

## LETTER OF OFFER

### THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

*This Letter of Offer is being sent to you as Equity Shareholder(s) of Ram Ratna Wires Limited (hereinafter referred to as "Target Company" or "RRWL"). If you require any clarification(s) about the action to be taken, you may consult your Stock Broker or your Investment Consultant or the Manager to the Offer namely Network Stock Broking Limited or the Registrar to the Offer namely Sharepro Services (India) Private Limited. In case you have recently sold your Shares in the Target Company, please hand over this Letter of Offer and the accompanying Form of Acceptance-cum-Acknowledgement, Form of Withdrawal and Transfer Deed to the Member of the Stock Exchange through whom the said sale was effected.*

#### CASH OFFER

By

**R R Kabel Limited**

(Registered Office at Ram Ratna House, Victoria Mill Compound, Pandurang Budhkar Marg, Worli, Mumbai – 400 013  
Tel. No.: +91 22 2494 9009 / 2492 4144 Fax No.: +91 22 2491 2586)  
(hereinafter referred to as "Acquirer"/ "RRKL")

#### Along with

**Rameshwarlal Kabra HUF** having place of business at 13-14, Neelkanth Kunj, 128-129, Garodia Nagar, Ghatkopar (East), Mumbai – 400 077.

Tel. No.: +91 22 2506 1545/ 3253 5119 Fax No.: +91 22 2491 2586)

**Shri Mahendra Kumar Kabra** residing at 13-14, Neelkanth Kunj, 128-129, Garodia Nagar, Ghatkopar (East), Mumbai – 400 077.

Tel. No.: +91 22 2506 1545/ 3253 5119 Fax No.: +91 22 2491 2586)

**Smt. Kirtidevi Kabra** residing at 9<sup>th</sup> / 10<sup>th</sup> Floor, 547, Ishan, Jame Jamshed Road, Matunga (East), Mumbai – 400 019.

Tel. No.: +91 22 2418 3874 / 3244 1267 Fax No.: +91 22 2491 2586)

**Shri Mahesh Kabra** residing at Uma Sadan, 178 Vinayak Society, Opp. SNTD College & Sanskrit Building, Behind Akota Stadium, Vadodara – 390 020.

Tel. No.: +91 265 232 6311 Fax No.: +91 22 2491 2586)

#### **Jag-Bid Finvest Private Limited**

(Registered Office at Ram Ratna House, Victoria Mill Compound, Pandurang Budhkar Marg, Worli, Mumbai – 400 013)  
Tel. No.: +91 22 2494 9009 / 2492 4144 Fax No.: +91 22 2491 2586)

#### **TMG Global FZCO**

(Registered Office at Dubai, UAE, Dubai Airport Free Zone)

Tel. No.: +971 4 2292425 Fax No.: + 971 4 2296985)

acting in concert with the Acquirer (hereinafter collectively referred to as "**Persons Acting in Concert**" or "**PACs**"), pursuant to Regulation 11(2) of, and in compliance with, Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto (hereinafter referred to as "**SEBI (SAST) Regulations, 1997**").

#### To Acquire

Up to 22,00,000 (Twenty Two Lacs) fully paid up Equity Shares of face value of Rs. 10/- (Rupees Ten only) each, representing 20% of post preferential voting Capital at a price of Rs. 54/- (Rupees Fifty Four only) per fully paid up Equity Share payable in cash

Of

**Ram Ratna Wires Limited**



(Registered Office at Ram Ratna House, Victoria Mill Compound, Pandurang Budhkar Marg, Worli, Mumbai – 400 013.  
Tel. No.: +91 22 2494 9009 / 2492 4144 Fax No.: +91 22 2491 2586.)  
(hereinafter referred to as "**Target Company**" / "RRWL")

Notes : This Offer is being made pursuant to Regulation 11(2) in accordance with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and

subsequent amendments thereof for the purpose of Substantial Acquisition of Shares and voting rights of the Target Company.

- § The Offer is for consolidation of holdings in the Target Company by the Acquirer.
- § The Offer is not subject to any minimum level of acceptance.
- § This is not a competitive bid.
- § The Offer is not subject to any statutory and regulatory approvals except those stated in paragraph 8.
- § Shareholders, who have accepted the Offer by tendering the requisite documents, in terms of the Public Announcement / Letter of Offer, can withdraw the same up to three working days prior to the date of the closure of the Offer i.e. Wednesday, 9th April, 2008.
- § If there is any upward revision of the Offer Price by the Acquirer till the last permitted date for revision viz Friday, 4th April, 2008, the same would be informed by way of a public announcement in the same newspapers in which the original Public Announcement had appeared on Wednesday, 26<sup>th</sup> December, 2007. Such revised Offer Price would be payable for all the Shares tendered anytime during the Offer and accepted under the Offer.
- § **If there is competitive bid : (i) the Public Offers under all the subsisting bids shall close on the same date; (ii) as the Offer Price cannot be revised during seven working days prior to the closing date of the Offers / bids, it would therefore, be in the interest of the Shareholders to wait till the commencement of that period to know the final Offer price of each bid and tender their acceptance accordingly. There has been no competitive bid as on date.**
- § The procedure for acceptance is set out in Paragraph 9 herein. A copy of the Public Announcement and this Letter of Offer (including the Form of Acceptance-cum-Acknowledgement and the Form of Withdrawal) is also available on SEBI's website ([www.sebi.gov.in](http://www.sebi.gov.in)).

All correspondences may be addressed to the Manager to the Offer / Registrar to the Offer at the addresses given below :

<b>MANAGER TO THE OFFER NETWORTH STOCK BROKING LIMITED</b>	<b>REGISTRAR TO THE OFFER SHAREPRO SERVICES (INDIA) PRIVATE LIMITED</b>
 143, Mittal Court, 'B' Wing, 14 <sup>th</sup> Floor, 224, Nariman Point, Mumbai – 400 021. Tel. No.: + 91-22-3028 6389 Fax No.: +91-22-2283 6313 Contact Person: Shri Anil Mehta Email: <a href="mailto:anilmehta@nsbl.co.in">anilmehta@nsbl.co.in</a> SEBI Registration No.: INM000011013	 <b>SHAREPRO SERVICES</b> Satam Estate, 3 <sup>rd</sup> Floor, Above Bank of Baroda, Cardinal Gracious Road, Chakala, Andheri (East), Mumbai- 400 099. Tel. No.: +91 22 67720300 / 400 Fax No.: +91 22 28508927 Contact Person: Shri Ganesh Rane Email: <a href="mailto:rrwl.offer@shareproservices.com">rrwl.offer@shareproservices.com</a> SEBI Registration No.: INR000001476

## Schedule of Activities

Activities	Schedule	Revised Schedule
Public Announcement (PA) Date	Wednesday, 26 <sup>th</sup> December, 2007	Wednesday, 26 <sup>th</sup> December, 2007
Specified Date	Friday, 18 <sup>th</sup> January, 2008	Friday, 18 <sup>th</sup> January, 2008
Last date for announcement of Competitive Bid	Wednesday, 16 <sup>th</sup> January, 2008	Wednesday, 16 <sup>th</sup> January, 2008
Last Date by which Letter of Offer will be dispatched to the Shareholders of RRWL	Thursday, 31 <sup>st</sup> January, 2008	Saturday, 15 <sup>th</sup> March, 2008
Date of Opening of the Offer	Monday, 11 <sup>th</sup> February, 2008	Monday, 24 <sup>th</sup> March, 2008
Last date for revising the Offer Price / Offer size	Thursday, 21 <sup>st</sup> February, 2008	Friday, 4 <sup>th</sup> April, 2008
Last date of withdrawal of tendered application by the Shareholders of RRWL	Wednesday, 27 <sup>th</sup> February, 2008	Wednesday, 9 <sup>th</sup> April, 2008
Date of Closing of the Offer	Saturday, 1 <sup>st</sup> March, 2008	Saturday, 12 <sup>th</sup> April, 2008
Date of communicating acceptance/ rejection and payment of consideration for accepted Shares and / or return of Share/ Share Certificates for applications rejected	Friday, 14 <sup>th</sup> March, 2008	Saturday, 26 <sup>th</sup> April, 2008

## Risk Factors

The risk factors set forth below pertain to the Acquisition and Offer and 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 risk involved in participation or otherwise by a Shareholder in the Offer. Shareholders of the Target Company are advised to consult their Stock Broker or investment consultant, if any, for further risks with respect to their participation in the Offer.

- 1) In the event that either (a) there is any litigation leading to a stay on the Offer or (b) SEBI instructing the Acquirer not to proceed with the Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the Shareholders of the Target Company whose Equity Shares are accepted under this Offer as well as the return of the Shares not accepted under this Offer by the Acquirer may get delayed. In case of delay, due to non-receipt of Statutory Approval(s), if any, as per Regulation 22(12) of the SEBI (SAST) Regulations, 1997, SEBI may, if satisfied that non-receipt of approvals was not due to any willful default or negligence on the part of the Acquirer, grant an extension for the purpose of completion of the Offer subject to the Acquirer agreeing to pay interest to the Shareholders as per the provisions of Regulation 22(12) of the said Regulations. Further the Shareholders should note that after the last date of withdrawal i.e. Wednesday, 9th April, 2008, Shareholders who have lodged their acceptances would not be able to withdraw them even if the acceptance of Shares under the Offer and dispatch of consideration gets delayed. The tendered Shares and documents would be held by Registrar to the Offer, till such time the process of acceptance of Shares tendered and the payment of consideration is completed.
- 2) If the aggregate of the valid responses exceeds the Offer size then the Acquirer shall accept the valid applications received on proportionate basis in accordance with Regulation 21(6) of the SEBI (SAST) Regulations, 1997. In such an event all the Equity Shares tendered by the applicant may not be accepted.
- 3) Shareholders accepting this Offer run the risk of parting with their Equity Shares before getting payment of consideration. However, the Shares being held by the Registrars in trust for the Shareholders, the risk is limited. The dispatch of consideration can be delayed beyond 15 days, in case any statutory approval is not received.
- 4) The Acquirer makes no assurance with respect to the market price of the Target Company both during the Offer period and upon the completion of the Offer and disclaims any responsibility with respect to the decision by the Shareholders on whether or not to participate in the Offer.
- 5) The Acquirer makes no assurance with respect to the financial performance of the Target Company.
- 6) There are outstanding Contingent Liabilities for Bank Guarantees to the extent of Rs. 164.25 lacs as at 31<sup>st</sup> March, 2007 in the books of the Acquirer.
- 7) The Acquirer Company as well as the Target Company has entered into certain contracts covered under Section 297 of the Companies Act, 1956 for which necessary applications shall be made to the Central Government.

- 8) The Acquirer Company as well as the Target Company has not appointed any Company Secretary as required under Section 383A of Companies Act 1956. However, the said Companies are availing regular services of practicing firm of Company Secretaries for secretarial matters.
- 9) The Acquirer Company as well as the Target Company does not have any formal internal audit system as required by the Companies (Auditors Report) Order, 2003 issued by Central Government in terms of sub-section (4A) of Section 227 of the Companies Act, 1956. However as per the opinion of the statutory auditors the control procedures instituted by the Management ensure reasonable internal checking of its financial and other transactions.
- 10) Details of Pending Litigations by / against Acquirer Company:  
Acquirer Company has one Civil Case instituted against it for recovery of trade dues along with interest aggregating Rs. 13.39 Lacs.  
The Acquirer Company has filed three cases under Section 138 of the Negotiable Instruments Act, 1881 relating to dishonour of cheques aggregating to Rs. 17.62 Lacs.
- 11) Details of Pending Litigations by / against Target Company:  
There are no pending litigations pending against the Target Company.  
The Target Company has filed three cases relating to recovery of trade dues along with interest aggregating to Rs. 5.89 Lacs.
- 12) For the violation of Regulation 11 of SEBI (SAST) Regulations, 1997 by the existing promoters for the equity shares allotted on preferential basis on 5<sup>th</sup> January, 2005, suitable action would be initiated by SEBI at a later stage.

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**ABBREVIATIONS AND DEFINITIONS**

Target Company / RRWL	Ram Ratna Wires Limited
Acquirer / RRKL	R R Kabel Limited
BSE	Bombay Stock Exchange Limited
CDSL	Central Depository Services (India) Limited
Date of Closure of Offer	Saturday, 12th April, 2008
DP	Depository Participant
EGM	Extra-Ordinary General Meeting
Eligible Person(s) for the Offer	Registered Shareholders of Ram Ratna Wires Limited and unregistered Shareholders who own the Equity Shares of Ram Ratna Wires Limited at any time prior to the closure of the Offer, other than the Acquirer and PACs.
Form of Acceptance / FOA	Form of Acceptance-cum-Acknowledgement accompanying this Letter of Offer
Form of Withdrawal / FOW	Form of Withdrawal accompanying this Letter of Offer
Letter of Offer / LOO	This Letter of Offer
Merchant Banker / Manager to the Offer	Networth Stock Broking Limited
NSDL	National Securities Depository Limited
Offer	Open Offer for acquisition of 22,00,000 (Twenty Two Lacs) Equity Shares, representing 20% of the post preferential voting Capital of the Target Company at the Offer Price.
Offer Price	Rs. 54/- (Rupees Fifty Four only) per fully paid Equity Share
PACs	Rameshwarlal Kabra HUF, Shri Mahendra Kumar Kabra, Smt. Kirtidevi Kabra, Shri Mahesh Kabra, Jag-Bid Finvest Private Limited and TMG Global FZCO
Preferential Issue	Issue of 15,30,000 (Fifteen Lacs Thirty Thousand) fully paid up Equity Shares of face value of Rs. 10/- (Rupees Ten only) each for cash at a premium of Rs. 44/- (Rupees Forty Four only) per Share by the Target Company to the Acquirer and PACs in accordance with the provisions of Section 81(1A) of the Companies Act,

	1956 and the Guidelines on Preferential Issue of SEBI (Disclosure and Investor Protection) Guidelines, 2000 and subsequent amendments thereto.
Promoters	Promoters of Ram Ratna Wires Limited namely Shri Rameshwarlal Kabra, Shri Tribhuvanprasad Kabra, Shri Mahendra Kumar Kabra and Shri Shreegopal Kabra
Public Announcement / PA	Public Announcement of the Offer dated 26 <sup>th</sup> December, 2007 made by the Manager to the Offer for and on behalf of the Acquirer and PACs.
Registrar / Registrar to the Offer	Sharepro Services (India) Private Limited
Regulations	The SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereof.
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
Share(s)	Fully paid-up Equity Shares of face value of Rs 10/- (Rupees Ten only) each of Ram Ratna Wires Limited
Specified Date	Friday, 18 <sup>th</sup> January, 2008
Total paid-up Capital / Equity Capital of the Target Company / RRWL	Consisting of 94,70,000 (Ninety Four Lacs Seventy Thousand) fully paid up Equity Shares of Rs. 10/- (Rupees Ten only) each of the Target Company as on the date of Public Announcement.

