

DETAILED PUBLIC STATEMENT IN TERMS OF REGULATION 15(2) READ WITH REGULATION 13(4) 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 ORIENT REFRACTORIES LIMITED

Regd. Office: 1307, Chiranjiv Tower, 43, Nehru Place, New Delhi-110019 • Tel: +91 11 46425400; Fax: +91 11 2644 3859

Open offer ("Offer"/ "Open Offer") for acquisition of up to 3,12,36,192 equity shares ("Offer Shares"), representing 26.0% of the total issued and paid up equity share capital of Orient Refractories Limited ("Target"/ "Target Company" / "ORL"), to the Public Shareholders of the Target Company by Dutch US Holding B.V. ("Acquirer") together with RHI AG as the person acting in concert ("PAC") with the Acquirer

This detailed public statement ("DPS") is being issued by JM Financial Institutional Securities Private Limited ("JM Financial"/ "Manager"), for and on behalf of the Acquirer and the PAC, in compliance with Regulation 13(4) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended, ("SEBI (SAST) Regulations") pursuant to the public announcement dated January 15, 2013 ("PA"), in terms of Regulations 3(1) and 4 of the SEBI (SAST) Regulations, filed on January 15, 2013 with the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") and together with the BSE, the "Stock Exchanges") and filed on January 16, 2013 with the Securities and Exchange Board of India ("SEBI") and the Target Company at its registered office, in terms of Regulation 14(2) of the SEBI (SAST) Regulations.

I. ACQUIRER, PAC, TARGET COMPANY AND OFFER

1. Information about the Acquirer and the PAC

1.1 Acquirer- Dutch US Holding B.V.

- Dutch US Holding B.V. was incorporated on September 20, 2006 as a private limited liability company. There has been no change in the name of the Acquirer since its incorporation. The registered office of the Acquirer is situated at Velperweg 81, 6824 HH Arnhem, Netherlands, Tel: +31 26 3635763 and Fax: +31 26 3617737.
- The Acquirer is an investment holding company whose objective is to finance subsidiary companies and group/ participating interests.
- Dutch US Holding B.V. is a wholly-owned subsidiary of Veltcher Vertriebsgesellschaft m.b.H., which is a wholly owned subsidiary of the PAC (i.e. RHI AG), and is part of the RHI Group (as defined below).
- The Acquirer is promoted by RHIAG.
- The Acquirer, including its directors and key employees, do not have any relationship/interest in the Target Company.
- As of the date of this DPS, the Acquirer has not been prohibited by SEBI from dealing in securities, in terms of Section 11B of the Securities and Exchange Board of India Act, 1992, as amended, ("SEBI Act") or under any regulations made thereunder.
- Brief reviewed financials of the Acquirer as of and for the years ended December 31, 2011, December 31, 2010 and December 31, 2009 and for the nine months period ended September 30, 2012 are provided below:

(In thousands other than EPS)

Particulars	Nine months ended September 30, 2012		Year ended December 31, 2011		Year ended December 31, 2010		Year ended December 31, 2009	
	EUR	*INR	EUR	*INR	EUR	*INR	EUR	*INR
Total Income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Profit after Tax	(0.6)	(43.4)	(230.5)	(16,866.0)	1.8	130.1	2.5	180.7
EPS	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Net Worth	25,890.1	1,870,831.6	25,890.7	1,870,874.9	2,721.2	196,635.3	2,719.4	196,505.2

Source: Certificate from Deloitte Audit Wirtschaftsprüfungs GmbH dated January 14, 2013

*RBI reference rate as of December 31, 2012 (i.e. EUR 1= INR 72.2605)

