

August 26, 2019

To
General Manager
Listing Operations
BSE Ltd.
Ground Floor, P. J. Towers,
Dalal Street, Fort,
Mumbai 400 001

Scrip Name: Rapicut Carbides Limited

Sub: Detailed Public Statement under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 in connection with the Open Offer to be made to the public shareholders of Rapicut Carbides Limited.

Dear Sirs,

On behalf of Mr. Abhishek Gami, (hereinafter referred to as "the Acquirer") together with Mrs. Shruti Gami, in her capacity as person acting in concert with the Acquirer, we, Pantomath Capital Advisors Private Limited, the Manager to the Open Offer, hereby enclose the copy of Detailed Public Statement in connection with the Open Offer to be made to the public Shareholders of Rapicut Carbides Limited.

The Open Offer is being made pursuant to and in compliance with Regulations 3(1) and 4 of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 and subsequent amendments thereto (the "SEBI (SAST) Regulations").

In connection to the Open Offer, the public announcement was made by the Acquirer and PAC on August 19, 2019 and accordingly, pursuant to regulation 13 read with regulation 14 of the SEBI (SAST) Regulations, a detailed public statement has been released on August 26, 2019 in the following newspaper:

- Business Standard (English) (all editions)
- Business Standard (Hindi) (all editions)
- Lakshadweep (Marathi) (Mumbai edition)
- Loksatta Jansatta (Gujarati) (Vadodara edition)

Pursuant to regulation 13 read with regulation 14 of the SEBI (SAST) Regulations, we, Pantomath Capital Advisors Private Limited, Manager to the Offer, are hereby submitting a copy of the detailed public statement. We request you to kindly upload the Detailed Public Statement on your website at the earliest.

Thanking You,

For Pantomath Capital Advisors Private Limited

Unmesh Zagade
Manager
SEBI Reg No. INM000012110



Progress with Values...

Pantomath Capital Advisors Private Limited (SEBI Registered Category-I Merchant Bankers)

Regd. Office: 406-408, Keshava Premises, Behind Family Court, Bandra Kurla Complex, Bandra (East), Mumbai – 400051

Email: info@pantomathgroup.com

Website: www.pantomathgroup.com | CIN: U74120MH2013PTC248061 | Tel:022-6194 6700 | Fax:022-26598690

DETAILED PUBLIC STATEMENT IN TERMS OF REGULATION 3(1) AND 4 READ WITH REGULATIONS 13(4), 14(3) AND 15(2) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011, AS AMENDED TO THE PUBLIC SHAREHOLDERS (AS DEFINED BELOW) OF

RAPICUT CARBIDES LIMITEDHAVING ITS REGISTERED OFFICE AT 119 GIDC INDUSTRIAL AREA, ANKLESHWAR, GUJARAT, 393002
Tel: 02646-251118 / 251721 / 221071; Fax: 02646-251019; Website: www.rapicutcarbides.com

Open offer for acquisition of up to 13,96,524 (Thirteen Lac Ninety Six Thousand Five Hundred Twenty Four only) ("Equity Share"), representing 26.00% (Twenty Six Percent Only) of the Share Capital (as defined below) of Rapicut Carbides Limited ("Target Company"), from the Public Shareholders (as defined below) of the Target Company by Mr. Abhishek Gami ("Acquirer") together with Mrs. Shruti Gami, (hereinafter referred to as the "PAC"), in her capacity as the person acting in concert with the Acquirer ("Offer"). Save and except for the PAC, no other person is acting in concert with the Acquirer for the purpose of this Offer.

This detailed public statement ("DPS") is being issued by Pantomath Capital Advisors Private Limited, the Manager to the Offer ("Manager" or "PCAPL"), for and on behalf of the Acquirer and the PAC, in compliance with regulations 13(4), 14(3), 15(2) and other applicable regulations of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ("SEBI (SAST) Regulations") and pursuant to the Public Announcement ("PA") filed on August 19, 2019 with the Securities and Exchange Board of India ("SEBI"), BSE Limited (the "Stock Exchange" or "BSE") and the Target Company, in compliance with Regulations 3(1) and 4 of the SEBI (SAST) Regulations by the Acquirer and the PAC read with other applicable regulations of the SEBI (SAST) Regulations.