## 1. DISCLAIMER CLAUSE

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE 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 RAM RATNA WIRES LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. THE SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER, PERSONS ACTING IN CONCERT OR THE COMPANY WHOSE EQUITY 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 ACQUIRER IS 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 ACQUIRER DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, NETWORK STOCK BROKING LIMITED, THE MERCHANT BANKER HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED 5<sup>th</sup> JANUARY, 2008 TO THE SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE 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 Offer to the Shareholders of Ram Ratna Wires Limited (“the Target Company” or “RRWL”) is being made by R R Kabel Limited (“Acquirer”) along with Rameshwarlal Kabra HUF, Shri Mahendra Kumar Kabra, Smt. Kirtidevi Kabra, Shri Mahesh Kabra, Jag-Bid Finvest Private Limited and TMG Global FZCO (“Persons Acting in Concert” or “PACs”). As on the date of PA, the Acquirer is not holding any Equity Share in RRWL. PACs are collectively holding 19,62,826 (Nineteen Lacs Sixty Two Thousand Eight Hundred Twenty Six) Equity Shares of RRWL representing 20.73% of the fully paid-up Equity Share Capital as on the date of the PA. The Acquirer and PACs form part of the Promoter Group of RRWL. The Acquirer and PACs together with other promoters (hereinafter collectively referred to as Promoter Group) hold 61,25,463 (Sixty One Lacs Twenty Five Thousand Four Hundred Sixty Three) Equity Shares of RRWL representing 64.68% of the fully paid-up Equity Share Capital as on the date of the PA.
- 2.1.2 On Thursday, 20<sup>th</sup> December, 2007 the Board of Directors of RRWL had agreed to issue and allot on a preferential basis 15,30,000 (Fifteen Lacs Thirty Thousand) fully paid-up Equity Shares of face value of Rs. 10/- (Rupees Ten only) each for cash at a price (including premium) of Rs. 54/- (Rupees Fifty Four only) per Share, constituting 13.91% of post preferential paid up and voting Capital of the Target Company to the Acquirer and PACs in accordance with the guidelines of Preferential issue as prescribed in SEBI (Disclosure and Investor Protection) Guidelines, 2000 and the subsequent amendments thereto. This proposed preferential allotment has necessitated the Open Offer in terms of Regulation 11(2) of SEBI (SAST) Regulations, 1997 and subsequent amendments thereof.
- 2.1.3 The Acquirer, PACs, the Target Company, its Promoters / Directors have not been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B of SEBI Act or under any of the Regulations made under the SEBI Act. Further, no action has been taken against the Acquirer, PACs, the Target Company, its Promoters / Directors by SEBI under any of the Regulations made under the SEBI Act.
- 2.1.4 None of the Acquirer and PACs has acquired any Shares of RRWL during the twelve months period prior to the date of the PA.
- 2.1.5 The Promoters of the Target Company consist of Shri Rameshwarlal Kabra, Shri Tribhuvanprasad Kabra, Shri Mahendra Kumar Kabra and Shri Shreegopal Kabra. There is no proposed change in control of the Target Company pursuant to the Offer.

2.1.6 There will be no change in Board of Directors after the Offer.

## **2.2 The Offer**

2.2.1 The Acquirer made a Public Announcement of the Offer, which was published in all editions of Financial Express (English), Jansatta (Hindi) and Mumbai edition of Navshakti (Marathi) on Wednesday, 26<sup>th</sup> December, 2007 and Corrigendum to Public Announcement on 4<sup>th</sup> January, 2008 in compliance with Regulation 15 (1) of the Regulations. The Public Announcement and Corrigendum to Public Announcement are also available on SEBI'S website at [www.sebi.gov.in](http://www.sebi.gov.in).

2.2.2 This Open Offer is being made by the Acquirer along with PACs under Regulation 11(2) of the SEBI (SAST) Regulation 1997 whereby, the Acquirer along with PACs is making an Open Offer to the Shareholders of RRWL to acquire up to 22,00,000 (Twenty Two Lacs) fully paid-up Equity Shares of face value of Rs. 10/- (Rupees Ten only) each, representing 20% of the post preferential voting Capital at a price of Rs. 54/- (Rupees Fifty Four only) per fully paid up Equity Share payable in cash.

2.2.3 The Open Offer is for consolidation of holdings in the Target Company by the Acquirer and PACs.

2.2.4 There are no partly paid-up Shares of RRWL.

2.2.5 No Equity Shares of the Target Company have been purchased by the Acquirer and PACs after the date of Public Announcement till the date of letter of Offer.

2.2.6 The post preferential paid up Equity Capital shall stand at 1,10,00,000 (One Crore Ten Lacs) Equity Shares whereby 22,00,000 (Twenty Two Lacs) Equity Shares of the Target Company representing 20% of the post preferential paid up voting Equity Capital are proposed to be acquired.

2.2.7 This is not a Conditional Offer. The Offer is not subject to any minimum level of acceptance. The Acquirer and PACs will acquire all the Shares that are validly tendered as per the terms of the Offer, upto a maximum of 22,00,000 (Twenty Two Lacs) Equity Shares at the Offer Price.

2.2.8 The Offer is subject to the allotment of Preferential Shares which is subject to the requisite regulatory approvals.

2.2.9 This is not a competitive bid.

2.2.10 The Shares of the Company are listed on Bombay Stock Exchange Limited (BSE). The Shares of the Company are frequently traded on BSE within the meaning of explanation (i) to Regulation 20(5) of SEBI (SAST) Regulations, 1997.

2.2.11 In case, pursuant to this offer, the public shareholding in RRWL falls below 25%, the Promoter group undertakes to comply with the requirement of Clause 40A of the Listing Agreement with the BSE to bring the public shareholding to minimum 25%.

2.2.12 Networth Stock Broking Limited, the Manager to the Offer, does not hold any Equity Shares in the Target Company as on the date of PA. They declare and undertake that they shall not deal in the Equity Shares of RRWL during the period commencing from the date of appointment as Manager to the offer till the expiry of fifteen days from the date of closure of the Offer.

2.2.13 The Target Company made its maiden public issue of 22,50,000 (Twenty Two Lacs Fifty Thousand) Equity Shares of Rs. 10/- (Rupees Ten only) each for cash at par in November, 1994. Post allotment of 22,50,000 (Twenty Two Lacs Fifty Thousand) Equity Shares under Public Issue, the paid-up Share Capital of the Target Company increased to 76,70,000 (Seventy Six Lacs Seventy Thousand) Equity Shares. The Company further increased its issued, subscribed and paid-up Share Capital from 76,70,000 (Seventy Six Lacs Seventy Thousand) Equity Shares to 94,70,000 (Ninety Four Lacs Seventy Thousand) Equity Shares in January, 2005 by allotting 18,00,000 (Eighteen Lacs) Equity Shares of Rs. 10 /- (Rupees



Ten only) each fully paid-up for cash at the premium of Rs. 5/- (Rupees Five only) per Share forming part of preferential issue of Shares. Out of the said 18,00,000 (Eighteen Lacs) Equity Shares allotted, 15,35,000 (Fifteen Lacs Thirty Five Thousand) Equity Shares were allotted to promoter group and 2,65,000 (Two Lacs Sixty Five Thousand) Equity Shares to a person other than promoter.

2.2.14 In case the number of Equity Shares tendered for sale by the Shareholders is more than the Equity Shares agreed to be acquired under the Offer, the Acquirer shall accept the offers received from the public Shareholders on a proportionate basis as per Regulation 21(6) of the SEBI (SAST) Regulations, 1997 in consultation with the Manager to the Offer.

2.2.15 The Acquirer has no specific future plans with respect to the Target Company.

### **2.3 Object of the acquisition/Offer**

2.3.1 As a result of the proposed preferential issue of Equity Shares by the Target Company to the Acquirer and PACs, this Offer being made in accordance with Regulation 11(2) of the SEBI (SAST) Regulations, 1997 is for the purpose of Substantial Acquisition of Shares and voting rights in the Target Company without change in control or management.

2.3.2 This acquisition will not result in a change in control of the Target Company. The Acquirer undertakes not to dispose of or otherwise encumber any assets of Target Company in succeeding two years except in ordinary course of business of the Target Company. Further, the Acquirer undertakes that they shall not dispose of or otherwise encumber any substantial asset of the Target Company except with the prior approval of the Shareholders.

2.3.3 The Preferential allotment and consequent Open Offer is for consolidation of holdings in the Target Company by the Acquirer and to meet the working Capital and long term funding requirements for the business of the Target Company and to repay the existing loans of the Target Company.

2.3.4 The acquirer and Target Company are operating in different line of business of operations and hence there will not be any change in the market positioning due to the Offer.

## **3. Background of the Acquirer and PACs**

### **3.1 Details of the Acquirer – R R Kabel Limited**

3.1.1 R R Kabel Limited was originally incorporated as Ram Ratna Agro-Plast Ltd on 6<sup>th</sup> February, 1995. The name of the Company was subsequently changed to R R Kabel Limited vide Fresh Certificate of Incorporation consequent on Change of Name issued by the Office of the Registrar of Companies, Maharashtra on 8<sup>th</sup> November, 2000 pursuant to Section 21 of the Companies Act, 1956. R R Kabel is one of the group companies of Ram Ratna Group.

3.1.2 Registered Office of RRKL is at Ram Ratna House, Victoria Mill Compound, Pandurang Budhkar Marg, Worli, Mumbai – 400 013. Tel. No.: +91 22 2494 9009 / 2492 4144 Fax No.: +91 22 2491 2586 and Corporate office at 305 / A, Windsor Plaza, R.C. Dutta Road, Alkapuri, Vadodara – 390 007 Tel. No.: +91 265 232 1891 / 2 / 3. Fax No.: +91 265 232 1894.

3.1.3 Brief history and major areas of operations:

RRKL is a manufacturer of PVC insulated wires and cables and started its production in December, 1998. The Company has its manufacturing facility at Village Rakholi, Silvassa in Union Territory of Dadra & Nagar Haveli. The Company was first to introduce products like Unilay and Firex in India. The Company started 100% export unit in March, 2007 to cater the growing demand of exports. RRKL is the flagship Company of Ram Ratna Group, serving Electrical Industries, be it Corporate, Institute, Original Equipment Manufacturer & Indian industry. The entire range of products manufactured under the brand name of RR-KABEL not only confirms to Indian standard specification but compatible to international specification such as BASEC 6500 and 6004, IEC, VDE, BS & DIN.

3.1.4 There were no mergers, de-mergers and/or spin-offs involving RRKL during the last three years.

### 3.1.5. Pending Litigations

The details of litigations filed against the Acquirer Company are as under:

<b>Sr. No.</b>	<b>Brief Details of Litigation</b>	<b>Amount Involved (Rs. in Lacs)</b>	<b>Present Status</b>
1	Case filed in the District court of Jaipur (Rajasthan) by Mr. Kailash Chandra Jain, Proprietor, Anurag Insulations, for recovery of trade dues.	13.39	Summon is issued to present before the court. Reply is also submitted by the Acquirer Company.

The details of litigations filed by the Acquirer Company are as under:

<b>Sr. No.</b>	<b>Brief Details of Litigation</b>	<b>Amount Involved (Rs. in Lacs)</b>	<b>Present Status</b>
1	Case filed in the court of the Chief Judicial Magistrate, Dadra & Nagar Haveli, Silvassa under Section 138 of Negotiable Instruments Act, 1881 against dealer, Mr. P. Gopinath, Proprietor, Muscat Electricals Electronics, for recovery of trade dues	6.46	Bailable arrest warrant is issued
2	Case filed in the court of the Chief Judicial Magistrate, Dadra & Nagar Haveli, Silvassa under Section 138 of Negotiable Instruments Act, 1881 against dealer Mr. R. V. Ramesh, Proprietor, Shivshakthi & Co., for recovery of trade dues.	10.76	Bailable arrest warrant is issued
3	Case filed in the court of the Chief Judicial Magistrate, Dadra & Nagar Haveli, Silvassa under Section 138 of Negotiable Instruments Act, 1881 against dealer, Mr. Sabu Joseph, Proprietor, Trivandrum Electrical Corporation, for recovery of trade dues	0.40	Non bailable arrest warrant is issued.

3.1.6. RRKL is not listed on any of the Stock Exchanges.

3.1.7. Shri Rameshwarlal Kabra, Shri Tribhuvanprasad Kabra, Shri Mahendra Kumar Kabra and Shri Shreegopal Kabra are the Promoters of R R Kabel Limited which belongs to the Ram Ratna Group.

3.1.8 RRKL is a closely held public limited Company with majority of the Shareholding with its Promoter Group.

3.1.9 RRKL did not hold any Shares in the Equity Share Capital of RRWL prior to the date of PA. Hence, the requirement of complying with the provisions of Chapter II of the SEBI (SAST) Regulations 1997 is not applicable. RRKL has not made any acquisition in the Target Company through any mode till date of PA. RRKL intends to subscribe for 77,000 (Seventy Seven Thousand) Equity Shares forming part of the proposed preferential issue of Equity Shares by the Target Company.

### 3.1.10 Details of Board of Directors

Name of the Directors & Designation	Date of appointment	Residential Address	Age (Years)	Qualification and Experience
Shri Tribhuvanprasad Kabra  Managing Director	02/09/1997	Uma Sadan, 178, Vinayak Society, Opp. SNTD College & Sanskrit Building, Behind Akota Stadium, Vadodara – 390 020.	52	B. Com  He has more than 35 years of experience in the electrical industry. He also carries along knowledge and experience in finance, purchase and administration.
Shri Mahendra Kumar Kabra  Whole Time Director	06/02/1995	13-14, Neelkanth Kunj, 128-129, Garodia Nagar, Ghatkopar (East), Mumbai – 400 077.	50	Licentiate Mechanical Engineer.  He has over 20 years of experience in the Wire Industry. He has knowledge of extrusion line, insulation and enamelled wire. He has successfully led many projects and has been an inspiration for his team members.
Smt. Kirtidevi Kabra  Director	06/02/1995	9 <sup>th</sup> / 10 <sup>th</sup> Floor, 547, Ishan, Jame Jamshed Road, Matunga (East), Mumbai – 400 019.	45	B. Com.  She has an experience in the field of brand building and publicity
Shri Satyanarayan Loya  Director	30/09/1997	1502, Krishna Heritage, New Link Road, Opp. Don Bosco School, Borivali (West), Mumbai – 400 091.	77	Consultant (Marketing & Finance)  He was associated with renowned group in textile and paper industry for over 50 years.
Shri Mahesh Kabra  Whole-time Director	11/03/2000	Uma Sadan, 178, Vinayak Society, Opp. SNTD -College & Sanskrit Building, Behind Akota Stadium, Vadodara – 390 020.	30	B.Com.  Initially he has gained experience in export documentation and was part of setting up of project of RRKL. Since 2000 he has been in the field of Marketing.
Shri Ashok Loya  Whole-time Director	08/09/1999	1502, Krishna Heritage, New Link Road, Opp. Don Bosco School, Borivali (West), Mumbai – 400 091.	42	B.Sc.  He has over 23 years of experience in the field of Marketing.
Shri Dinesh Modani  Director	05/07/2001	B-3, Flat No. 31/32, Daffodils CHS Limited, Mahendra Garden,	44	B. Com.  He has over 25 years of experience in Administration and

S V Road, Goregaon (W), Mumbai – 400 062.	Commerce.
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As on the date of PA, Shri Tribhuvanprasad Kabra, Managing Director of Acquirer Company is also the Managing Director on the Board of the Target Company. Shri Mahendra Kumar Kabra and Shri Satyanarayan Loya, Directors of Acquirer Company are also on the Board of the Target Company. None of the other Directors of the Acquirer Company are on the Board of Directors of the Target Company. They have not participated in any matter(s) concerning or relating to the Offer including any preparatory steps leading to the Offer and have undertaken that they will abstain from all proceedings related to this Offer as per Regulation 22(9) of the Regulations.

As per the undertaking received from the Promoters of RRKL they have confirmed that they shall not participate in the Open Offer made to the Shareholders of Target Company.