1.2 PAC – RHI AG

- Since its incorporation, the PAC has undergone multiple corporate transformations, by way of mergers and acquisitions of separate entities, before being consolidated in its present form. Accordingly, the name of the company has been changed on numerous occasions in the past to reflect such transformations. The key name changes corresponding to key changes to the PAC's structure are as follows: (a) Incorporated as General Refractories Company European Group GmbH, in 1979, as a limited liability company, later converted into a joint-stock company; (b) Merger of and renamed to Veltch-Radex Aktiengesellschaft für feuerfeste Erzeugnisse; (c) Merger of and renamed to Radex-HeraclithIndustriebeteiligungsgesellschaft; (d) Renamed to RHI AG in 1998. The registered office of the PAC is situated at Wienerbergstrasse 9, 1100 Vienna, Austria, Tel: +43 50213 6379 and Fax: +43 50213 6463. The compliance officer of the PAC is G. CéliaKonrad, Esq., General Counsel and Company Secretary of RHIAG, Tel: +43 502136225 and Fax: +43 502136281.
- RHIAG is a vertically integrated global provider of high-grade refractory products, systems and services. The predecessor companies making up the RHI Group, which today comprises of the companies and entities whose financials are consolidated with RHIAG (together referred to as the "RHI Group" for the purposes of this DPS), began their operations in 1834 with the establishment of a fireclay factory in Poland. In 1899, a company was established in the name of VeltcherMagnesitwerkeAktion-Gesellschaft. Since then, mergers with various refractory companies have resulted in the present form of the RHI Group with RHI AG being established as the holding company of the group in 1998. The Company has since then acquired other companies while maintaining a focus on refractory products. The RHI Group is present in India through its 2 (two) group companies, RHI India Private Limited and RHI Clasil Limited in which RHIAG indirectly holds 60.0%and 53.7% of the total shareholding, respectively.
- The Acquirer i.e. Dutch US Holding B.V. is a wholly-owned subsidiary of Veltcher Vertriebsgesellschaft m.b.H., which is a wholly owned subsidiary of RHIAG, and is a part of the RHI Group. Therefore, the Acquirer is an Indirectly wholly owned subsidiary of the PAC.
- RHI AG is a professionally managed company having no identifiable promoters/persons in control. The key shareholders of RHI AG are MS Private Foundation (holding between 25.0% - 30.0% shareholding), Chestnut Beteiligungsgesellschaft mbH (5.2% shareholding) and Silver Beteiligungsgesellschaft mbH (5.2% shareholding) with the remaining 59.5% - 64.5%of the shareholding being held by public shareholders.
- The equity shares of RHI AG are listed on the Vienna Stock Exchange. As on January 17, 2013 the following is the shareholding details for RHIAG:

Shareholder's Name	Number of equity shares held (In millions)	% age of total equity shares
MS Private Foundation ⁽ⁱ⁾	9.955 - 11.946	25.0% - 30.0%
Chestnut Beteiligungsgesellschaft mbH ⁽ⁱⁱ⁾	2.088	5.2%
Silver Beteiligungsgesellschaft mbH ⁽ⁱⁱⁱ⁾	2.088	5.2%
Other public shareholders	23.697 - 25.688	59.5% - 64.5%
Total Paid Up Capital	39.819	100.0%

Source: Vienna Stock Exchange

- In accordance with article 91 of the Austrian Stock Exchange Act 1989, as amended, MS Private Foundation is not required to report any change in its shareholding as long as it remains in the range of 25.0% - 30.0% of the shareholding in RHI AG. Therefore, the exact number of shares and % shareholding is not known.
- The voting rights of Chestnut Beteiligungsgesellschaft mbH and Silver Beteiligungsgesellschaft mbH are exercised jointly.
- The PAC, its directors or its key employees do not have any direct relationship with the Target Company. However, RHI Clasil Limited., a joint venture company in India in which RHI AG is indirectly a shareholder, has purchased materials from the Target Company for an aggregate amount of approximately Rs. 70.4 million in FY 2012 and Rs. 51.4 million in FY 2011 from OAL (from which the Target Company was demerged pursuant to the Demerger Scheme). RHI AG, through its wholly owned subsidiary holds 53.7 % of the shareholding in RHI Clasil Limited.
- As of the date of this DPS, neither the PAC nor any of its directors are prohibited by SEBI from dealing in securities in terms of Section 11B of the SEBI Act or under any regulations made thereunder.
- Brief audited standalone financials of RHI AG as of and for the financial years ended December 31, 2011, December 31, 2010 and December 31, 2009 and reviewed financials as of and for the nine months ended September 30, 2012, on a consolidated basis, are as provided below:

(In millions other than EPS)

Particulars	Nine months ended September 30, 2012 (Reviewed)		Year ended December 31, 2011 (Audited)		Year ended December 31, 2010 (Audited)		Year ended December 31, 2009 (Audited)	
	EUR	*INR	EUR	*INR	EUR	*INR	EUR	*INR
Total Income	241.6	17,458.6	283.9	20,512.4	281.5	20,341.2	207.0	14,958.9
Profit after Tax	80.0	5,780.8	99.5	7,189.9	155.2	11,214.8	(25.9)	(1,871.5)
EPS	2.01	145.17	2.50	180.65	3.90	281.82	(0.65)	(46.97)
Net Worth	855.7	61,833.3	805.6	58,213.1	726.0	52,461.1	570.8	41,246.3

Source: Certificate from Deloitte Audit Wirtschaftsprüfungs GmbH dated January 14, 2013

*RBI reference rate as of December 31, 2012 (i.e. EUR 1= INR 72.2605)

2. Sellers

2.1. Seller 1- Mr. S.G. Rajgarhia

- Mr. S.G. Rajgarhia ("SGR") is an Indian resident residing at 33/1 Friends Colony (East), New Delhi 110065. He is the Managing Director of the Target Company and also a part of the promoter group of the Target Company.
- As on the date of PA, SGR holds 1,77,86,430 equity shares/voting rights in the Target Company representing 14.80% of the issued and paid up equity share capital/voting capital of the Target Company.
- SGR 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 or under any regulations made thereunder.
- Following Closing (as defined below), SGR will continue to hold 59,94,947 equity shares in the Target Company, representing 4.99% of the issued and paid up equity share capital/ voting capital of the Target Company. SGR, post Closing, will be classified as a public shareholder of the Target Company.

2.2. Seller 2- Ms. Anisha Mittal

- Ms. Anisha Mittal ("AM") is an Indian resident residing at 15 Eastern Avenue, Second Floor, Maharani Bagh, New Delhi 110065. She is a part of the promoter group of the Target Company.
- As on the date of PA, AM holds 1,47,47,510 equity shares/ voting rights in the Target Company representing 12.28% of the issued and paid up equity share capital/ voting capital of the Target Company.
- AM 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 or under any regulations made thereunder.

2.3. Seller 3- Ms. Bhavna Rajgarhia

- Ms. Bhavna Rajgarhia ("BR") is an Indian resident residing at 33/1 Friends Colony (East), New Delhi 110065. She is a part of the promoter group of the Target Company.
- As on the date of PA, BR holds 1,47,23,564 equity shares/ voting rights in the Target Company representing 12.26% of the issued and paid up equity share capital/ voting capital of the Target Company.
- BR 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 or under any regulations made thereunder.

2.4. Seller 4- Ms. Usha Rajgarhia

- Ms. Usha Rajgarhia ("UR") is an Indian resident residing at 33/1 Friends Colony (East), New Delhi 110065. She is a part of the promoter group of the Target Company.
- As on the date of PA, UR holds 65,81,882 equity shares/ voting rights in the Target Company representing 5.48% of the issued and paid up equity share capital/ voting capital of the Target Company.
- UR 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 or under any regulations made thereunder.

2.5. Seller 5- Mr. Ashwin Mittal

- Mr. Ashwin Mittal is an Indian resident residing at 15 Eastern Avenue, Second Floor, Maharani Bagh, New Delhi 110065. He is a part of the promoter group of the Target Company.
- As on the date of PA, Mr. Ashwin Mittal holds 2,00,394 equity shares/ voting rights in the Target Company representing 0.17% of the issued and paid up equity share capital/ voting capital of the Target Company.

- Mr. Ashwin Mittal 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 or under any regulations made thereunder.

