________________ ; Fax No.:____________________ e-mail: ______________________________

To

Aarthi Consultants Private Ltd, H.no 1-2-285, Domalguda, Hyderabad-500002; Tel: 040-27638111 / 27634445 ;Fax: (91-40) 2763218 ; e-mail:info@aarthiconsultants.com

Dear Sir,
Sub: Open Offer to the shareholders of Raasi Refractories Limited (the Target Company) for acquisition of 12,25,416 Equity Shares of Rs. 10/- each representing 26% of equity share capital of the Target Company, for cash at a price of Rs. 4.75 per share by Mr. Konda Laxmaiah and Ramlaxman Parboiled Rice Private Limited (Acquirers)

I/We refer to the Letter of Offer dated ************* for acquiring the Equity Shares held by me/us in Raasi Refractories Limited

I/We, the undersigned have read the Letter of Offer and understood its contents including the terms and conditions as mentioned therein. I/We, hold Shares in the physical form, accept the offer and enclose the original Share certificate(s) and duly signed transfer deed(s) in respect of my/our Shares as detailed below:

(In the case of Shares in Physical Form)

Sl. No.	Ledger Folio No.	No. of Shares	No. of Share Certificates (Quantity)	Share Certificate Nos.	Distinctive Numbers	
					From	To
TOTAL						

(In case of insufficient space, please attach a separate sheet and authenticate the sheet(s) by putting signature(s) on each sheet(s).)

I/We confirm that the Equity Shares of Raasi Refractories Limited which are being tendered herewith by me/us under this Offer, are free from liens, charges and encumbrances of any kind whatsoever.

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

---Tear Here---

ACKNOWLEDGEMENT RECEIPT

Received from Mr./Ms./M/s__________________________________Form of Acceptance-cum-Acknowledgement in connection with Open Offer to Shareholders of Raasi Refractories Limited

Ledger Folio No.___________& _______No. of Share Certificates /Copy of Delivery instructions to DP for _________Shares of Raasi Refractories Limited

Stamp of Registrar	In case of physical Shares, verify the number of Share certificates / number of Shares	In case of dematerialized Shares, ensure that copy of the delivery instruction to the DP and duly acknowledged by the DP is submitted with the tender / offer form.

I/We hold the following Equity Shares of Raasi Refractories Limited in Dematerialized Form and accept the Offer and enclose a photocopy of the Depository Delivery instruction(s) duly acknowledged by the DP in respect of my/our Equity Shares, details of which are given below:

Sl.No.	DP Name.	DP ID	Client ID	Name of beneficiary	No. of Shares
				TOTAL	

I/We have done an Off-Market transfer for crediting the Shares to the Special Depository Account noted below:

DP Name	HSE Securities Limited	**DP ID**	IN 302734
Client ID	10079273	**Account Name**	**RAASI REFRACTORIES LTD ESCROW A/C OPERATED BY AARTHI CONSULTANTS PVT LTD**

I/We note and understand that the Shares transferred to the above Special Depository Account, will be held in trust for me/us by the Registrar to the Offer until the time the Acquirers make payment of the purchase consideration as mentioned in the Letter of Offer. I/We also note and understand that the Acquirers will pay the consideration only after due verification of the documents.

I/We confirm that the Equity Shares of Raasi Refractories Limited which are transferred by me/us under this Offer, are free from liens, charges and encumbrances of any kind whatsoever.

I/We authorize the Acquirers to accept the Shares so offered which they may decide to accept in consultation with the Manager to the Offer and in terms of the Letter of Offer and I/We further authorize the Acquirers to return to me/us, Equity Share certificate(s) or equity shares in demat form in respect of which the offer is not found valid /not accepted, specifying the reasons thereof. I/We authorize the Acquirers or the Manager to the Offer or the Registrars to the Offer to send by registered post/under certificate of posting, the Cheque, in settlement of the amount to the sole/first holder at the address mentioned below:

The Permanent Account No. (PAN) Allotted under the Income Tax Act 1961 is as under

	PAN
Sole / First Holder	
Joint Holder 1	
Joint Holder 2	

Yours faithfully

I understand that I / we will not be allowed to withdraw the shares tendered under this Open Offer as per the extant SEBI SAST Regulations

Signed and delivered

	Full Name	Holder’s Signature
Sole / First Holder		
Joint Holder 1		
Joint Holder 2		

Date: _____________

Place: _____________

Note: In case of joint holdings all must sign. Corporations must affix its common seal and attach herewith the necessary Board Resolution.

To avoid fraudulent encashment in transit, the shareholder(s) may provide details of Bank Account of the First/sole shareholder and the consideration cheque or demand draft will be drawn accordingly.

Name of the Bank, Branch /Address	**Account No.**	**Savings /Current/ NRE/NRO /Other**

I/We want to receive the payment through ECS ☐ RTGS ☐ NEFT ☐

In case of ECS, 9-digit code number of the Bank & Branch (Appearing on the MICR Cheque issued by the Bank

In the case of RTGS/NEFT, 8 digit code number issued by the Bank

Address	**Phone / Fax Nos.**	**Contact Person /E-mail ID**
All future correspondence, if any, should be addressed to Registrar to the Offer		
Aarthi Consultants Private Limited, H. No 1-2-285,Domalguda, Hyderabad-500002, Telangana.;	Tel : 040-27638111 / 27634445 Fax: (91-40) 2763218	Mr. G. Bhaskara Murthy info@aarthiconsultants.com