**3.1.11. The brief audited financial details / financial results certified by Statutory Auditors for a period of last three years, and six month ended 30<sup>th</sup> September, 2007 are as below:**

(Rs. in lacs)

<b>PROFIT AND LOSS STATEMENT</b>	<b>Half Year ended 30/09/2007 (Unaudited)</b>	<b>F.Y. 2006- 07 (Audited)</b>	<b>F.Y. 2005- 06 (Audited)</b>	<b>F.Y. 2004- 05 (Audited)</b>
Income from operations	18693.11	32071.51	17657.23	9962.14
Other Income	18.62	11.41	9.19	1.01
Total Income	18711.73	32082.92	17666.42	9963.15
Total Expenditure	17055.26	30123.25	16572.34	9223.97
Profit before depreciation, interest & tax	1656.47	1959.67	1094.08	739.18
Depreciation	181.80	268.06	198.68	154.63
Interest	425.31	577.82	299.95	180.21
Profit before Tax & Extra Ordinary Items	1049.35	1113.79	595.45	404.34
Extra Ordinary items	0.00	0.83	-2.76	-1.09
Profit Before Tax	1049.35	1114.62	592.69	403.25
Provision for Tax	247.92	304.85	134.39	51.65
Profit After Tax	801.44	809.77	458.30	351.60
<b>BALANCE SHEET STATEMENT</b>	<b>Half Year ended 30/09/2007 (Unaudited)</b>	<b>F.Y. 2006- 07 (Audited)</b>	<b>F.Y. 2005- 06 (Audited)</b>	<b>F.Y. 2004- 05 (Audited)</b>
<b>Sources Of Funds</b>				
Paid Up Share Capital	1524.51	1524.51	1466.00	1176.25
Reserves and Surplus (net of miscellaneous expenses & excluding revaluation reserves)	2686.84	1885.40	1100.72	492.52
Networth	4211.35	3409.91	2566.72	1668.77
Secured Loans	7290.16	6218.93	2588.23	1613.17
Unsecured Loans	3635.78	3520.27	1555.84	682.43
Deferred Tax Liability	309.75	289.75	223.91	169.67
<b>Total</b>	<b>15447.04</b>	<b>13438.86</b>	<b>6934.70</b>	<b>4134.04</b>

<b>Uses Of Funds</b>				
Net Fixed Assets	4631.48	4113.74	3235.21	2579.90
Investments	50.00	0.00	0.00	0.00
Net Current Assets	10765.56	9325.12	3699.49	1554.14
<b>Total</b>	<b>15447.04</b>	<b>13438.86</b>	<b>6934.70</b>	<b>4134.04</b>
<b>OTHER FINANCIAL DATA</b>	<b>Half Year ended 30/09/2007 (Unaudited)</b>	<b>F.Y. 2006- 07 (Audited)</b>	<b>F.Y. 2005- 06 (Audited)</b>	<b>F.Y. 2004- 05 (Audited)</b>
Dividend (%)	0	15	5	5
Earning Per Share (Rs.)	5.26	5.52	3.84	3.10
Return On Networth (%)	19.03	23.75	17.86	21.07
Book Value Per Share (Rs.)	27.62	22.37	17.51	14.19

### **Reasons for fall/rise in total income and Profit after Tax**

#### **Financial Year 2006-07 vis-à-vis Financial Year 2005-06**

The gross turnover of the Company increased by 80% to Rs. 36388.36 Lacs in 2006-07 compared to Rs. 20261.94 Lacs in 2005-06. The Company has earned net profit of Rs. 809.77 Lacs after providing for extraordinary and prior period items and taxation as against a net profit of Rs. 458.30 Lacs in the 2005-06 thus registering an increase of 77%. The growth in the sales and net profit is mainly on account of increase in sales quantity coupled with increased copper prices.

#### **Financial Year 2005-06 vis-à-vis Financial Year 2004-05**

The gross turnover of the Company increased by 80% to Rs 20261.94 Lacs in 2005 – 06 (Rs. 11284.43 lacs during 2004-05) during the year under review which was inclusive of steady increases in export sales by 174% to Rs. 7392.00 Lacs (Rs 2693.55 Lacs during 2004-05). The Company has earned a net profit of Rs.458.30 lacs after providing for extra ordinary and prior period items and taxation in 2006-07 as against a net profit of Rs. 351.60 Lacs in the year 2004-05 thus registering an increase of 30% even after the steep rise in the prices of copper.

### **3.1.12. Significant Accounting Policies**

#### **a) Valuation of Inventories:**

Inventories are valued in accordance with the method of valuation prescribed by The Institute of Chartered Accountants of India.

- Raw Material, Work-in-progress and Finished goods are valued at lower of cost and net realizable value using FIFO method except PVC Compound and Master Batch forming part of Work in Process & Finished Goods.
- The cost of inventories comprises all costs of purchase, cost of conversion and packing material in case of Finished Goods.
- The cost of purchase consists of the purchase price including duties & taxes (other than those subsequently recoverable by enterprise from taxing authorities), freight inwards and other expenditure directly attributable to the acquisition but net of trade discounts, rebates and similar items.
- The cost of conversion consists of depreciation, Power & Fuel, Factory Management and Administration expenses, Repairs & Maintenance and Consumable Stores & Spares.
- Copper scrap, packing materials and Fuel are valued at lower of cost or net realizable value using FIFO method.
- Consumable stores and spares being negligible percentage of Finished Goods are charged off to profit and loss account in the year of purchase.

b) Depreciation Accounting

- Depreciation has been provided under the straight line method at the rates prescribed under schedule XIV of the Companies Act, 1956 with the applicable shift allowance.
- In respect of assets added / assets sold during the year pro-rate depreciation has been provided at the rates prescribed under schedule XIV.
- Depreciation in respect of dies has been provided @ 20 % which is higher than rate prescribed in schedule XIV considering useful life thereof.
- Depreciation in respect of assets acquired during the year whose actual cost does not exceed Rs. 5,000/- has been provided at 100%.

c) Revenue Recognition

Sales include sales of finished goods, semi finished goods, scrap and excise duty but net off rate difference and returns.

d) Accounting for Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation. Such cost comprises purchase price, import duty, direct attributable expenditure and expenses incurred for bringing the assets to their working condition.

e) Accounting for effects in Foreign Exchange Rates (other than acquisition of Fixed Assets)

- Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Current assets & liabilities are translated at the year end exchange rate. The difference between the rate prevailing on the date of transaction and on the date of settlement or on translation of current assets and liabilities at the end of the year is recognised as income or expense as the case may be.
- In respect of forward exchange contracts, the difference between the forward rate and exchange rate at the inception of the forward contract is recognized as income or expense over the life of the contract.
- Exchange difference relating to fixed assets acquired from outside India is adjusted in carrying amount of the respective fixed assets.

f) Accounting for retirement benefits

- Company's contribution to provident fund is charged to the profit & loss account. Provident fund deducted from employees' together with company's contribution is remitted to employee's provident fund administered by the central government.
- Provision is made for Leave Salary payable to employees under the Factories Act, 1948 on the assumption that the same will be encashed at the end of the accounting year.
- Company has taken policy from Life Insurance Corporation of India under Employees Group Gratuity Scheme. The amount of premium paid is charged to profit & loss account.

g) Borrowing Cost

The borrowing costs have been treated in accordance with Accounting Standard on borrowing cost (AS - 16) issued by The Institute of Chartered Accountants of India.

h) Accounting for Taxes on Income

Current Tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred Tax Liability and Asset are recognized based on timing difference using the tax rates substantively enacted on the balance sheet date.

3.1.13 There are outstanding Contingent Liabilities for Bank Guarantees to the extent of Rs. 164.25 lacs as at 31<sup>st</sup> March, 2007 in the books of the Acquirer.

3.1.14 The Acquirer and PACs have not entered into any agreement, between any of them, with regard to the Offer / acquisition of Offer.

3.1.15 The Acquirer have no specific future plans with respect to the Target Company.

3.1.16 The Acquirer Company had submitted a proposal to State Bank of India, Kolkata – operating agency of BIFR for the revival of Sick Unit named Incab Industries Limited in the year 2005-06 on which decision is pending. If the proposal is accepted the aggregate expected investment will be Rs. 5400.00 Lacs. The Company has put fixed deposit of Rs. 2589.00 Lacs in no lien account in State Bank of India. Upon

accepting the aforesaid proposal acquirer Company have to arrange for the additional funds to the tune of Rs. 2811.00 Lacs in the immediate future.

### 3.2 Details of the Persons Acting in Concert (PACs)

#### 3.2.1 Jag-Bid Finvest Private Limited

- i Jag-bid Finvest Private Limited, incorporated on 16<sup>th</sup> February, 1995, is a Private Company with its registered office at Ram Ratna House, Victoria Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai – 400 013. Tel. No.: +91 22 2494 9009 / 2492 4144 Fax No.: +91 22 2491 2586.
- ii The Acquirer Company and Jag-Bid Finvest Private Limited are controlled by the same Promoter Group. Jag-Bid Finvest Private Limited belongs to the Ram Ratna Group.
- iii Jag-Bid Finvest Private Limited is engaged in the business of Financing and Investing activities.
- iv Jag-Bid Finvest Private Limited is not listed on any of the Stock Exchanges.
- v As per the undertaking received from the Promoters of Jag-Bid Finvest Private Limited they have confirmed that they shall not participate in the open Offer made to the Shareholders of Target Company.
- vi The details of Board of Directors:

Name & Designation	Date of Appointment	Residential Address	Age (Years)	Qualification and Experience
Rameshwarlal Kabra Director	16/02/1995	13-14, Neelkanth Kunj, 128-129, Garodia Nagar, Ghatkopar (East), Mumbai - 400077	74	Industrialist  He has over 40 years experience in enamelled copper winding wire and cable industry.
Shreegopal Kabra Director	16/02/1995	9 <sup>th</sup> / 10 <sup>th</sup> Floor, 547, Ishan, Jame Jamshed Road, Matunga (East), Mumbai – 400 019.	49	B. Com.  He has over 30 years of experience in international market development, strategic planning and administration.
Satish Agarwal Director	03/09/2007	B-2/4, Pramukh Vihar, Naroli Road, Silvassa, Dadra & Nagar Haveli, Pin – 396 230.	41	B. Com., F.C.A.  He is a Chartered Accountant and has over 17 years of experience in the fields of Finance, Accountancy, Taxation, Company Law and other related work.

As on the date of PA, Shri Rameshwarlal Kabra, Director of Jag-Bid Finvest Private Limited is the Chairman of the Target Company. He has not participated in any matter(s) concerning or relating to the Offer including any preparatory steps leading to the Offer and has undertaken that he will abstain from all proceedings related to this Offer as per Regulation 22(9) of the Regulations.

#### vii The brief audited financial details / financial results certified by Statutory Auditors for a period of last three years, and six month ended 30<sup>th</sup> September 2007 are as below :

(Rs. In Lacs)

PROFIT AND LOSS STATEMENT	Half Year ended 30/09/2007 (Unaudited)	F.Y. 2006- 07 (Audited)	F.Y. 2005- 06 (Audited)	F.Y. 2004- 05 (Audited)
Income from Operations	3.10	0.73	0.71	0.57
Other income	0.00	0.00	0.00	0.00
Total Income	3.10	0.73	0.71	0.57
Total expenditure	0.18	0.14	0.17	0.11
Profit before Deprecation, interest and Tax	2.92	0.59	0.54	0.46
Depreciation	0.00	0.00	0.00	0.00

Interest	2.76	0.00	0.00	0.00
Profit before Tax	0.16	0.59	0.54	0.46
Provision for Tax	0.00	0.00	0.00	0.00
Profit after Tax	0.16	0.59	0.54	0.46
<b>BALANCE SHEET STATEMENT</b>	<b>Half Year ended 30/09/2007 (Unaudited)</b>	<b>F.Y. 2006- 07 (Audited)</b>	<b>F.Y. 2005- 06 (Audited)</b>	<b>F.Y. 2004- 05 (Audited)</b>
<b>Sources of Funds</b>				
Paid up Share Capital	6.96	6.96	6.96	6.96
Share application money	0.00	0.00	0.00	0.54
Reserves & surplus(excluding revaluation reserve)	2.20	2.04	1.45	0.91
Net worth	9.16	9.00	8.41	8.41
Secured loans	0.00	0.00	0.00	0.00
Unsecured loans	102.76	0.00	0.00	0.00
<b>Total</b>	<b>111.92</b>	<b>9.00</b>	<b>8.41</b>	<b>8.41</b>
<b>Uses of funds</b>				
Net fixed assets	0.00	0.00	0.00	0.00
Investments	7.62	7.62	7.62	7.62
Net current assets	104.30	1.38	0.79	0.79
<b>Total</b>	<b>111.92</b>	<b>9.00</b>	<b>8.41</b>	<b>8.41</b>
<b>OTHER FINANCIAL DATA</b>	<b>Half Year ended 30/09/2007 (Unaudited)</b>	<b>F.Y. 2006- 07 (Audited)</b>	<b>F.Y. 2005- 06 (Audited)</b>	<b>F.Y. 2004- 05 (Audited)</b>
Dividend (%)	-	-	-	-
Earning per Share (Rs.)	0.23	0.84	0.78	0.66
Return on Net worth (%)	1.75	6.56	6.42	5.47
Book Value per Share (Rs.)	13.16	12.93	12.08	12.08

viii There are no contingent liabilities.

ix **Significant accounting policies**

Investments: Investments are stated at Cost.

x Jag-Bid Finvest Private Limited is a private limited Company with the Shareholding of its Promoter Group being 100%.

xi Jag-Bid Finvest Private Limited holds 51,843 (Fifty One Thousand Eight Hundred Forty Three) Equity Shares of the Target Company as on the date of PA. The Promoter Group of the Target Company of which Jag-Bid Finvest Private Limited is a member has timely complied with the applicable provisions of Chapter II of the SEBI (SAST) Regulations, 1997. Jag-Bid Finvest Private Limited has not made earlier any acquisition in the Target Company through Open Offer(s). Jag-Bid Finvest Private Limited intends to subscribe for 3,17,000 (Three Lacs Seventeen Thousand) Equity Shares forming part of the proposed preferential issue of Equity Shares by the Target Company.

xii **Reasons for Fall / Rise in Total income and Profit after Tax**

**Financial Year 2006-07 vis-à-vis Financial Year 2005-06**

There was no significant change in total income and PAT of the Company during the Financial Year 2006-07 as compared to Financial Year 2005-06.

**Financial Year 2005-06 vis-à-vis Financial Year 2004-05**

The net profit after tax for the financial year 2005-06 increased by over 17% due to increase in the dividend income.



### 3.2.2 TMG Global FZCO

- i. TMG Global FZCO, incorporated as FZ Company with limited liability on 6<sup>th</sup> December, 2007, is a newly incorporated Company in the Dubai Airport Free Zone under Registration No. DAFZA-FZCO-CF-0457 under the laws of the Government of Dubai and having its registered office at Dubai, UAE, Dubai Airport Free Zone. Tel. No.: +971 4 2292425. Fax No.: No.: +971 4 229 6985.
- ii. The Acquirer Company and TMG Global FZCO are controlled by the same Promoter Group. TMG Global FZCO belongs to the Ram Ratna Group.
- iii. TMG Global FZCO is newly incorporated and yet to commence its business. The paid-up capital of the Company is Rs. 53.60 Lacs equivalent to U.A.E. Dirhams (Dhs.) 5,00,000 (at the rate of 1 Dhs = 10.7205 INR, conversion rate as on dated of PA). There is no reserves and surplus as on the date of PA.
- iv. **Details of Board of Directors:**

Name & Designation	Date of Appointment	Residential Address	Age (Years)	Qualification and Experience
Shri Tribhuvanprasad Kabra Director	06/12/2007	Uma Sadan, 178, Vinayak Society, Opp. SNDT College & Sanskrit Building, Behind Akota Stadium, Vadodara – 390 020.	52	B. Com  He has more than 35 years of experience in the electrical industry. He also carries along knowledge and experience in finance, purchase and administration.
Shreegopal Kabra Director	06/12/2007	9 <sup>th</sup> / 10 <sup>th</sup> Floor, 547, Ishan, Jame Jamshed Road, Matunga (East), Mumbai – 400 019.	49	B. Com  He has over 30 years of experience in international market development, strategic planning and administration
Sumeet Kabra Director	06/12/2007	13-14, Neelkanth Kunj, 128-129, Garodia Nagar, Ghatkopar (East), Mumbai, 400 077, Maharashtra, India	25	Pursuing M.B.A. from S. P. Jain Management Institute
Rajesh Kabra Director	06/12/2007	9 <sup>th</sup> / 10 <sup>th</sup> Floor, 547, Ishan, Jame Jamshed Road, Matunga (East), Mumbai – 400 019.	19	Pursuing B. Sc. (Third Year) from Bath University, U.K.