2.6. Seller 6- Mr. R.K. Rajgarhia

- Mr. R.K. Rajgarhia is an Indian resident residing at W-13, Greater Kailash-II, New Delhi 110048. He is the Chairman of the Target and is a part of the promoter group of the Target Company.
- As on the date of PA, Mr. R. K. Rajgarhia holds 6,00,766 equity shares/ voting rights in the Target Company representing 0.50% of the issued and paid up equity share capital/ voting capital of the Target Company.
- Mr. R.K. Rajgarhia 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 or under any regulations made thereunder.

2.7. Seller 7- Ms. Prabha Devi Rajgarhia

- Ms. Prabha Devi Rajgarhia is an Indian resident residing at W-13, Greater Kailash – II, New Delhi 110048. She is a part of the promoter group of the Target Company.
- As on the date of PA, Ms. Prabha Devi Rajgarhia holds 29,60,000 equity shares/ voting rights in the Target Company representing 2.46% of the issued and paid up equity share capital/ voting capital of the Target Company.
- Ms. Prabha Devi Rajgarhia 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 or under any regulations made thereunder.

2.8. Seller 8 - RKR Foundation Trust

- RKR Foundation Trust is a trust organized under the Indian Trust Act, 1882, through its trustees SGR, Prabha Devi Rajgarhia, R.K. Rajgarhia, Deepak Harialka and Anjali Harialka. Its registered office address is situated at W-13, Greater Kailash-II, New Delhi 110048. RKR Foundation Trust is a part of the promoter group of the Target Company.
- As on the date of PA, RKR Foundation Trust holds 2,31,000 equity shares/ voting rights in the Target Company representing 0.19% of the issued and paid up equity share capital/ voting capital of the Target Company.
- RKR Foundation Trust 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 or under any regulations made thereunder.

2.9. Seller 9 - Orient Abrasives Limited

- Orient Abrasives Limited ("OAL") is a public limited company incorporated in November, 1971 under the Companies Act, 1956. Its registered office is situated at 1307, Chiranjiv Tower, 43 Nehru Place, New Delhi 110019.
- The Hon'ble High Court of Delhi, vide its order dated September 19, 2011, sanctioned a scheme of demerger ("Demerger Scheme") between OAL and the Target Company, pursuant to which the refractories division of OAL was demerged and transferred to the Target Company with effect from commencement of business on April 1, 2011 (i.e. the Appointed Date under the Demerger Scheme).
- OAL is a part of the promoter group of the Target Company.
- The equity shares of OAL are listed on the BSE and the NSE. The following table sets out the shareholding pattern of the company as on September 30, 2012:

Particulars	No. of equity shares	%
Promoter & promoter group	57,934,913	48.4
Financial Institutions/ Banks	40,500	0.0
Body corporates	1,42,34,488	11.9
Individuals	4,50,42,686	37.7
Others	23,86,633	2.0
Total	11,96,39,200	100.0

Source: www.bseindia.com

- As on the date of the PA, OAL holds 4,99,400 equity shares/ voting rights in the Target Company representing 0.42% of the issued and paid up equity share capital/ voting capital of the Target Company.
- Orient Abrasives Limited 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 or under any regulations made thereunder.

2.10. Seller 10- Rajgarhia Leasing & Financial Services Private Limited

- Rajgarhia Leasing & Financial Services Private Limited is a private limited company originally incorporated in July 1981 in the name of Rajgarhia Estates Private Limited under the Companies Act, 1956. Its name was subsequently changed to Rajgarhia Leasing & Financial Services Private Limited in July 1993. Its registered office is situated at 5th Floor, 2 Brabourne Road, Kolkata 700001. The company is a part of the promoter group of the Target Company.
- As on the date of PA, Rajgarhia Leasing & Financial Services Private Limited holds 50,000 equity shares/ voting rights in the Target Company representing 0.04% of the issued and paid up equity share capital/ voting capital of the Target Company.
- Rajgarhia Leasing & Financial Services Private Limited 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 or under any regulations made thereunder.