For the purpose of this DPS, "Public Shareholders" shall mean all the equity shareholders of the Target Company who are eligible to tender their shares in the Offer, other than the Promoter Sellers, who are parties to the Share Purchase Agreement dated August 19, 2019 (as defined hereinafter) and persons deemed to be acting in concert with such parties in terms of Regulation 7(6) of the SEBI (SAST) Regulations, other promoters and members of the promoter group of the Target Company, the Acquirer, PAC and persons deemed to be acting in concert with the Acquirer and PAC.

"Share Capital" shall mean the issued and paid-up equity share capital of the Target Company on a fully diluted basis, as on the 10th working day from the closure of the tendering period of the Offer.

I. ACQUIRER, PAC, TARGET COMPANY AND OFFER**1. Information about Acquirer / PAC****1.1. Acquirer**

1.1.1. Mr. Abhishek Gami ("Acquirer") is an individual aged 30 years and is a resident of 117, Bhavana Park Society, Punagam, Choryasi, Bombay Market, Surat – 395 010 Gujarat, India; Email ID: abhishekgami@gmail.com. He holds a master's degree in science from Sardar Patel University. He began his career as a trainee in production department with RPG Life Sciences Limited. Thereafter he joined Navin Fluorine International Limited, where he worked for 2 years. Later he started his own business in the year 2013. In the form of partnership firm namely M/s. United Wolfram, focussing on purchase-sale and manufacturer of metal powders, tools and intermediates of tungsten, cobalt and related products.

1.1.2. Acquirer does not hold any shares in the Target Company as on the date of this DPS. Further, Acquirer is not a director on the board of the Target Company. Pursuant to the Underlying Transaction (as defined hereinafter), the Acquirer proposes to acquire 13,42,811 (Thirteen Lakhs Forty Two Thousand Eight Hundred and Eleven only) Equity Shares of the Target Company constituting 25.00% (Twenty Five Percent only) of its total paid up share capital.

1.1.3. The Acquirer is not a part of any group.

1.1.4. The Acquirer confirms that he is not a full time director in any other company. Upon consummation of the Underlying Transaction, the Acquirer will become a promoter of the Target Company.

1.1.5. The Target Company is the customer of M/s. United Wolfram where acquirer is a partner.

1.1.6. The net worth of Acquirer is approximately INR 10.64 Crores (Indian Rupees Ten Crores and Sixty Four Lakhs only) as on August 16, 2019 as certified vide certificate dated August 16, 2019 issued by RAYS & Associates, Chartered Accountants (Membership No. 141619) having office at 201-203, 2nd Floor, Centre Square, opp, Dr Back Company, Ankleshwar 393002.

1.1.7. Acquirer is not a "willful defaulter" in terms of Regulation 2(1)(ze) of the SEBI (SAST) Regulations and has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act as amended or under any other regulations made under the SEBI Act.

1.2. PAC

1.2.1. Mrs. Shruti Gami ("PAC") is an individual aged 29 years and is a resident of 117, Bhavana Park Row House, Puna Gam, Yogichowk, Surat 395010, Gujarat, India; Email ID: shrutigami@gmail.com. She holds a master's degree in commerce from Veer Narmad South Gujarat University.

1.2.2. PAC does not hold any shares or have any interest in the Target Company as on the date of this DPS. Further, the PAC is not a director on the board of the Target Company. Pursuant to the Underlying Transaction (as hereinafter defined), the PAC proposes to acquire 1,48,640 (One Lakh Forty Eight Thousand Six Hundred and Forty only) Equity Shares of the Target Company constituting 2.77% (Two Point Seventy Seven Percent only) of its total paid up share capital.

1.2.3. The PAC confirms that she is not a full time director in any other company. Upon consummation of the Underlying Transaction, the PAC will become a promoter of the Target Company.

1.2.4. The PAC is not part of any group.

1.2.5. The net worth of PAC is approximately INR 61.00 Lakhs (Indian Rupees Sixty One Lakhs only) as on August 16, 2019 as certified vide certificate dated August 16, 2019 issued by RAYS & Associates, Chartered Accountants (Membership No. 141619) having office at 201-203, 2nd Floor, Centre Square, opp, Dr Back Company, Ankleshwar 393002.

1.2.6. PAC is not a "willful defaulter" in terms of Regulation 2(1)(ze) of the SEBI (SAST) Regulations and has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act as amended or under any other regulations made under the SEBI Act.