As on the date of PA, Shri Tribhuvanprasad Kabra, Director of TMG Global FZCO is the Managing Director of the Target Company. He has not participated in any matter(s) concerning or relating to the Offer including any preparatory steps leading to the Offer and has undertaken that he will abstain from all proceedings related to this Offer as per Regulation 22(9) of the Regulations.

As per the undertaking received from the Promoters of TMG Global FZCO they have confirmed that they shall not participate in the open Offer made to the Shareholders of Target Company.

- v. This being the first year of operation of TMG Global FZCO and the Company being recently incorporated, the financial details are not available.
- vii. TMG Global FZCO is a limited liability Company with the Shareholding of its Promoter Group being 100%.
- viii. TMG Global FZCO did not hold any Shares in the Equity Share Capital of RRWL prior to the date of PA. Hence, the requirement of complying with the provisions of Chapter II of the SEBI (SAST) Regulations, 1997 is not applicable. TMG Global FZCO has not made any acquisition in the Target Company through any mode till date of PA. TMG Global FZCO intends to subscribe for 7,00,000 (Seven Lacs) Equity Shares forming part of the proposed preferential issue of Equity Shares by the Target Company.

### 3.2.3 Other PACs (Individuals / HUF)

The names, addresses and net worth of the Individual / HUF PACs as on 30<sup>th</sup> September, 2007 as certified by Shri V.C. Darak, Proprietor (M. No. 6307), M/s. V. C. Darak & Associates, Chartered Accountants, 'Yashodhan', 1<sup>st</sup> Floor, Malviya Road, Vile Parle (East), Mumbai – 400 057 vide Certificates dated 10<sup>th</sup> December, 2007 are as follows:

Sr. No.	Name	Age (Years)	Address	Net Worth (Rs. in Lacs)	Qualification, Occupation/ Experience (Yrs.)
1.	Rameshwarlal Kabra HUF	N.A.	13-14, Neelkanth Kunj, 128-129, Garodia Nagar, Ghatkopar (East), Mumbai – 400 077.  Tel. No.: +91 22 2506 1545/ 3253 5119 Fax No.: +91 22 2491 2586)	689.10	N.A.
2.	Shri Mahendra Kumar Kabra	50	13-14, Neelkanth Kunj, 128-129, Garodia Nagar, Ghatkopar (East), Mumbai – 400 077.  Tel. No.: +91 22 2506 1545/ 3253 5119 Fax No.: +91 22 2491 2586)	685.54	Licentiate Mechanical Engineer.  He has over 20 years of experience in the Wire Industry. He has knowledge of extrusion line, insulation and enamelled wire. He has successfully led many projects and has been an inspiration for his team members.
3.	Smt. Kirtidevi Kabra	45	9 <sup>th</sup> / 10 <sup>th</sup> Floor, 547, Ishan, Jame Jamshed Road, Matunga (East), Mumbai – 400 019.  Tel. No.: +91 22 2418 3874 / 3244 1267 Fax No.: +91 22 2491 2586)	552.26	B. Com.  She has an experience in the field of brand building and publicity
4.	Shri Mahesh Kabra	30	Uma Sadan, 178 Vinayak Society, Opp. SNTD College & Sanskrit Building, Behind Akota Stadium, Vadodara – 390 020.  Tel. No.: +91 265 232 6311 Fax No.: +91 22 2491 2586)	301.47	B. Com.  Initially he has gained experience in export documentation and was part of setting up of project of RRKL. Since 2000 he has been in the field of Marketing.

The above PACs form part of the Promoter Group of the Acquirer Company and are relatives of each other. Shri Mahendra Kumar Kabra, Smt. Kirtidevi Kabra and Shri Mahesh Kabra are Son, Daughter in law and Grand Son of Shri Rameshwarlal Kabra respectively. Smt. Kirtidevi Kabra is wife of the younger brother of Shri Mahendra Kumar Kabra. Shri Mahesh Kabra is the nephew of Shri Mahendra Kumar Kabra and Smt. Kirtidevi Kabra.

#### **Positions held on board of Directors of Listed Company(ies)**

Shri Mahendra Kumar Kabra is a Director of Ram Ratna Wires Limited, the Target Company.

#### **Name(s) of the Company(ies) where Full Time Director**

Shri Mahendra Kumar Kabra and Shri Mahesh Kabra are Executive Directors on the Board of R R Kabel Limited, the Acquirer Company.

The above referred PACs have not made earlier any acquisitions in the Target Company through Open Offer(s). Rameshwarlal Kabra HUF holds 4,84,500 (Four Lacs Eighty Four Thousand Five Hundred) Equity Shares, Shri Mahendra Kumar Kabra holds 8,33,983 (Eight Lacs Thirty Three Thousand Nine Hundred Eighty Three) Equity Shares, Smt. Kirtidevi Kabra holds 3,91,100 (Three Lacs Ninety One Thousand One Hundred) Equity Shares and Shri Mahesh Kabra holds 2,01,400 (Two Lacs One Thousand Four Hundred) Equity Shares in the Target Company as on the date of PA. The Promoter Group of the Target Company of which PACs are members has timely complied with the applicable provisions of Chapter II of the SEBI (SAST) Regulations 1997.

#### **Disclosures in terms of Regulation 16(ix) of the SEBI (SAST) Regulations 1997 and Acquirer' future plans for RRWL**

The Acquirer and PACs in consultation with the Board of Directors of RRWL will work towards enhancement of Shareholder value and this could entail a restructuring exercise. The restructuring may also involve rationalization of assets, investments, liabilities, business of RRWL by way of arrangement/reconstruction, mergers / demergers, at a later date, which would be subject to the approvals of Board of Directors and Shareholders of RRWL as required and other relevant statutory approvals.

The Acquirer and PACs do not propose to, dispose of or otherwise encumber any assets of the Target Company in the succeeding two years, except such disposals or encumbrances are in the ordinary course of business of the Target Company and except to the extent required for the purpose of restructuring, rationalizing and/ or streamlining various operations, assets, liabilities, investments, businesses or otherwise of the Target Company which will be done subject to the approval of the Board of Directors of RRWL and Shareholders of RRWL, where required.

Except with the prior approval of RRWL's Shareholders, the Acquirer and PACs undertake that they shall not sell, dispose of or otherwise encumber any substantial assets of RRWL.

The present areas of operations of RRWL is manufacturing and marketing of Enamelled Copper Winding Wires and Copper Strips. The Acquirer and PACs do not have any plans to change the areas of operations of RRWL in the immediate future.

#### **Option in terms of Regulation 21(2)**

In the event, pursuant to this Offer, the public Shareholding in the Target Company falls below 25% of its outstanding Equity Share Capital, the Acquirer will, in accordance with Regulation 21(2) of the SEBI (SAST) Regulations, 1997, facilitate the Target Company to raise the level of public Shareholding to the level specified for continuous listing in the Listing Agreement with the Stock Exchange within the specified time and in accordance with the prescribed procedure under amended Clause 40A(viii) of the Listing Agreement and in compliance with the Regulations.

### **4. Background of the Target Company**

4.1 Ram Ratna Wires Limited was originally incorporated as Ram Ratna Winding Wires Private Limited on 21<sup>st</sup> July, 1992. The Company changed its status to that of a Limited Company and also changed its name to Ram Ratna Wires Limited vide Fresh Certificate of Incorporation consequent on Change of

Name issued by the Office of the Registrar of Companies, Maharashtra on 19<sup>th</sup> November, 1992 pursuant to Section 21 of the Companies Act, 1956.

- 4.2 Registered Office of RRWL is at Ram Ratna House, Victoria Mill Compound, Pandurang Budhkar Marg, Worli, Mumbai – 400 013. Tel. No.: +91 22 2494 9009 / 2492 4144 Fax No.: +91 22 2491 2586 and Corporate office at 305 / A, Windsor Plaza, R.C. Dutta Road, Alkapuri, Vadodara – 390 007 Tel. No.: +91 265 232 1891 / 2 / 3. Fax No.: +91 265 232 1894.
- 4.3 RRWL is engaged in the business of manufacturing and marketing of Enamelled Copper Winding Wires and Copper Strips. RRWL is an ISO 9001 Certified Company. It manufactures RR√SHRAMIK brand winding wires for wide ranging applications used by various industries in India.

**4.4 Location and details of the manufacturing facilities of RRWL**

Sr. No.	Unit Location	Telephone / Fax No.:
1.	Survey No. 212(2), Near Dadra Checkpost, Village Dadra, U. T. of Dadra & Nagar Haveli, Pincode – 396 191	Tel. No.: +91 260 266 8287 / 559 Fax No.: No.: +91 260 266 8286
2.	Salasar Copper, Survey No. 142(2), Village Karad, Madhuban Dam Road, Rakholi, U. T. of Dadra & Nagar Haveli, Pincode – 396 240.	Tel. No.: +91 260 299 3326 Fax No.: No.: +91 260 264 1868

**4.5 Share Capital Structure of RRWL as on date of PA**

Paid up Equity Shares	No. of Shares / Voting Rights	% of Shares / Voting Rights
Fully paid up Equity Shares	94,70,000	100%
Partly paid up Equity Share	Nil	Nil
Total paid up Equity Shares	94,70,000	100%
Total Voting rights in RRWL	94,70,000	100%

**4.6 Built up of the current Capital structure of RRWL since inception is as under:**

Date of Allotment	No. & % of Shares Issued		Cumulative Paid up Capital	Issue Price	Cumulative Paid-up Capital (Rs.)	Mode of Allotment	Identity of Allottees	Status of Compliance
	Number	%						
08/07/1992	200	---	200	10	2,000	Initial Subscriber	Promoter Group	Complied
31/10/1992	600	---	800	10	8,000	Preferential Allotment	Promoter Group	Complied
15/03/1993	80,200	0.84	81,000	10	8,10,000	Preferential Allotment	Promoter Group	Complied
9/11/1993	16,900	0.17	97,900	10	9,79,000	Preferential Allotment	Promoter Group	Complied
15/01/1994	53,650	0.57	1,51,550	10	15,15,500	Preferential Allotment	Promoter Group	Complied
15/02/1994	1,46,900	1.58	2,98,450	10	29,84,500	Preferential Allotment	Promoter Group	Complied
25/06/1994	5,52,000	5.83	8,50,450	10	8,504,500	Preferential Allotment	Promoter Group	Complied
10/08/1994	6,08,200	6.42	14,58,650	10	14,58,650	Preferential Allotment	Promoter Relatives & Friends	Complied
10/09/1994	4,31,900	4.56	18,90,550	10	1,89,05,500	Preferential Allotment	Promoter Group,	Complied

							Relatives & Friends	
23/01/1995	57,79,450	61.03	76,70,000	10	7,67,00,000	Public Issue	Promoter Group, Friends & Public	Complied
05/01/2005	18,00,000	19.00	94,70,000	15	9,47,00,000	Preferential Allotment	Promoter & Public	Complied

4.7 All Equity Shares of the Target Company are listed on Bombay Stock Exchange Limited (BSE). RRWL's Equity Shares were earlier listed on the Stock Exchange, Ahmedabad. RRWL made an application to the Stock Exchange, Ahmedabad vide letter dated January 31, 2004 for voluntary delisting of its shares. The Stock Exchange, Ahmedabad vide its letter dated 4<sup>th</sup> March, 2004 has approved the delisting of equity shares w.e.f. 18<sup>th</sup> March, 2004.

4.8 There has been no suspension of trading in Shares of the Target Company.

4.9 There are no outstanding warrants or options or similar instruments convertible into Equity Shares at a later stage.

4.10 The Acquirer, PACs and other Promoters are in compliance of the applicable provisions of Chapter II of the SEBI (SAST) Regulations, 1997. The Target Company has complied with provisions of Chapter II of the SEBI (SAST) Regulations, 1997 within the stipulated time except the filing of disclosures for the period from 1997 to 2002 which was filed by the Company alongwith the prescribed penalty of Rs. 30,000/- (Rupees Thirty Thousand only) under the SEBI Regularization Scheme, 2002.

4.11 The Company has complied with the various requirements of the Listing Agreement with the Stock Exchange from time to time. No penal action has been initiated by the Stock Exchange or SEBI.

#### 4.12 Details of Board of Directors

Name of the Directors & designation	Date of appointment	Residential Address	Age	Qualification and Experience
Shri. Rameshwarlal Kabra Chairman	31/10/1992	13-14, Neelkanth Kunj, 128-129, Garodia Nagar, Ghatkopar (East), Mumbai – 400 077.	74	Industrialist  He has over 40 years experience in enamelled copper winding wire and cable industry.
Shri. Tribhuvanprasad Kabra Managing Director	29/09/1993	13/14, Neelkanth Kunj, 123/129, Garodya Road, Ghatkopar (East) Mumbai – 400007	52	B. Com.  He has more than 35 years of experience in the electrical industry. He also carries along knowledge and experience in finance, purchase and administration.
Shri. Mahendra Kumar Kabra Non Executive Director	21/07/1992	13-14, Neelkanth Kunj, 128-129, Garodia Nagar, Ghatkopar (East),, Mumbai, 400077,, Maharashtra, India	50	Licentiate Mechanical Engineer.  He has over 20 years of experience in the Wire Industry. He has knowledge of extrusion line, insulation and enamelled wire. He has successfully led many projects and has been an inspiration for his team members.
Shri Vishnu Anant Mahajan	29/09/1993	Mahajan's Lane, Raopura, Vadodara,	68	B. Com, F.C.A.

Non Executive Director		Gujarat – 390 001		He is a practising Chartered Accountant since last 40 years. He passed his Chartered Accountant's exam in the year 1967. He has been associated with handling of audit work of various private and public limited companies including some well-known companies. He is also associated with the auditing of various renowned banks and insurance companies and also specialised in taxation matters and in the field of preparation of Project Reports for Bank purposes. He was also a member of the Research Committee of the ICAI
Shri Satyanarayan Loya  Non Executive Director	29/09/1993	1502, Krishna Heritage, New Link Road, Opp. Don Bosco School, Borivali (W), Mumbai – 400 091.	77	Consultant (Marketing & Finance)  He was associated with renowned group in textile and paper industry for over 50 years.
Shri Mukund Chitale  Non Executive Director	28/12/2005	Building No. 4, Flat No. 43, Vishnu Prasad Society, Shahaji Raje Road, Next to Parle Biscuit Factory, Near Sun City Theatre, Vile-Parle(E), Mumbai – 400 057	57	B. Com., F.C.A.  He is a practising Chartered Accountant since 1973. He is the Chairman of: 1) Principal Pnb Asset Management Company Private Limited and 2) The Ethics Committee of the Bombay Stock Exchange Limited.  He is a member of: 1) Governing Council of Banking Codes and Standards Boards of India, 2) Advisory Board on Banks, Commercial and Financial Frauds and 3) Board of Supervision of NABARD. He is also a Trustee of various Social Organisations. He was the President of ICAI during 1997-98. He had also been a member of various Committees like The International Auditing Practices Committee, The Committee for Collective Investment Schemes, Committee on Procedures and Performance Audit of Public Services,  Working Group on Restructuring of Weak Public Sector Banks and Company Law Advisory Committee of Central Government.
Shri Ajai Singh  Non Executive Director	29/06/2006	D-401, The Great Eastern Links, Ram Mandir Links, Goregaon (W), Mumbai – 400 104.	51	B.A., M.B.A.  He has 28 years of work experience. He started his career as a Management Consultant. He was the CEO of Modi Entertainment Limited and Managing Director of Professional Assessment and Training Systems Private Limited.

				He is a Certified Professional Behavior Analyst, Certified Professional Value Analyst (the only one in South Asia), Certified Attribute Index Analyst, Certified Achieve Global Master Trainer, Certified Synergic Master Trainer, Certified Entretel Master Trainer & Certified Leadership Foundation Master Trainer. He is a Certified Master Leadership Coach. He is the CEO of Organization Transformation International, India (OTI) – a management consulting firm.
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As on the date of PA, Shri Tribhuvanprasad Kabra, Managing Director of the Acquirer Company is also the Managing Director on the Board of the Target Company. Shri Mahendra Kumar Kabra and Shri Satyanarayan Loya, Directors of Acquirer Company are also on the Board of the Target Company.

4.13 There were no mergers, de-mergers and /or spin-offs involving the Target Company during the last three years. The Target Company changed its name from Ram Ratna Winding Wires Private Limited to Ram Ratna Wires Limited vide Fresh Certificate of Incorporation consequent on Change of Name issued by the Office of the Registrar of Companies, Maharashtra on 19<sup>th</sup> November, 1992 pursuant to Section 21 of the Companies Act, 1956.

4.14 **The brief audited financial details / financial results certified by Statutory Auditors for a period of last three years, and six month ended 30<sup>th</sup> September, 2007 are as below**

(Rs. in Lacs)				
	Half Year ended 30/09/2007 (Unaudited)	F.Y. 2006- 07 (Audited)	F.Y. 2005- 06 (Audited)	F.Y. 2004- 05 (Audited)
<b>PROFIT AND LOSS STATEMENT</b>				
Income from Operations	13920.09	21139.80	13311.94	10897.36
Other Income	25.70	12.37	2.00	0.00
Total Income	13945.79	21152.17	13313.94	10897.36
Total Expenditure	13217.22	20377.39	12637.72	10337.02
Profit before depreciation, interest and tax	728.57	774.78	676.22	560.34
Depreciation	109.87	187.63	146.82	119.45
Interest	297.01	420.49	227.05	138.34
Profit Before Tax	321.69	166.66	302.35	302.55
Provision for Tax	112.42	66.38	107.42	83.03
Extraordinary items / Prior Period adjustments	0.89	4.28	5.54	0.11
Net Profit	208.38	96.00	189.39	219.41
<b>BALANCE SHEET STATEMENT</b>				
	Half Year ended 30/09/2007 (Unaudited)	F.Y. 2006- 07 (Audited)	F.Y. 2005- 06 (Audited)	F.Y. 2004- 05 (Audited)
<b>Sources of Funds</b>				
Paid Up Share Capital	947.00	947.00	947.00	947.00
Reserves & Surplus (excluding Revaluation Reserve)	889.52	681.14	668.23	663.82
Networth	1836.52	1628.14	1615.23	1610.82
Secured Loans	5518.60	4106.01	2597.31	1545.75
Unsecured Loans	1052.52	797.05	227.88	85.24
Deferred Tax	224.27	216.68	191.47	130.74
<b>Total</b>	<b>8631.91</b>	<b>6747.88</b>	<b>4631.89</b>	<b>3372.55</b>
<b>Uses of Funds</b>				

Net Fixed Assets	2292.65	2153.77	1908.05	1035.62
Investments	40.00	40.00	40.00	40.00
Net Current Assets	6299.26	4554.11	2683.84	2296.93
<b>Total</b>	<b>8631.91</b>	<b>6747.88</b>	<b>4631.89</b>	<b>3372.55</b>
<b>OTHER FINANCIAL DATA</b>	<b>Half Year ended 30/09/2007 (Unaudited)</b>	<b>F.Y. 2006- 07 (Audited)</b>	<b>F.Y. 2005- 06 (Audited)</b>	<b>F.Y. 2004- 05 (Audited)</b>
Dividend (%)	--	7.50	12.50	12.50
Earning Per Share (Rs.)	2.20	1.01	2.00	2.71
Return On Networth (%)	11.35	5.90	11.73	13.62
Book Value Per Share (Rs.)	19.39	17.19	17.06	17.01

### Reasons for Fall / Rise in Total income, Profit after Tax and Networth

#### Financial Year 2006-07 vis-à-vis Financial Year 2005-06

For the financial year ended 31<sup>st</sup> March 2007, the Total Income of the Target Company increased by 58.87% to Rs. 21152.17 Lacs as compared to Rs. 13313.94 Lacs in the year ended 31<sup>st</sup> March, 2006 due to increase in sales quantity coupled with increased copper prices. However, due to lower capacity utilization and high volatility in copper prices, the profit of the Target Company has declined for the fiscal 2006-07 as compared to the previous year. The Target Company has for the year ended 31<sup>st</sup> March 2007 earned net profit of Rs. 96.00 Lacs as against Rs. 189.39 Lacs for the year ended 31<sup>st</sup> March, 2006. The increase in the Networth is on account of profit earned after tax.

#### Financial Year 2005-06 vis-à-vis Financial Year 2004-05

The total income of the Target Company increased by 22.18% to Rs. 13313.94 Lacs during the year 2005-06 as compared to Rs. 10897.36 Lacs for the year 2004-05 due to increase in sales quantity. After providing for tax and prior period adjustment, the Target Company has earned a net profit of Rs. 189.39 Lacs for the year ended 31<sup>st</sup> March, 2006 as compared to Rs. 219.41 Lacs for the year ended 31<sup>st</sup> March, 2005. The decline in the profits was mainly due to steep rise in the prices of Copper. The increase in the Networth is on account of profit earned after tax.

#### 4.15 Pre and post Offer Shareholding Pattern of the Target Company is as follows :

Sr. No.	Shareholders' category	Shareholding & voting Rights prior to the acquisition (preferential issue) and Offer		Shares / Voting Rights agreed to be acquired (preferential Issue) which triggered off the Regulations		Shares / Voting Rights to be acquired in Open Offer (Assuming full Acceptances)		Shareholding/ Voting Rights after the acquisition (preferential issue) and the Offer (assuming full acceptance of 22,00,000 (20%) Shares	
		(A) No.	(A) %	(B) No.	(B) %	(C) No.	(C) %	(A)+(B)+(C)= (D) No.	(A)+(B)+(C)= (D) %
<b>1</b>	<b>Promoters / Acquirer Group</b>								
(a)	Acquirer and Persons Acting in Concert	1962826	20.73	15,30,000	13.91	22,00,000	20.00	5692826	51.75
(b)	Promoters other than (a) above	4162637	43.95	N.A.	N.A.	N.A.	N.A.	4162637	37.85
	<b>Total 1 (a+b)</b>	<b>61,25,463</b>	<b>64.68</b>	<b>15,30,000</b>	<b>13.91</b>	<b>22,00,000</b>	<b>20.00</b>	<b>98,55,463</b>	<b>89.60</b>
<b>(2)</b>	<b>Parties to Agreement other than 1(a)</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>
<b>(3)</b>	<b>Public (Other than parties to agreement, Acquirer &amp; PACs)</b>								
(a)	FIs/MFs/FIIs/Banks, SFIs	0	0.00	0	0.00	0	0.00	0	0.00
(b)	Others (Body Corporates & Individuals)	33,44,537	35.32			(22,00,000)	(20.00)	11,44,537	10.40
	<b>Total 3 (a+b)</b>	<b>33,44,537</b>	<b>35.32</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>11,44,537</b>	<b>10.40</b>
	<b>GRAND TOTAL (1+2+3)</b>	<b>94,70,000</b>	<b>100.00</b>	<b>15,30,000</b>	<b>13.91</b>	<b>N.A.</b>	<b>N.A.</b>	<b>1,10,00,000</b>	<b>100.00</b>



**Notes:**

- (a) No Equity Shares of the Target Company have been purchased by the Acquirer and PACs after the date of PA till the date of letter of Offer.
- (b) The detail of Shareholding as given above is as on 21<sup>st</sup> December, 2007 as per the details provided by the Target Company.
- (c) As on the 21<sup>st</sup> December, 2007, the total number of Shareholders of the Target Company in 'Public Category' is 5056.
- (d) Percentage calculated in Columns B, C and D are based on the post Preferential Issue Share Capital of the Company.

**4.16 Details of changes in Shareholding of Promoter Group in the Target Company since SEBI (SAST) Regulations, 1997 came into effect, are provided as follows:**

Year	No. of Shares	% of Shares	Change		Details of change
			No. of Shares	% of Shares	
1996-97	42,68,500	55.65	0	0.00	N.A.
1997-98	42,68,500	55.65	0	0.00	N.A.
1998-99	42,68,500	55.65	0	0.00	N.A.
1999-00	43,31,600	56.47	63,100	0.82	N.A.
2000-01	44,32,600	57.79	1,01,000	1.32	Market Purchases
2001-02	44,44,600	57.95	12,000	0.16	Market Purchases
2002-03	45,07,793	58.77	63,193	0.82	Market Purchases
2003-04	45,87,563	59.81	79,770	1.04	Market Purchases & inter-se transfer
2004-05	*61,25,463	*64.68	*15,37,900	*4.87	Preferential Allotment & Market Purchases
2005-06	61,25,463	64.68	0	0.00	N.A.
2006-07	61,25,463	64.68	0	0.00	N.A.

\*During the years 1996 to 2004, the paid-up Equity Share Capital of RRWL comprised of 76,70,000 (Seventy Six Lacs Seventy Thousand) Equity Shares of Rs. 10/- (Rupees Ten only) each fully paid up. RRWL made a preferential allotment of 18,00,000 (Eighteen Lacs) Equity Shares of face value of Rs. 10/- (Rupees Ten only) each fully paid at a premium of Rs. 5/- (Rupees Five only) per Share to Promoters and Others on 5<sup>th</sup> January, 2005. Consequent to the said preferential allotment, the paid-up Equity Share Capital of RRWL increased to 94,70,000 (Ninety Four Lacs Seventy Thousand) Equity Shares of Rs. 10/- (Rupees Ten only) each fully paid.

**The details of changes in shareholding of promoters as and when happened**

**1999-2000 (increase of 63,100)**

Sr. No.	Name of Promoter Member	Group	Details of Transaction	Date of Transaction	No. of Shares
1	Smt. Asha Kabra		Purchased - Market	13.04.1999	13,000
2	Shri Hemant Kabra		Purchased - Market	13.04.1999	11,900
3	Smt. Sarita Kabra		Purchased - Market	13.04.1999	14,000
4	Smt. Priti Kabra		Purchased - Market	13.04.1999	8,200
5	Smt. Asha Kabra		Purchased - Market	28.06.1999	16,000

**2000-2001 (increase of 1,01,000)**

Sr. No.	Name of Promoter Member	Group	Details of Transaction	Date of Transaction	No. of Shares
1	Shri Shreegopal Kabra		Purchased - Market	12.04.2000	50,000
2	Smt. Umadevi Kabra		Purchased - Market	12.04.2000	1,000
3	Smt. Kirtidevi Kabra		Purchased - Market	12.04.2000	50,000

**2001-2002 (increase of 12,000)**

Sr. No.	Name of Promoter Group Member	Details of Transaction	Date of Transaction	No. of Shares
1	Shri Sumeet Kabra	Purchased - Market	04.04.2001	1,000
2	Smt. Umadevi Kabra	Purchased - Market	04.04.2001	3,100
3	Shri Rajesh Kabra	Purchased – Market	04.04.2001	3,900
4	Rameshwarlal Kabra HUF	Purchased - Market	06.07.2001	4,000

**2002-2003 (increase of 63,193)**

Sr. No.	Name of Promoter Group Member	Details of Transaction	Date of Transaction	No. of Shares
1	Shri Rajesh Kabra	Purchased - Market	02.07.2002	8,000
2	Hemsum Finvest Private Limited	Purchased - Market	01.02.2003	4,000
3	Hemsum Finvest Private Limited	Purchased - Market	04.02.2003	50
4	Hemsum Finvest Private Limited	Purchased - Market	05.02.2003	4,250
5	Hemsum Finvest Private Limited	Purchased - Market	06.02.2003	1,100
6	Parkab Finvest Private Limited	Purchased - Market	07.02.2003	2,500
7	Parkab Finvest Private Limited	Purchased - Market	08.02.2003	2,650
8	Parkab Finvest Private Limited	Purchased - Market	19.02.2003	2,000
9	Parkab Finvest Private Limited	Purchased - Market	20.02.2003	2,500
10	Jag-Bid Finvest Private Limited	Purchased - Market	21.02.2003	2,550
11	Jag-Bid Finvest Private Limited	Purchased - Market	22.02.2003	2,200
12	Jag-Bid Finvest Private Limited	Purchased - Market	25.02.2003	2,150
13	Jag-Bid Finvest Private Limited	Purchased - Market	26.02.2003	550
14	Jag-Bid Finvest Private Limited	Purchased - Market	27.02.2003	1,050
15	Parkab Finvest Private Limited	Purchased - Market	28.02.2003	50
16	Parkab Finvest Private Limited	Purchased - Market	01.03.2003	50
17	Parkab Finvest Private Limited	Purchased - Market	04.03.2003	50
18	Parkab Finvest Private Limited	Purchased - Market	05.03.2003	1,850
19	Parkab Finvest Private Limited	Purchased - Market	06.03.2003	950
20	Parkab Finvest Private Limited	Purchased - Market	07.03.2003	50
21	Parkab Finvest Private Limited	Purchased - Market	08.03.2003	3,050
22	Hemsum Finvest Private Limited	Purchased - Market	12.03.2003	3,050
23	Hemsum Finvest Private Limited	Purchased - Market	13.03.2003	1,350
24	Hemsum Finvest Private Limited	Purchased - Market	15.03.2003	4,000
25	Hemsum Finvest Private Limited	Purchased - Market	19.03.2003	4,050
26	Jag-Bid Finvest Private Limited	Purchased - Market	20.03.2003	1,693
27	Jag-Bid Finvest Private Limited	Purchased - Market	21.03.2003	3,000
28	Jag-Bid Finvest Private Limited	Purchased - Market	24.03.2003	1,900
29	Jag-Bid Finvest Private Limited	Purchased - Market	25.03.2003	2,250
30	Jag-Bid Finvest Private Limited	Purchased - Market	26.03.2003	100
31	Jag-Bid Finvest Private Limited	Purchased - Market	27.03.2003	200

**2003-2004 (increase of 79,770)**

Sr. No.	Name of Promoter Group Member	Details of Transaction	Date of Transaction	No. of Shares
1	Jag-Bid Finvest Private Limited	Purchased - Market	01.04.2003	100
2	Jag-Bid Finvest Private Limited	Purchased - Market	05.04.2003	200
3	Jag-Bid Finvest Private Limited	Purchased - Market	30.04.2003	1,300
4	Jag-Bid Finvest Private Limited	Purchased - Market	02.05.2003	200
5	Rameshwarlal Kabra HUF	Purchased - Market	01.09.2003	23,000
6	Shri Tribhuvanprasad Kabra	Purchased – Inter-se promoter	16.09.2003	27,700