1.2.7. PAC is the wife of the Acquirer.

2. Details of the Sellers

2.1. The details of the selling shareholders (the "Sellers"), who have entered into the share purchase agreement (as defined hereinafter) with the Acquirer (as detailed below in clause 3 of this DPS), are as stated hereunder:

S. N.	Name and Address of Sellers*	Nature	Part of Promoter/ promoter group (Yes/No)	Pre-Offer		Post-Offer	
				No. of Equity Shares	% vis a vis total share capital	No. of Equity Shares	% vis a vis total share capital
1.	Mr. Chetan Gopaldas Cholera 104, Indraprastha, Neelkanth Valley 7th Road, Rajawadi, Ghatkopar East Mumbai 400077 Maharashtra.	Individual	Yes	100	Negligible	Nil	Nil
2.	Mr. Shashidhar Jagdish Bhatia 49, Hartlander St East Brunswick, NJ 08816-2668	Individual	Yes	56,655	1.05%	Nil	Nil
3.	Mr. Chandraskhekar Jagdish Bhatia 526 S Oxford ave Los Angeles, CA 90020	Individual	Yes	57,687	1.07%	Nil	Nil
4.	Mr. Jagdish Chetandas Bhatia B-52, Archana, Juhu Versova Link Road, Near New D N Nagar, Andheri (W), Mumbai 400053 Maharashtra, India	Individual	Yes	69,010	1.29%	Nil	Nil
5.	Ms. Dayawanti Jagdish Bhatia B-52, Archana, Juhu Versova Link Road, Near New D N Nagar, Andheri (W), Mumbai 400053	Individual	Yes	3,00,585	5.60%	Nil	Nil
6.	M/s Pragma Equities Private Limited 504, Kailash Plaza V B Lane Ghatkopar East Mumbai Maharashtra, 400077 India	Entity	Yes	9,56,172	17.80%	Nil	Nil
7.	Mr. Girish Jagdish Bhatia 6994, Mansfield Ave, Dublin, CA 94568.	Individual	Yes	51,242	0.96%	Nil	Nil

*While the Sellers are the promoters and part of the promoter group of the Target Company as on the date of this DPS, the Sellers are expected to be declassified as promoters/ promoter group of the Target Company upon consummation of the Underlying Transaction.

2.2. The Sellers are not part of any group.

2.3. The Sellers are not "willful defaulters" in terms of Regulation 2(1)(ze) of the SEBI (SAST) Regulations and as mentioned above have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of SEBI Act, 1992, as amended or under any other regulation made under the SEBI Act, 1992.

3. Details of the Target Company

3.1. The Target Company is a public limited company which was incorporated under the provisions of the Companies Act, 1956 on April 05, 1977, at Gujarat. The name of the Target Company has not undergone any change in the last 3 years.

3.2. The registered office of the Target Company is situated at 119 GIDC Industrial Area, Ankleshwar, Gujarat, 393002 The Corporate Identity Number (CIN) of the Target Company is L28910GJ1977PLC002998.

3.3. The Equity Shares are presently listed on BSE (Scrip Code: 500360). The ISIN of the Equity Shares of the Target Company is INE350D01015.

3.4. The Equity Shares are frequently traded on BSE Limited within the meaning of the explanation provided to Regulation 2(1) (j) of the SEBI (SAST) Regulations.

3.5. As on the date of this DPS, the board of directors of the Target Company comprises of Ms. Gayatri Parikh (DIN – 00045529), Mr. Chetan Cholera (DIN – 00131143), Mr. Jagdish Bhatia (DIN – 00250737), Mr. Laiti Brijani (DIN – 01382116), Mr. Bhumitra Dholakia (DIN – 01871816) and Mr. Dhananjay Kanitkar (DIN – 03523734).

3.6. As on the date of the DPS, the authorised share capital of the Target Company is INR 8,00,00,000 (Indian Rupees Eight Crores only) comprising of 80,00,000 (Eighty Lakhs only) equity shares of INR 10 (Indian Rupees Ten only) each. The issued, subscribed and fully paid-up equity share capital of the Target Company is INR 5,37,12,450 (Indian Rupees Five crore thirty seven lakh twelve thousand four hundred and fifty only) comprising of 53,71,245 (Fifty three lakh seventy one thousand two hundred and forty five only) equity shares of INR 10 (Indian Rupees Ten only) each. The Target Company does not have partly paid-up equity shares.

3.7. The Target's key financial information based on its audited financial statements as on and for the financial years ended March 31, 2017, March 31, 2018 and March 31, 2019 is as below:

Amount in Lakhs except EPS

S.N.	Particulars	Financial Year ended March 31, 2017	Financial Year ended March 31, 2018	Financial Year ended March 31, 2019
1.	Total Revenue	4,749.85	4,258.11	4,628
2.	Net Income/ Profit After Tax	297.62	316.38	284
3.	Earnings Per Share (in INR)	5.54	4.86	4.95
4.	Net worth / shareholders' funds	2,240.49	2,404.47	2,553

(Source: The financial information set forth above has been extracted from the Target Company's respective audited financial statements as on and for the financial years ended March 31, 2017, March 31, 2018 and

March 31, 2019 audited by the statutory auditors of the Target Company)

4. Details of the Offer

4.1. The Offer is being made, by Acquirer to the Public Shareholders in accordance with Regulations 3(1) and 4 of the SEBI (SAST) Regulations to acquire up to 13,96,524 (Thirteen Lac Ninety Six Thousand Five Hundred Twenty Four only) ("Equity Share") fully paid up equity shares of face value of INR 10 (Indian Rupees Ten only) ("Offer Shares") each at a price of INR 42.00, representing 26.00% (Twenty Six Percent Only) of the share capital of the Target Company ("Offer Size") accompanied with change of control of the Target Company, subject to the terms and conditions contained in the public announcement ("PA"), this detailed public statement ("DPS"), and the letter of offer ("LOF"), which is to be sent to the Public Shareholder in accordance with the SEBI (SAST) Regulations.

4.2. This Offer is made under SEBI (SAST) Regulations to all the public shareholders of the Target Company as on September 27, 2019 ("Identified Date"), other than parties to the share purchase agreement (as defined hereinafter) and persons deemed to be acting in concert.

4.3. The Offer is being made at a price of INR 42.00 (Indian Rupees Forty Two only) per Equity Share ("Offer Price") and will be paid in cash in accordance with Regulation 9(1) of the SEBI (SAST) Regulations.

4.4. The payment of consideration shall be made to all the public shareholders, who have tendered their shares in acceptance of the Offer within ten working days of the expiry of the tendering period. Credit for consideration will be paid to the shareholders who have tendered shares in the Offer by crossed account payee cheques/ pay order/ demand drafts/electronic transfer. It is desirable that shareholders provide bank details in the Form of Acceptance cum Acknowledgement, so that the same can be incorporated in the cheques/ demand draft/ pay order.

4.5. If the number of Equity Shares validly tendered by Public Shareholders under this Offer is more than the Offer Size, the Acquirer shall accept the Equity Shares received from the Public Shareholders on a proportionate basis in consultation with the Manager.

4.6. As on the date of the DPS, to the best of the knowledge of the Acquirer and the PAC, there are no other statutory approvals required to acquire the Offer Shares that are validly tendered pursuant to this Offer. If, however, any statutory or other approval becomes applicable prior to the completion of the Offer, the Offer would also be subject to such statutory or other approval(s) and the Acquirer and the PAC shall make necessary applications for such approvals.

4.7. The Offer is not conditional on any minimum level of acceptance by the Public Shareholders in terms of Regulation 19 of the SEBI (SAST) Regulations.

4.8. The Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.

4.9. In the event of a withdrawal of the Offer, the Acquirer and the PAC (through the Manager) shall, within two Working Days of such withdrawal, make an announcement of such withdrawal stating the grounds and reasons for the withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations.

4.10. The Equity Shares will be acquired by the Acquirer as fully paid-up, free from all liens, charges and encumbrances and together with the rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof, and the tendering Public Shareholder shall have obtained all necessary consents for it to sell the Equity Shares on the foregoing basis.

4.11. The Manager does not hold any Equity Shares in the Target Company as on the date of this DPS. The Manager shall not deal, on their own account, in the Equity Shares of the Target Company during the Offer Period.