7	Smt. Umadevi Kabra	Purchased - Market	16.09.2003	1,000
8	Smt. Vidhi Kabra	Purchased - Market	16.09.2003	2,500
9	Smt. Sarita Kabra	Sold – Inter-se promoter	16.09.2003	(27,700)
10	Parkab Finvest Private Limited	Purchased - Market	15.10.2003	12,000
11	Parkab Finvest Private Limited	Purchased - Market	16.10.2003	3,970
12	Parkab Finvest Private Limited	Purchased - Market	17.10.2003	2,500
13	Shri Rajesh Kabra	Purchased - Market	01.01.2004	5,000
14	Smt. Asha Kabra	Purchased - Market	01.01.2004	12,400
15	Shri Rajesh Kabra	Purchased - Market	16.01.2004	700
16	Shri Rajesh Kabra	Purchased - Market	02.02.2004	3,500
17	Smt. Asha Kabra	Purchased - Market	13.02.2004	5,000
18	Shri Rajesh Kabra	Purchased - Market	16.02.2004	6,400

**2004-2005 (increase of 15,37,900)**

Sr. No.	Name of Promoter Group Member	Details of Transaction	Date of Transaction	No. of Shares
1	Shri Rajesh Kabra	Purchased - Market	01.06.2004	2500
2	Jag-Bid Finvest Private Limited	Purchased - Market	12.08.2004	400
3	Shri Mahendra Kumar Kabra	Preferential Allotment	05.01.2005	4,05,183
4	Shri Shreegopal Kabra	Preferential Allotment	05.01.2005	2,29,634
5	Ram Ratna Research & Holdings Pvt. Ltd.	Preferential Allotment	05.01.2005	2,00,000
6	Shri Mahesh T. Kabra	Preferential Allotment	05.01.2005	1,80,000
7	Smt. Vidhi M. Kabra	Preferential Allotment	05.01.2005	1,50,000
8	Shri Sumeet M. Kabra	Preferential Allotment	05.01.2005	1,20,000
9	Smt. Kirtidevi S. Kabra	Preferential Allotment	05.01.2005	91,000
10	Smt. Umadevi T. Kabra	Preferential Allotment	05.01.2005	80,000
11	Shri Tribhuvanprasad Kabra	Preferential Allotment	05.01.2005	79,183

According to Securities Exchange Board of India (SEBI), the existing Promoters have violated Regulation 11 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 for not complying with the said Regulation for the preferential allotment made by the Company on 5<sup>th</sup> January, 2005. Suitable action would be initiated by SEBI at a later stage. Promoters undertake that they will co-operate with SEBI in this regard.

Regulation 11 of SEBI (SAST) Regulations 1997 was amended by the SEBI (SAST) (Second Amendment) Regulations, 2004 vide notification dated 30<sup>th</sup> December, 2004. By the said amendment, the requirement to make a Public Announcement by an Acquirer was attracted on holding 55% (alongwith Persons Acting in Concert) of the shares or voting right of the target Company. The Company had made the earlier preferential allotment on 5<sup>th</sup> January, 2005. However, the said allotment was pursuant to the approval for the preferential issue at the Board Meeting held on 18<sup>th</sup> November, 2004 and approval of the shareholders at the Extra-Ordinary General Meeting held on 22<sup>nd</sup> December, 2004.

The Promoters are of the view that in terms of Regulation 14 of Securities and Exchange Board of India (Substantial Acquisition Of Shares And Takeovers) Regulations, 1997, the public announcement of offer is required to be made not later than four working days from the date of either entering into an agreement for acquisition of shares or deciding to acquire. Since there was no share purchase agreement, the trigger date for

making public announcement for the earlier preferential issue was November 18, 2004, being the date of Board Meeting for considering preferential allotment.

Hence, the Promoters feel that the said amendment was not applicable to the preferential allotment made by the Company pursuant to the approval of the shareholders obtained before the amendment was notified and Public Announcement as per the amended Regulation was not required to be made.

4.17 Corporate Governance : RRWL has duly complied with the various requirements of Clause 49 relating to Corporate Governance under the Listing Agreement with the Stock Exchange(s) from time to time.

#### 4.18 Pending Litigations

There are no pending litigations pending against the Target Company.

The details of litigations filed by the Target Company are as under:

Sr. No.	Brief Details of Litigation	Amount Involved (Rs. in Lacs)	Present Status
1	Case filed in the Court of the Civil Judge, Dadra & Nagar Haveli, Silvassa against Eagle Electricals, Kolhapur, Maharashtra, for business receivables	1.35	Decree order passed and served on defendant. Local Belief Report awaited from Local Court.
2	Case filed in the Court of the Civil Judge, Dadra & Nagar Haveli, Silvassa against Sumathi Agencies, Chennai, for business receivables	1.06	Ex-party Application made Decree awaited.
3	Case filed in the Court of the Civil Judge, Dadra & Nagar Haveli, Silvassa against Tecmo Industries, Coimbatore, for business receivables	3.48	Ex-party Decree Application to be made.

#### 4.19 Details of the Compliance Officer:

Shri Satish Agarwal  
 Vice President – Commercial,  
 Ram Ratna House,  
 Victoria Mill Compound,  
 Pandurang Budhkar Marg,  
 Worli, Mumbai – 400 013.  
 Tel. No.: +91 22 2494 9009 / 2492 4144  
 Fax No.: +91 22 2491 2586  
 E-mail : [satish@ramratna.com](mailto:satish@ramratna.com)

### 5. Offer Price

#### Justification of Offer Price

5.1 The Shares of the Company are listed on Bombay Stock Exchange Limited (BSE).

5.2 The Acquirer has made a PA on 26<sup>th</sup> December, 2007. The Annualized Trading turnover during the period June, 2007 to November, 2007, the six calendar months prior to December, 2007 (the month in which Board Meeting authorising the preferential issue of Shares was held) is as follows :

Name of the Stock Exchange	Total Number of Shares traded during	Total No. of Listed	Annualised Trading Turnover
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	June, 2007 to November, 2007	Shares	(as % of total number of Listed Shares)
BSE	2959140	94,70,000	62.49%

(Source: [www.bseindia.com](http://www.bseindia.com))

- 5.3 As the annualized trading turnover (by number of Shares) on BSE is more than 5% of the total number of Listed Shares of the Target Company, the Shares of the Target Company are deemed to be frequently traded as per the Regulation 20(5) of the Regulations.
- 5.4 The Offer Price of Rs. 54/- (Rupees Fifty Four only) per fully paid up Equity Share Offered by the Acquirer to the Shareholders of RRWL under the proposed Open Offer is justified in terms of Regulation 20(4) as it is higher than:

a)	Negotiated price payable under the Agreement	Not Applicable
b)	Proposed acquisition price under the preferential issue	Rs. 54/- per Equity Share
c)	Highest price paid by the Acquirer or PACs for acquisition, including by way of allotment in a public or rights issue or preferential issue, if any, during the 26 weeks period preceding the date of PA i.e. 26 <sup>th</sup> December, 2007	Not Applicable
d)	The average of the weekly high and low of the prices of the Equity Shares of RRWL during the 26 weeks preceding the date of the Board meeting which authorized the preferential issue i.e. 20 <sup>th</sup> December, 2007	Rs. 38.62
e)	The average of the daily high and low of the prices of the Equity Shares of RRWL during the 2 weeks preceding the date of the Board meeting which authorized the preferential issue i.e. 20 <sup>th</sup> December, 2007	Rs. 48.67

(Source: [www.bseindia.com](http://www.bseindia.com))

- 5.5 The details of the High and Low prices and volume on BSE for the 26 weeks period prior to the date of the Board Meeting i.e. 20<sup>th</sup> December, 2007 are as under:

Week No.	Week Ending	High (Rs.)	Low (Rs.)	Average (Rs.)	Volume (Shares)
1	27/06/2007	23.85	21.50	22.68	14,511
2	04/07/2007	26.75	21.55	24.15	16,904
3	11/07/2007	27.70	21.90	24.80	34,679
4	18/07/2007	27.70	20.10	23.90	56,744
5	25/07/2007	26.85	24.00	25.43	49,859
6	01/08/2007	25.95	24.05	25.00	31,269
7	08/08/2007	28.95	25.00	26.98	48,107
8	15/08/2007	28.50	26.00	27.25	29,223
9	22/08/2007	32.50	25.00	28.75	1,64,179
10	29/08/2007	29.85	27.00	28.43	28,926
11	05/09/2007	32.10	27.80	29.95	1,04,502
12	12/09/2007	51.00	30.05	40.53	7,98,268
13	19/09/2007	46.00	38.25	42.13	1,98,843
14	26/09/2007	42.00	36.05	39.03	62,363
15	03/10/2007	55.45	41.20	48.33	3,00,678
16	10/10/2007	58.20	45.85	52.03	1,67,389
17	17/10/2007	53.75	44.05	48.90	1,13,099
18	24/10/2007	60.30	52.00	56.15	1,49,771
19	31/10/2007	60.05	51.00	55.53	1,26,588
20	07/11/2007	54.50	46.70	50.60	74,329
21	14/11/2007	52.00	47.55	49.78	73,074
22	21/11/2007	48.90	43.75	46.33	66,204
23	28/11/2007	45.55	42.50	44.03	71,565

24	05/12/2007	49.10	44.10	46.60	43,232
25	12/12/2007	49.75	45.25	47.50	52,893
26	19/12.2007	52.35	46.55	49.93	67,598
	<b>Average</b>			<b>38.62</b>	

(Source: [www.bseindia.com](http://www.bseindia.com))

- 5.6 The details of the daily high and low prices and volume on BSE for the 2 weeks period prior to the date of the Board Meeting i.e. 20<sup>th</sup> December, 2007 are as under:

Day No.	Dates	High (Rs.)	Low (Rs.)	Average (Rs.)	Volume (Shares)
1	6/12/2007	49.00	46.60	47.80	6,530
2	7/12/2007	49.00	45.40	47.20	8,277
3	10/12/2007	48.50	45.25	46.88	6,297
4	11/12/2007	49.75	48.00	48.88	20,282
5	12/12/2007	48.85	47.10	47.98	11,507
6	13/12/2007	50.55	46.55	48.55	19,488
7	14/12/2007	52.35	49.00	50.68	6,730
8	17/12/2007	51.95	49.30	50.63	22,530
9	18/12/2007	50.00	47.75	48.88	9,195
10	19/12.2007	50.45	48.00	49.23	9,655
	<b>Average</b>			<b>48.67</b>	

(Source: [www.bseindia.com](http://www.bseindia.com))

- 5.7 There is no non-compete fees agreement between the Acquirer and PACs and any other entity as envisaged under Regulation 20(8) of SEBI (SAST) Regulations, 1997. No additional payment by way of non-compete fees are being made by the Acquirer.
- 5.8 The Offer Price of Rs. 54/- (Rupees Fifty Four only) per Share offered by the Acquirer and PACs to the Shareholders of RRWL under the proposed Open Offer is justified in terms of Regulation 20(4) of the SEBI (SAST) Regulations, 1997 read with Regulation 20(11) of SEBI (SAST) Regulations, 1997. In the opinion of the Manager to the Offer and Acquirer and PACs, the Offer Price is justified.
- 5.9 As per the Regulations, the Acquirer can revise the Offer Price upwards up to Seven working days prior to the closure of this Offer and the revision, if any, in the Offer and the revision, if any, in the Offer Price would be announced in the same newspapers where the PA has appeared and the revised price will be paid for all Offer Shares acquired pursuant to this Offer.
- 5.10 If the Acquirer or PACs acquires Shares after the date of PA up to Seven working days prior to the date of closure of the Offer at a price higher than the Offer Price, then the highest price paid for such acquisition shall be payable for all the valid acceptances received under the Offer.

## 6. Financial Arrangements

- 6.1 The total fund requirements for the Offer, assuming full acceptance of the Offer, is Rs. 11,88,00,000/- (Rupees Eleven Crores and Eighty Eight Lacs only) ("Maximum Consideration") i.e. consideration payable for acquisition of 22,00,000 (Twenty Two Lacs) fully paid-up Equity Shares of RRWL at an Offer Price of Rs. 54/- (Rupees Fifty Four only) per share.
- 6.2 A lien on 13,00,000 (Thirteen Lacs) Equity Shares of RRWL having a face and paid-up value of Rs. 10/- (Rupees Ten only) each has been marked in favour of Networth Stock Broking Limited, Manager to the Offer, by Ram Ratna Research and Holding Private Limited, in terms of Regulation 28(4)(c) of the Regulations. The face and paid-up value of 13,00,000 (Thirteen Lacs) Equity Shares is Rs. 1,30,00,000/- (Rupees One Crore Thirty Lacs) and the market price of such Equity Shares on the date of creation of escrow account i.e. 20<sup>th</sup> December 2007 is Rs. 6,52,60,000 (Rupees Six Crores Fifty Two Lacs Sixty Thousand), which is more than 25% of the maximum consideration payable by the Acquirer i.e. Rs. 2,97,00,000/- (Rupees Two Crores Ninety Seven Lacs only).

- 6.3 Ram Ratna Research and Holding Private Limited is the holder of 13, 00,000 (Thirteen Lacs) fully paid-up Equity Shares of RRWL and has deposited the same in the escrow account. The Acquirer Company and Ram Ratna Research and Holding Private Limited are controlled by the same Promoter Group. The Acquirer has obtained NOC from the holder for depositing the same in the escrow account. These shares are free of lien/encumbrances and carry voting rights and no suspension on voting rights is in vogue as on date.
- 6.4 The Manager to the Offer is empowered to realise the value of the securities by sale or otherwise, provided if there is any deficit on realisation of the value of the securities, such deficit, if any, shall be made good by the Manager to the Offer in terms of Regulation 28(7). In terms of Regulation 28(8), the Manager to the Offer will not return the securities to the Acquirer till the completion of all obligations under the Regulations. The Manager to the Offer is authorized to realise the value of the escrow in terms of the Regulations.
- 6.5 The securities are held in the Escrow Account opened by the Managers to the Offer in the style of – NSBL - Escrow - RRWL-Open Offer in DP Cell, Network Stock Broking Limited, 2nd floor, D. C. Silk Mills Compound, Kondivita Road, Andheri (E), Mumbai - 400 059, and are authorized to deal with the securities.
- 6.6 In accordance with Regulation 28(10) of the SEBI (SAST) Regulations, 1997, the Acquirer has also made a Cash Deposit of Rs. 11, 88,000/- (Rupees Eleven Lacs Eighty Eight Thousand only) (being 1% of the maximum consideration payable under this Offer) in the escrow account named “R R Kabel Limited – RRWL Open Offer Escrow Account” with HDFC Bank Limited, Lower Parel, Mumbai – 400 013. The Manager to the Offer has been empowered to operate the escrow account.
- 6.7 The Acquirer along with PACs have adequate resources to meet the financial requirements of the Offer. The Acquirer and PACs have mutually agreed for the same as per written communication dated 10<sup>th</sup> December, 2007 exchanged between them to meet the short fall, if any. The Acquirer and PACs have made firm arrangement for the resources required to complete the Offer in accordance with the SEBI (SAST) Regulations, 1997. The Acquisition shall be financed through internal resources of the Acquirer and PACs and no borrowings from Banks, Financial Institutions or NRIs is being made. The sources of the funds shall be internal accruals of the Acquirer and PACs
- 6.8 Shri V.C. Darak, Proprietor of M/s. V. C. Darak & Associates, Chartered Accountants having Membership No. 6307 and Office at ‘Yashodhan’, 1st Floor, Malviya Road, Vile Parle (East), Mumbai – 400 057, Tel. No.: +91 22 2616 1646, Fax No.: +91 22 2616 1650 vide certificate dated 10<sup>th</sup> December, 2007 has certified that sufficient resources in liquid form can be made available by the Acquirer for fulfilling the obligations under this “Offer” in full.
- 6.9 The Manager to the Offer, on the basis of the above, has satisfied itself about the ability of the Acquirer to implement the Offer in accordance with SEBI (SAST) Regulations, 1997.