4.12. In terms of Regulation 25(2) of SEBI (SAST) Regulations, 2011, other than as stated in this DPS, as at the date of this DPS, the Acquirer and PAC do not have any intention to dispose or otherwise encumber any material assets of the Target Company for the succeeding 2 (two) years from the date of closure of this Offer, except (i) in the ordinary course of business (including for the disposal of assets and creating encumbrances in accordance with business or financing requirements); or (ii) with the prior approval of the shareholders; or (iii) to the extent required for the purpose of restructuring and/or rationalization of assets, investments, liabilities or business of the Target Company and in compliance with all the applicable laws; or (iv) for alienation of assets of the Target Company that are determined by the board of directors of the Target Company as being surplus and/or non-core, on an account of any approval or conditions specified by any regulatory or statutory authorities, Indian or foreign, or for the purpose of compliance with any law that is binding on or applicable to the operations of the Target Company. It will be the responsibility of the board of directors of the Target Company to make appropriate decisions in these matters in accordance with the requirements of the business of the Target Company. Such approvals and decisions will be governed by the provisions of the relevant regulations or any other applicable laws and legislation at the relevant time.

II. BACKGROUND TO THE OFFER

1.1. The Acquirer and the PAC have entered into a Share Purchase Agreement ("SPA") on August 19, 2019 with the Sellers, who are part of promoter and promoter group of the Target Company for acquisition of 14,91,451 (Fourteen Lac Ninety One Thousand Four Hundred Fifty One only) fully paid-up Equity Shares ("Sale Shares") representing 27.77% of the total voting share of the Target Company, at a price of INR 42.00 (Indian Forty Two Rupees only) per fully paid-up Equity Share aggregating to INR 6,26,40,942 (Indian Rupees Six Crore Twenty Six Lacs Forty Thousand Nine Hundred & Forty Two only) ("Purchase Consideration") payable in cash ("Underlying Transaction").

1.2. Pursuant to the SPA, the Acquirer is making an Offer in terms of Regulation 3(1) and 4 of SEBI (SAST) Regulations, 2011 to acquire up to 13,96,524 (Thirteen Lac Ninety Six Thousand Five Hundred Twenty Four only) Equity Shares of INR 10 (Indian Rupees Ten only) each, representing 26.00% (Twenty Six Percent Only) of the share capital of the Target Company ("Offer Size") at a price of INR 42.00 (Indian Forty Two Rupees only) per Equity Share ("Offer Price"), payable in cash, subject to the terms and conditions set out in the SPA, this Detailed Public Statement and the Letter of Offer that will be sent to the Public Shareholders of the Target Company.

1.3. The Offer Price is payable in cash, in accordance with Regulation 9(1) of SEBI (SAST) Regulations, 2011.

1.4. This Offer is for acquisition of 26.00% (Twenty Six Percent Only) of emerging voting capital of the Target Company. After the completion of this Offer and pursuant to transfer of equity shares so acquired under SPA in the Underlying Transaction, the Acquirer shall hold the majority of the Equity Shares by virtue of which he shall be in a position to exercise effective management and control over the Target Company.

1.5. The Acquirer also intends to control over the Target Company and will make changes in the board of directors of the Target Company upon consummation of the Underlying Transaction.

1.6. The object of the acquisition is substantial acquisition of shares/voting rights accompanied by control over the management of the Target Company.

III. SHAREHOLDING AND ACQUISITION DETAILS

1.1. The Acquirer and PAC do not hold any shares in the Target Company as on the date of this DPS. The current and proposed shareholding of the Acquirer and the PAC in the Target Company and the details of the acquisition are as follows:

Details	Acquirer		PAC		Total	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Shareholding as on the PA date	Nil	Nil	Nil	Nil	Nil	Nil
Shares acquired between the PA date and the DPS date	Nil	Nil	Nil	Nil	Nil	Nil
Post consummation of Underlying Transaction	13,42,811	25.00	1,48,640	2.77	14,91,451	27.77
Shares to be acquired in the Offer (assuming full acceptance)	13,96,524	26.00	Nil	Nil	13,96,524	26.00
Post Offer shareholding (assuming full acceptance, on diluted basis, as on 10th working day after closing of tendering period)	27,39,335	51.00	1,48,640	2.77	28,87,975	53.77

IV. OFFER PRICE

1.1. The Equity Shares of the target company are listed on the BSE.

1.2. The Trading turnover in the Equity Shares based on the trading volumes during the twelve calendar months prior to the calendar month in which PA is made i.e. August 01, 2018 to July 31, 2019 on BSE as under:

Stock Exchange	Total no. of equity shares traded ("A")	Total no. of equity shares Listed	Trading Turnover (A/B)
BSE	6,80,523	53,71,245	12.67%

1.3. Based on the above, the Equity Shares are frequently traded on the Stock Exchange in terms of Regulation 2(1)(j) of the SEBI (SAST) Regulations.