## **7. Terms and Conditions of the Offer**

- 7.1 This Offer is made to all the Shareholders of the Target Company and also to persons who acquire Shares before or during the Offer and tender these Shares into the Offer so as to credit those Shares to the account designated for the Offer.
- 7.2 The Letter of Offer (LOO) specifying the detailed terms and conditions of this Offer together with Form of Acceptance-cum-Acknowledgement (FOA) and Form of Withdrawal (FOW) will be mailed to the Equity Shareholders of RRWL (other than Acquirer and PACs) whose names appear on the register of member of RRWL and the beneficial owners of RRWL whose names appear on the beneficial records of the respective depositories, at the close of business hours on Friday, 18<sup>th</sup> January, 2008 (hereinafter referred to as “specified date”). Accidental omission to dispatch this Letter of Offer to any person to whom this Offer is made or the non-receipt or delayed receipt of this Letter of Offer by any such person will not invalidate this Offer in any way.
- 7.3 All owners of Shares, registered or unregistered (except the Acquirer and PACs), are eligible to participate in the Offer, at any time before the date of closure of the Offer, as per the procedure set out in Part 9 below. No indemnity is required from the unregistered owners. The Acquirer will acquire the Offered Shares, free from all lien, charge and encumbrances and together with all rights attached

thereto, including the right to all dividends, bonus and rights declared hereafter.

- 7.4 The Acquirer will accept the locked in Shares from the Shareholders of RRWL and the same can be transferred to the Acquirer subject to the continuation of the residual lock-in period in the hands of the Acquirer.
- 7.5 Each Equity Shareholder of the Target Company to whom this Offer is being made is free to Offer his Shareholding in the Target Company in whole or in part while accepting this Offer. Subject to the conditions governing this Offer as mentioned herein, the acceptance of this Offer by the Equity Shareholders of RRWL must be absolute and unqualified. Any acceptance to this Offer, which is conditional and incomplete in any respect, will be rejected without assigning any reason whatsoever.
- 7.6 Payment to those Shareholders whose Share certificates and/or other documents are found valid and in order and are approved by the Acquirer will be by way of a crossed account payee cheque/demand draft/pay order. All cheques/demand drafts/pay orders will be drawn in the name of the first holders, 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 Shareholders provide bank account details in the FOA for incorporation in the cheque/demand draft/pay order.
- 7.7 Unaccepted Share certificates, transfer forms and other documents, if any, would be returned by registered post at the Shareholders/unregistered owners' sole risk to the sole/first Shareholder.
- 7.8 The Acquirer will not be responsible in any manner for any loss of Share Certificate(s) and /or Offer Acceptance documents during transit and the Shareholders of the Target Company are advised to adequately safeguard their interest in this regard. In case of any lacunae and/or defect or modifications in the documents/ forms submitted, the acceptance is liable to be rejected.
- 7.9 The Registrar to the Offer will hold in trust the Equity Shares/Share certificates, Equity Shares lying in credit of the special depository account and the transfer form(s), until the Acquirer completes its obligations under the Offer in accordance with the SEBI (SAST) Regulations, 1997.
- 7.10 The details of locked-in Equity Shares of the Target Company as on the date of PA is as under:

Sr. No	Name of Shareholder / Beneficial Owner	Total Shareholding in the target Company	Locked in shares	Reason for Lock in
<b>Acquirer / PACs :</b>				
1.	Rameshwarlal Kabra HUF	4,84,500	4,84,500	Proposed Preferential Issue
2.	Mahendra Kumar Kabra	8,33,983	8,33,983	Proposed Preferential Issue
3.	Kirtidevi Kabra	3,91,100	3,91,100	Proposed Preferential Issue
4.	Mahesh Kabra	2,01,400	2,01,400	Proposed Preferential Issue
5.	Jag-Bid Finvest Private Limited	51,843	51,843	Proposed Preferential Issue
<b>Other Promoters :</b>				
6.	Tribhuvanprasad Kabra	2,17,733	79,183	Preferential Allotment on 5 <sup>th</sup> January, 2005
7.	Umadevi Kabra	5,05,000	80,000	Preferential Allotment on 5 <sup>th</sup> January, 2005
8.	Shreegopal Kabra	3,51,634	2,29,634	Preferential Allotment on 5 <sup>th</sup> January, 2005
9.	Vidhi Kabra	1,52,500	1,50,000	Preferential Allotment on 5 <sup>th</sup> January, 2005
10.	Sumeet Kabra	1,29,050	1,20,000	Preferential Allotment on 5 <sup>th</sup> January, 2005
11.	Ram Ratna Research and Holding Private Limited	17,00,000	2,00,000	Preferential Allotment on 5 <sup>th</sup> January, 2005



Note: The shares locked-in as per the details given above are locked-in in terms of the requirement of Chapter XIII relating to Guidelines for Preferential Issue of SEBI (Disclosure and Investor Protection) Guidelines, 2000 as amended.

### 8. Statutory Approvals

- 8.1 Shareholder's approval for authorising the preferential issues has been obtained in Extra Ordinary General Meeting dated January 19, 2008. In principal approval is awaited from the Exchange.
- 8.2 As per the sanction letters of the bankers, the Target Company and the Acquirer Company are required to obtain approvals of the respective bankers for any change in the Capital structure or investment in any other body corporate. The Target Company and the Acquirer Company have obtained necessary approvals from their respective bankers in this regard.
- 8.3 To the knowledge of the Acquirer, no other statutory approvals is required, except stated above, to acquire the Shares that may be tendered pursuant to the Offer. If any other statutory approvals become applicable at a later date, the Offer would be subject to such statutory approvals. In case the statutory approvals are not obtained, the Acquirer will not proceed with the Offer.
- 8.4 In case of delay in receipt of any statutory approval, if any, SEBI has the power to grant extension of time to the Acquirer for payment of consideration to the Shareholders subject to Acquirer agreeing to pay interest as directed by SEBI under Regulation 22(12) of SEBI (SAST) Regulations, 1997. If the delay occurs due to willful default of the Acquirer in obtaining the requisite approvals, Regulation 22(13) will become applicable.

### 9. Procedure for Acceptance and Settlement of the Offer

- 9.1 The Shareholders of the Target Company, who wish to avail of and accept this Offer should deliver the documents mentioned below as soon as possible by Registered Post with acknowledgement due or in person, so as to reach the Registrar to the Offer at the addresses mentioned in this Letter of Offer before 1:00 pm Indian Standard Time on Saturday, 12th April, 2008 or such other extended date in case there is any competitive bid. Shareholders are advised to ensure that the Form of Acceptance-cum-Acknowledgement (FOA) and other documents are complete in all respect; otherwise the same is liable to be rejected. In the case of dematerialized Shares, the Shareholders are advised to ensure that their Shares are credited in favour of the special depository account, before the close of the Offer. The FOA of such dematerialized Shares not credited in favour of the special depository account before the close of the Offer is liable to be rejected.
- 9.2 Documents to be delivered by all Shareholders:
- 9.2.1 For Shares held in the DEMATERIALIZED FORM
- (i) FOA duly completed and signed in accordance with the instructions contained therein by all the beneficial holders of the Shares, as per the records of the Depository Participant ("DP").
  - (ii) 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 and filled with the details of the special depository account given below:

DP Name	Stock Holding Corporation of India Limited
DP ID	IN301330
Account Name	Sharepro Services - Escrow A/c - -RRWL - Open Offer
Client ID	20279873
Depository	National Securities Depository Limited

- (iii) Beneficiaries holding Shares with CDSL will have to use Inter-Depository Delivery Instruction Slip for the above purpose.
- 9.2.2 In case of Shares held in the PHYSICAL MODE by REGISTERED SHAREHOLDERS:
- (i) FOA duly completed and signed in accordance with the instructions contained therein, by all Shareholders. In case of Shares held in joint names, names should be filled up in the same order in which

they hold Shares in the Company. This order cannot be changed or altered nor can any new name be added for the purpose of accepting the Offer;

- (ii) Original Equity Share certificate(s); and
- (iii) Valid Equity Share transfer form(s) duly signed by transferor (by all the Equity Shareholders in case the Shares are in joint names) as per the specimen signatures lodged with the Target Company and duly witnessed at the appropriate place(s).
- (iv) Shareholders who have sent their physical Shares for dematerialization may participate in the Offer by submitting the FOA along with a copy of the dematerialization request form duly acknowledged by the Depository Participant. Shareholders who have sent their physical Shares for dematerialization need to ensure that the process of getting their Shares dematerialized is completed well in time so that the credit in the special depository account duly instructed by the Shareholder should be received on or before the close of the Offer i.e. Saturday, 12th April, 2008, else the application will be rejected.

9.2.3 In case of Shares held in the PHYSICAL MODE by PERSONS NOT REGISTERED AS SHAREHOLDERS

- (i) FOA duly completed and signed in accordance with the instructions contained therein,
- (ii) Original Equity Share certificate(s) accompanied by valid Share transfer forms as received from the market wherein the name of the transferee has not been filled in;
- (iii) Original Broker contract note of a registered Broker of a recognized Stock Exchange in relation to the purchase of the Shares being tendered in this case.
- (iv) In case the Share Certificate(s) and the Share transfer deed are lodged with the Target Company/ its Transfer Agents for transfer, then the acceptance shall be accompanied by the acknowledgement of lodgment thereof with, or receipt by, the Company or its transfer agents, of the Share Certificate(s) and the transfer deed(s).
- (v) No indemnity is required from persons not registered as Shareholders.

9.3 Non-resident Shareholders should, in addition to above, enclose a copy of the permission received from RBI, if any, for the Shares held by them in the Target Company.

9.4 In case of non-receipt of the Letter of Offer, the eligible Shareholders may obtain a copy of the Letter of Offer from the SEBI website [www.sebi.gov.in](http://www.sebi.gov.in) or obtain a copy of the same from the Manager to the Offer or Registrar to the Offer on providing suitable documentary evidence of acquisition of the Shares. Alternatively, those desirous of tendering their Shares to the Acquirer may participate in the Offer as follows :

- a In case Shares are held in the dematerialized form, by sending their consent in writing on a plain paper to the Registrar to the Offer, such that it is received by the Registrar to the Offer before 1:00 p.m. Indian Standard Time on Saturday, 12th April, 2008, stating the name, address, no. of Shares held, no. of Shares offered, DP name, DP ID, beneficiary account number along with a photocopy of the Delivery Instruction in "Off-market" mode, duly acknowledged by the DP, in favour of "Sharepro Services - Escrow A/c - -RRWL - Open Offer " filled.
- b In case of Shares held in the physical mode, by sending their consent in writing to the Registrar to the Offer, on a plain paper stating the name, address, no. of Shares held, no. of Shares offered, distinctive nos., folio no., the original contract note (for unregistered Shareholders) issued by a registered Share Broker of a recognized Stock Exchange through whom such Shares were acquired, along with the original Share Certificate(s) and transfer deed(s) duly signed, either by hand delivery or by Registered Post, such that these are received by the Registrar to the Offer before 1:00 p.m. Indian Standard Time on Saturday, 12th April, 2008.

9.5 All the Shareholders should provide all relevant documents, which are necessary to ensure transferability of the 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 Shareholder) in case the original Shareholder has expired.
- b Duly attested power of attorney if any person apart from the Shareholder has signed acceptance form or transfer deed(s).

- c No objection certificate from any lender, if the Shares in respect of which the acceptance is sent, were under any charge, lien or encumbrance.
- d In case of companies, the necessary certified corporate authorizations (including board and/or general meeting resolutions).

9.6 In case the number of Shares validly tendered in the Offer by the Shareholders of the Target Company are more than the Shares to be acquired under the Offer, the acquisition of Shares from each Shareholder will be, as per the provisions of Regulation 21(6) of the SEBI (SAST Regulations, 1997 on a proportional basis in such a way that the acquisition from any Shareholder shall not be less than the minimum marketable lot, or the entire holding if it is less than the marketable lot. As the Shares trade in the compulsory dematerialized settlement segment of BSE, the minimum marketable lot for the Shares is 1 (one).

9.7 As per the provisions of Section 196 D(2) of the Income Tax Act, 1961, no deduction of tax at source shall 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, 1961, payable to a Foreign Institutional Investor. While tendering Equity Shares under the Offer, NRI/ OCB/ foreign Shareholders will be required to submit the previous RBI approvals (specific or general) that they would have obtained for acquiring Equity Shares of RRWL and a No Objection Certificate/ Tax Clearance Certificate from the Income Tax authorities under the Income Tax Act, 1961, indicating the rate at which the tax is to be deducted by the Acquirer before remitting the consideration. In case the previous RBI approvals are not submitted, Acquirer reserves the right to reject the Equity Shares. In case the aforesaid No Objection Certificate/ Tax Clearance Certificate is not submitted, the Acquirer will deduct tax at the prevailing rate.

In the case of Shares held by resident Indians, no tax will be deducted at source.

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 or the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of such advice.

9.8 Shares or Documents should not be sent directly to the Acquirer / PACs / Target Company.

9.9 The unaccepted Share certificates, transfer forms and other documents, if any, would be returned by registered post at the Shareholders' sole risk. Shares, to the extent unaccepted, held in dematerialized form will be credited back to the beneficial owners' depository account with the respective depository participant as per details furnished in the FOA. In case of withdrawal of Physical Shares by the Shareholders, the Physical Share certificates withdrawn by the Shareholders would be returned by Registered Post.

9.10 Applicants should send the application forms along with the accompanying documents by registered post, at their own risk and cost, to the Registrar to the Offer.

9.11 The Registrar to the Offer will hold in trust the Equity Shares/Share Certificates, Equity Shares lying in credit of the special depository account and the transfer form(s), until the Acquirer completes its obligations under the Offer in accordance with the SEBI (SAST) Regulations, 1997.

9.12 Payment to those shareholders whose Share Certificates and/or other documents are found valid and in order and are approved by the Acquirer will be by way of a crossed account payee cheque/demand draft/pay order. All cheques/demand drafts/pay orders will be drawn in the name of the first holders, 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 shareholders provide bank account details in the FOA for incorporation in the cheque/demand draft/pay order.

9.13 A copy of this Letter of Offer (including the FOA and FOW) would be available on SEBI's web-site ([www.sebi.gov.in](http://www.sebi.gov.in)) during the period the Offer is open. Eligible Shareholders can make an application in the Offer in the form downloaded from SEBI's website as one of the alternatives for applying in the Offer.

9.14 In terms of the SEBI (SAST) Regulations, 1997, Shareholders desirous of withdrawing their acceptances tendered in the Offer can do so up to three working days prior to the close of the Offer i.e. up to Wednesday, 9th April, 2008. The withdrawal option can only be exercised by submitting the Form of

Withdrawal (FOW) as per the instructions below so as to reach the Registrar to the Offer either by hand delivery or by registered post.