1.4. The Offer Price of INR 42.00 (Indian Forty Two Rupees only) per Equity Share is determined in terms of Regulation 8(1) and 8(2) of the SEBI (SAST) Regulations, being the highest of the following parameters:

Sr. No.	Particulars	Price
1.	Negotiated Price under the SPA	42.00/
2.	The volume weighted average price paid or payable for acquisitions by the Acquirer during 52 weeks immediately preceding the date of PA	Not Applicable
3.	The highest price paid or payable for acquisitions by the Acquirer during 26 weeks immediately preceding the date of PA	Not Applicable
4.	The volume weighted average market price per equity share for a period of sixty trading days immediately preceding the date of the PA as traded on the Stock Exchange (in case of frequently traded shares only)	41.73/-
5.	Where the shares are not frequently traded, the price determined by Acquirer and the Manager taking into account valuation parameters including book value, comparable trading multiples and such other parameters as are customary for valuation of shares of such companies	Not Applicable

1.5. In view of the parameters considered and presented in the table above, in the opinion of the Acquirer and Manager, the Offer Price of INR 42.00 (Indian Forty Two Rupees only) per fully paid-up Equity Share is justified in terms of Regulation 8 of the SEBI (SAST) Regulations.

1.6. There have been no corporate actions by the Target Company warranting adjustment of any of the relevant price parameters under Regulation 8(9) of the SEBI (SAST) Regulations. The Offer Price may be revised in the event of any corporate actions like bonus, rights, split etc. where the record date for effecting such corporate actions falls within 3 Working Days prior to the commencement of tendering period of the Offer.

1.7. As on date there is no revision in Offer Price or Offer Size. The Offer Price is subject to upward revision, if any, pursuant to the SEBI (SAST) Regulations or at the discretion of the Acquirer and/or PAC at any time prior to 1 Working Day before the commencement of the Tendering Period in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. In the event of such revision, the Acquirer and/or the PAC shall make corresponding increases to the escrow amounts in accordance with Regulation 18(5) of the SEBI (SAST) Regulations and the Acquirer and the PAC shall (i) make a public announcement in the same newspapers in which this DPS is published; and (ii) simultaneously with the issue of such announcement, inform SEBI, the Stock Exchange and the Target Company at its registered office of such revision.

1.8. If the Acquirer or the PAC acquire Equity Shares of the Target Company during the period of twenty-six weeks after the tendering period at a price higher than the Offer Price, then the Acquirer and the PAC shall pay the difference between the highest acquisition price and the Offer Price, to all the Public Shareholders whose shares have been accepted in the Offer within sixty days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another offer under the SEBI (SAST) Regulations, 2011, or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2009, or open market purchases made in the ordinary course on the stock exchange, not being negotiated acquisition of shares of the Target Company in any form.

V. FINANCIAL ARRANGEMENTS

1.1. The total consideration for the Offer, assuming full acceptance of the Offer i.e. for the acquisition of up to 13,96,524 (Thirteen Lac Ninety Six Thousand Five Hundred Twenty Four only) Equity Shares at the Offer

Price of INR 42.00 (Indian Forty Two Rupees only) per Equity Share, is INR 5,86,54,008 (Indian Rupees Five Crore Eighty Six Lacs Fifty Four Thousand and Eight only) ("Maximum Consideration").

1.2. In terms of Regulation 25(1) of the SEBI (SAST) Regulations, the Acquirer has adequate financial resources and has made firm financial arrangements for the implementation of the Offer in full out of his own sources/ net worth and borrowings in the ordinary course of business.