Kindly follow the detailed instructions given below with respect to withdrawal:

- a The withdrawal option can be exercised by submitting the FOW, enclosed with the Letter of Offer, duly signed by all the registered holders as per their specimen signature recorded with RRWL for shareholders in case of physical holdings/ with the Depository in case of electronic holdings so as to reach the Registrar to the Offer at the collection centres mentioned below on or before Wednesday, 9th April, 2008. The signature of the beneficial owners on the FOW should be attested by the Depository Participants.
- b The withdrawal option can be exercised by submitting the FOW attached to this Letter of Offer, duly completed together with Acknowledgement slip in original / copy of the submitted Form of Acceptance-cum-Acknowledgement in case delivered by Registered A.D.
- c In case of non-receipt of the FOW, the withdrawal option can be exercised by making an application on plain paper along with the following details:
  - i. In case of physical shares: Name, address, distinctive numbers, folio number and number of shares tendered / withdrawn.
  - ii. In case of dematerialised shares: Name, address, number of shares tendered / withdrawn, DP name, DP ID, Beneficiary Account no., and a photocopy of delivery instructions in "Off market" mode or counterfoil of the delivery instruction in "Off market" mode, duly acknowledged by the DP in favour of the special depository account.
- d Shareholders who have tendered shares in physical form and wish to partially withdraw their tenders, should also enclose valid share transfer form(s) for the remaining equity shares (i.e. shares not withdrawn) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with RRWL and duly witnessed at the appropriate place.
- e The withdrawal of shares will be available only for the share certificates/ shares that have been received by the Registrar to the Offer/ credited to the special depository account.
- f The intimation of returned shares to the shareholders will be at the address as per the records of RRWL or the Depositories as the case may be.
- g In case of partial withdrawal of shares tendered in physical form, if the original share certificates are required to be split, the same will be returned on receipt of share certificates from RRWL.
- h Partial withdrawal of tendered shares can be done only by the registered shareholders / beneficial owners. In case of partial withdrawal, the earlier FOA will stand revised to that effect.
- i Shareholders holding shares in dematerialized form are requested to issue the necessary standing instruction for receipt of the credit in their DP accounts.

9.15 Name and Address of the Collection Centers of the Registrar to the Offer : [Working Days & Timings : Monday to Friday - between 10:00 a.m. – 4:00 p.m. and on Saturdays between 10:00 a.m. – 1:00 p.m.]

Name and address of collection centre	Contact Person and e-mail address	Mode of Delivery	Tel. No.:	Fax No.:
<b>Sharepro Services (India) Private Limited</b> Satam Estate, 3 <sup>rd</sup> Floor, Above Bank of Baroda, Cardinal Gracious Road, Chakala, Andheri (East), Mumbai- 400 099.	<b>Shri Ganesh Rane</b> <b>Shri Anand Moolya</b> rrwl.offer@shareproservices.com	<b>Registered Post / Hand Delivery</b>	<b>+91 22 67720300</b> <b>+91 22 67720400</b>	<b>+91 22 28508927</b> <b>+91 22 28591568</b>
<b>Sharepro Services (India) Private Limited</b> 912, Raheja Centre, Free Press Journal Marg, Nariman Point, Mumbai- 400 021.	<b>Shri Ravi</b>	<b>Registered Post / Hand Delivery</b>	<b>+91 22 66134700</b>	<b>+91 22 22825484</b>
<b>Sharepro Services (India) Private Limited</b>	<b>Shri Milind Saraf</b> <b>Shri K Rajeeva</b>	<b>Registered Post / Hand</b>	<b>+91 20 25662855</b>	<b>+91 20 25662856</b>

3 Chintamani Apartment, 824/D Bhandarkar Road, Lane No 13, Off V G Kale Path, Pune – 411 004.		<b>Delivery</b>		
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### 10. Documents for Inspection

Copies of the following documents will be available for inspection at the office of the Manager to the Offer - Networth Stock Broking Limited at Merchant Banking Division, 143 – B, Mittal Court, 14<sup>th</sup> Floor, 224, Nariman Point, Mumbai – 400 021 on any working day (i.e. Monday to Friday and not being a bank holiday in Mumbai) between 10:30 a.m. to 4:00 p.m. from the date of opening of the Offer upto the closure of this Offer.

- Copy of Public Announcement as published in newspapers on 26<sup>th</sup> December, 2007.
- Copy of Corrigendum to the Public Announcement as published in newspapers on 4<sup>th</sup> January, 2008.
- Certified true copies of Certificate of Incorporation, Fresh Certificate of Incorporation consequent upon Change of Name and the Memorandum and Articles of Association of R R Kabel Limited.
- Copy of Certificate of Incorporation, Fresh Certificate of Incorporation consequent upon Change of Name and the Memorandum and Articles of Association of Ram Ratna Wires Limited.
- Audited Annual Reports of R R Kabel Limited for the last three financials years ended 31<sup>st</sup> March, 2007, 31<sup>st</sup> March, 2006 and 31<sup>st</sup> March, 2005.
- Audited Annual Reports of Ram Ratna Wires Limited for the last three financials years ended 31<sup>st</sup> March, 2007, 31<sup>st</sup> March, 2006 and 31<sup>st</sup> March, 2005.
- Certificate from M/s. V. C. Darak & Associates, Chartered Accountants dated 10<sup>th</sup> December, 2007 certifying the networth of the Acquirer and PACs as on 30<sup>th</sup> September, 2007.
- Certificate from M/s. V. C. Darak & Associates, Chartered Accountants dated 10<sup>th</sup> December, 2007 stating that sufficient resources in liquid form can be made available by the Acquirer for fulfilling the obligations under the Offer for a value upto Maximum Consideration.
- Copy of Escrow Agreement dated 19<sup>th</sup> December, 2007 entered between R R Kabel Ltd (Acquirer), Networth Stock Broking Ltd (Manager to the offer) and HDFC Bank Ltd.
- A letter dated 22<sup>nd</sup> December, 2007 from HDFC Bank Limited confirming the amount kept in the escrow account and a lien in favour of the Manager to the Offer.
- Details of securities (details including name, quantity, on the date of creation of escrow, etc) pledged with the Managers to the Offer along with a confirmation from Networth Stock Broking Limited, DP Cell, confirming the pledge of the securities kept in escrow and empowering the Manager to the Offer in accordance with the Regulations.
- Certified true copy of the board resolution of RRWL dated 20<sup>th</sup> December, 2007 proposing the issue of Equity Shares on preferential basis.
- Account details regarding the special depository account opened with Stock Holding Corporation of India Limited, DP Cell, Mumbai.
- Copy of Power of Attorney dated 1<sup>st</sup> January, 2008 in favour of Mr. Ashok Loya by all the PACs for signing, making corrections, additions, deletions etc in Letter of Offer.
- Letter dated 4<sup>th</sup> March, 2004 issued by the Stock Exchange, Ahmedabad granting approval for delisting w.e.f. 18<sup>th</sup> March, 2004.
- Copy of MOU dated 11<sup>th</sup> November, 2007 entered into between the Acquirer Company and the Manger to the Offer.
- Copy of due diligence certificate dated 5<sup>th</sup> January, 2008 issued by Networth Stock Broking Limited.
- Copy of the NOC obtained by the Acquirer from Ram Ratna Research and Holding Private Limited for depositing the securities in the escrow account.

## 11. Declaration by the Acquirer and PACs

The Acquirer and PACs accept responsibility for the information (except for the information relating to the Target Company, which has been compiled from publicly available sources) contained in this Letter of Offer and for their obligations under SEBI (SAST) Regulations, 1997 and subsequent amendments made thereto. The Acquirer and PACs are severally and jointly responsible for fulfillment of their obligations in terms of SEBI (SAST) Regulations, 1997.

Shri Ashok Loya has been authorised by the Acquirer and PACs to sign the Letter of Offer on their behalf.

**For and On behalf of Acquirer and PACs**

**Ashok Loya**

Dated : 5<sup>th</sup> March, 2008  
Place : Mumbai

Encl. : Form of Acceptance cum Acknowledgment  
Form of Withdrawal  
Transfer Deed for Shareholders holding Shares in Physical Form.

**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)*

From:

Offer opens on	March 24, 2008
Offer closes on	April 12, 2008

Folio No./ DP No. _____	Client ID No : _____
Name: _____	
Address : _____	
_____	
Tel No. : _____	Fax No. : _____
Email : _____	
Unique identification No. under MAPIN, if applicable _____	

To:

<p><b>The Acquirer – R R Kabel Limited</b>                  Ram Ratna House,                  Victoria Mill Compound,                  Pandurang Budhkar Marg,                  Worli, Mumbai 400 013                  Tel No: +91 22 24949009/ 24924144                  Fax No: +91 22 24912586  <b>Attn: Shri Ashok Loya</b></p>
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Dear Sir,

**Sub: Open Offer to acquire 22,00,000 Equity Shares representing 20% of the Issued, Subscribed and paid up Equity Capital of Ram Ratna Wires Limited**

I/We refer to the Letter of Offer dated MM.DD.YYYY for acquiring the Equity Shares held by me/us in Ram Ratna Wires 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:

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 Equity Shares of Ram Ratna Wires Limited in 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)

Sr. No	Ledger Folio No.	No. of Shares	Share Certificate Nos.	No. of Share Certificates	Distinctive Numbers	
					From	To

(In case of insufficient space, please attach a separate sheet.)

I/We confirm that the Equity Shares of Ram Ratna Wires 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 Registrars to the Offer until the time the Acquirers makes 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.

I/We hold the following Equity Shares of Ram Ratna Wires 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:

Sr. No.	DP Name.	DP ID	Client ID	Name of beneficiary	No. of Shares

I/We have done an off market transaction for crediting the Shares to the Special Depository Account noted below:

DP Name	STOCK HOLDING CORPORATION OF INDIA LTD
DP ID	IN301330
Client Name	Sharepro Services – Escrow A/c – RRWL – Open Offer
Client ID	20279873

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 Registrars to the Offer until the time the Acquirer makes 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.

I/We confirm that the Equity Shares of Ram Ratna Wires 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) 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 / GIR No.) allotted under the Income Tax Act, 1961 is as under:

	PAN / GIR No.
1 <sup>st</sup> Shareholder	
2 <sup>nd</sup> Shareholder	
3 <sup>rd</sup> Shareholder	
4 <sup>th</sup> Shareholder	

Yours faithfully

Signed and delivered

	Full Name	Holder's Signature
Sole / First Holder		
Joint Holder 1		
Joint Holder 2		
Joint Holder 3		
Joint Holder 4		

Place: -----

Date: -----

So as to avoid fraudulent encashment in transit, the applicants are requested to provide details of Bank account of the sole/first Shareholder and the consideration Cheque will be drawn accordingly.

Name of the Bank	
Full address of the Branch	
Nature of Account	
Account Number	

------(Tear here)-----



**Acknowledgement Receipt**

Received from Mr./Ms./M/s..... Form of Acceptance-cum-Acknowledgement in connection with Open Offer to Shareholders of Ram Ratna Wires Limited

Ledger Folio No. \_\_\_\_\_ No. of Share Certificates /Copy of Delivery instructions to DP for \_\_\_\_\_ Shares of Ram Ratna Wires 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.

**Note:** All future correspondence, if any, should be addressed to the Registrars to the Offer, at the following address:

**SHAREPRO SERVICES (INDIA) PRIVATE LIMITED**

Satam Estate, 3<sup>rd</sup> Floor,  
Above Bank of Baroda,  
Cardinal Gracious Road,  
Chakala, Andheri (East),  
Mumbai - 400 099

Telephone Nos.: +91 22 6772 0300 /400 Fax No. +91 22 2850 8927

Email ID: [rrwl.offer@shareproservices.com](mailto:rrwl.offer@shareproservices.com)

**Contact person: Shri Ganesh Rane**

**FORM OF WITHDRAWAL**

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

*(Please send this Form with enclosures to the Registrars to the Offer)*

Offer opens on	March 24, 2008
Offer closes on	April 12, 2008

From:

Folio No./DP No. _____	Client ID No : _____
Name: _____	
Address : _____	
_____	
Tel No. : _____	Fax No. : _____
Email : _____	
Unique identification No. under MAPIN, if applicable _____	

To

<p><b>The Acquirer – R R Kabel Limited</b>                  Ram Ratna House,                  Victoria Mill Compound,                  Pandurang Budhkar Marg,                  Worli, Mumbai 400 013                  Tel No: +91 22 24949009/ 24924144                  Fax No: +91 22 24912586  <b>Attn: Shri Ashok Loya</b></p>
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Dear Sir,

**Sub: Open Offer to acquire 22,00,000 Equity Shares representing 20.00 % of the Issued, Subscribed and paid up Equity Capital of Ram Ratna Wires Limited**

I/We refer to the Letter of Offer dated MM.DD.YYYY for acquiring the Equity Shares held by me/us in Ram Ratna Wires Limited. I/We, hereby consent to unconditionally and irrevocably to withdraw my/our Shares from the Offer and I/We further authorize the Acquirers to return to me/us, the tendered Equity Shares at my/our sole risk.

I/We note that upon withdrawal of my/our Shares from the Offer, no claim or liability shall lie against the Acquirers/Manager to the Offer/Registrar to the Offer.

I/We note that the Acquirers/Manager to the Offer/Registrar to the Offer shall not be liable for any postal delay /loss in transit of the Share Certificate(s) due to incomplete or inaccurate particulars.

I/We also note and understand that the Acquirers will return the original Share Certificate(s), Share Transfer Deed(s) or credit back the Shares to my/our Beneficiary Account for Shares held in dematerialized form, only on completion of verification of the documents.

The particulars of Share Certificate(s) tendered and duly signed Transfer Deeds which are wished to be withdrawn from the Offer are as given below:

(In the case of Shares in physical form)

Sr. No	Ledger Folio No.	No. of Shares	Share Certificate Nos.	No. of Share Certificates	Distinctive Numbers	
					From	To

The particulars of Shares held in Dematerialized Form, which were transferred to Special Depository account noted below:

DP Name	STOCK HOLDING CORPORATION OF INDIA LTD
DP ID	IN301330
Client Name	Sharepro Services – Escrow A/c – RRWL – Open Offer
Client ID	20279873

The Shares proposed to be withdrawn are as follows. I wish to withdraw the under noted Shares so transferred.

Sr. No.	DP Name	DP ID	Client ID	Name of beneficiary	No. of Shares

(In case of insufficient space, please attach a separate sheet.)

I/We confirm that the Equity Shares of Ram Ratna Wires Limited, which were tendered by me/us under this offer, are free from liens, charges and encumbrances of any kind whatsoever.

Please find a photocopy of the Delivery instructions duly acknowledged by the DP.

I/We confirm that the particulars given above are true and correct.

Yours faithfully,  
Signed and delivered

	Full Name	Holder's Signature
Sole / First Holder		
Joint Holder 1		
Joint Holder 2		
Joint Holder 3		
Joint Holder 4		

Place:-----

Date :-----

-----**(Tear here)**-----

**Acknowledgement Receipt**

Received from Mr./Ms./M/s..... Form of withdrawal.

Ledger Folio No. \_\_\_\_\_ No. of Share Certificates /photocopy of delivery instructions to DP for \_\_\_\_\_ Shares of Ram Ratna Wires 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 is submitted with the withdrawal form
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**Note** : All future correspondence, if any, should be addressed to the Registrars to the Offer, at the following address:

**SHAREPRO SERVICES (INDIA) PRIVATE LIMITED**  
 Satam Estate, 3<sup>rd</sup> Floor,  
 Above Bank of Baroda,  
 Cardinal Gracious Road,  
 Chakala, Andheri (East),  
 Mumbai 400 099  
 Telephone Nos.: +91 22 67720300 /400 Fax No. +91 22 28508927  
 Email ID: [rrwl.offer@shareproservices.com](mailto:rrwl.offer@shareproservices.com)  
**Contact person: Shri Ganesh Rane**