1.3. The Acquirer has confirmed that he has adequate financial resources to meet the obligations under the Offer. The Acquirer, the Manager and IndusInd Bank Limited, a banking corporation incorporated under the laws of India, acting through its branch office at Premises no. 61, Sonawala Building, Mumbai Samachar Marg, Fort, Mumbai - 01, have entered into an escrow agreement dated August 19, 2019 for the purpose of the Offer ("Escrow Agreement"). Pursuant to the Escrow Agreement and in compliance with Regulation 17(1) of the SEBI (SAST) Regulations the Acquirer has opened an escrow account named "RAPICUT CARBIDES LIMITED-OPEN OFFER-CASH ESCROW ACCOUNT" (the "Open Offer Escrow Account") bearing account number 250556043776. The Acquirer has on August 20, 2019 made a cash deposit of a sum of INR 5,86,54,008 (Indian Rupees Five Crore Eighty Six Lacs Fifty Four Thousand and Eight only) in the Offer Escrow Account ("Cash Escrow") which is equivalent to 100% of the value of the Maximum Consideration, as confirmed by IndusInd Bank Limited by way of letter dated August 20, 2019. The Manager is duly authorised by the Acquirer to realise the value of the Escrow Account and operate the Escrow Account in terms of the SEBI (SAST) Regulations.

1.4. RAYS & Associates, Chartered Accountants (Membership No. 141619) having office at 201-203, 2nd Floor, Centre Square, opp, Dr Back Company, Ankleshwar 393002 have certified vide certificate dated August 16, 2019 that the Acquirer has made firm financial arrangements for fulfilling his financial obligations under this Offer in full.

1.5. Based on the above, the Manager is satisfied that firm arrangements have been put in place by the Acquirer to fulfill his obligations in relation to this Offer for payment through verifiable means in accordance with the SEBI (SAST) Regulations.

1.6. In case of an upward revision of the Offer Price and/or the Offer Size, the Acquirer shall deposit the appropriate additional amount into the Escrow Account to ensure compliance with Regulation 18(5) of the SEBI (SAST) Regulations, prior to effecting such revision.

VI. STATUTORY AND OTHER APPROVALS

1.1. To the best of the knowledge of the Acquirer and PAC, there are no statutory or other approvals required to complete the Offer as on the date of this DPS. If, however, any statutory or other approval becomes applicable prior to completion of the Offer, the Offer would also be subject to such other statutory or other approval(s) being obtained.

1.2. All Public Shareholders, including non-residents holders of Equity Shares, must obtain all requisite approvals required, if any, to tender the Offer Shares (including without limitation, the approval from the Reserve Bank of India) and submit such approvals, along with the other documents required to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered in this Offer. Further, if the holders of the Equity Shares who are not persons resident in India had required any approvals (including from the Reserve Bank of India, or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender the Offer Shares, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Offer Shares.

1.3. In case of delay in receipt of any statutory approval to be obtained by the Acquirer and/or the PAC, SEBI may, if satisfied that such delay in receipt of the requisite statutory approval(s) was not attributable to any wilful default, failure or neglect on the part of the Acquirer and/or the PAC to diligently pursue such approval, and subject to such terms and conditions as may be specified by SEBI, including payment of interest in accordance with regulation 18(11) of the SEBI (SAST) Regulations, permit the Acquirer and/or the PAC to delay the commencement of the tendering period for the Offer pending receipt of such statutory approval(s) or grant an extension of time to the Acquirer to make the payment of the consideration to the Public Shareholders whose Offer Shares have been accepted in the Offer. Where any statutory extends to some but not all of the Public Shareholders, the Acquirer and/or the PAC shall have the option to make payment to such Public Shareholders in respect of whom no statutory approvals are required in order to complete this Offer.

1.4. There are no conditions stipulated in the SPA between the Selling Shareholders, the Acquirer and PAC, the meeting of which would be outside the reasonable control of the Acquirer and PAC and in view of which the Offer might be withdrawn under Regulation 23(1)(c) of the SEBI (SAST) Regulations.

VII. TENTATIVE SCHEDULE OF ACTIVITY

Activity	Date*	Day*
Public Announcement	August 19, 2019	Monday
Publication of Detailed Public Statement	August 26, 2019	Monday
Last date for Filing of draft letter of offer with SEBI	September 3, 2019	Tuesday
Last date for public announcement(s) for competing offer	September 18, 2019	Wednesday
Last date of receipt of the comments on Draft Letter of Offer from SEBI	September	