2.11. Seller 11- Rovo Marketing Private Limited

- Rovo Marketing Private Limited is a private limited company incorporated in December 1987 under the Companies Act, 1956. Its registered office address is situated at 1307, Chiranjiv Tower, 43 Nehru Place, New Delhi 110019. The company is a part of the promoter group of the Target Company.
- As on the date of PA, Rovo Marketing Private Limited holds 15,580 equity shares/ voting rights in the Target Company representing 0.01% of the issued and paid up equity share capital/ voting capital of the Target Company.
- Rovo Marketing Private Limited 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 or under any regulations made thereunder.
- ORL was incorporated on November 26, 2010, under the Companies Act, 1956. Pursuant to the Demerger Scheme, the refractories division of OAL was demerged and transferred to the Target Company with effect from commencement of business on the Appointed Date under the Demerger Scheme. The registered office of the Target Company is situated at 1307, Chiranjiv Tower, 43, Nehru Place, New Delhi 110019, Tel: +91 11 46425400 and Fax: +91 11 26443859.
- The Target Company is engaged in the production of refractories and monolithics for the steel industry and sells its products both in India and overseas. It provides a wide range of special refractories with the product range including isostatically pressed continuous casting refractories, slide gate plates, nozzles and well blocks, tundish nozzles, bottom purging refractories and top purging lances, slag arresting darts, basic spray mass for tundish working lining and castables. All these products are custom made to suit the casting conditions and the grade of steel being cast. To reinforce the quality and development of its products, the Target Company has an in-house research and development facility that is recognized by the Government of India.
- The equity shares of face value of Re.1.0 each of the Target Company ("Equity Shares") are listed on the BSE and the NSE and are frequently traded in terms of Regulation 2(1)(i) of the SEBI (SAST) Regulations. There are no outstanding shares that have been issued but not listed in at least one of the Stock Exchanges.
- Brief audited financials of the Target Company as of and for the financial years ended March 31, 2012 and 2011 and the unaudited but reviewed financials for the six months ended September 30, 2012 are as provided below:

(Rs. in million other than EPS)

Particulars	Six months ended September 30, 2012 (Reviewed)	Year ended March 31, 2012 (Audited)	Year ended March 31, 2011 (Audited)
Total Income	1,825.4	3,047.2	0.0
Profit after Tax	196.9	308.1	(0.9)
EPS	1.64	2.56	(1.86)
Net Worth	847.4	750.5	(0.4)

Source: Certificate from Bansal Dhawan and Co. dated January 18, 2013, membership no. 024746N

4. Details of the Offer

- The Acquirer and the PAC are making this Offer to all the equity shareholders of the Target Company other than the parties to the share purchase agreement dated January 15, 2013, entered into by the Acquirer with the Sellers (as defined below) and the Target Company ("SPA") and the persons acting in concert or deemed to be acting in concert with such parties ("Public Shareholders") to acquire up to 3,12,36,192 ("Offer Shares") of face value of Re. 1.0 each at an price of Rs. 43.0 (Rupees forty three only) per Offer Share ("Offer Price") aggregating to Rs. 1,34,31,56,256 (Rupees one hundred thirty four crores thirty one lakhs fifty six thousand two hundred and fifty six only) in cash ("Offer Size").
- The Offer Shares represent 26.0% of the paid up equity share capital of the Target Company as on the 10th Working Day (with "Working Day" as defined under the SEBI (SAST) Regulations) after the closure of the tendering period under the Open Offer ("Emerging Voting Capital").
- The Emerging Voting Capital has been computed as follows:

Particulars	Issued and paid up capital and voting rights	% of Emerging Voting Capital
Fully paid up Equity Shares as of the date of PA	12,01,39,200	100.00
Partly paid up Equity Shares as of the date of PA	Nil	Nil
Convertible Instruments outstanding	Nil	Nil
Employee stock options outstanding	Nil	Nil
Emerging Voting Capital	12,01,39,200	100.00

- For the purpose of this Offer, the registrar to the offer Link Intime India Private Limited ("Registrar to the Offer") has opened a special depository account ("Open Offer Escrow Demat Account") in the name and style of "LIIFL ORL Open Offer Escrow Demat Account" with Ventura Securities Ltd as the depository participant in National Securities Depository Limited ("NSDL"). The DP ID and Client ID are IN303116 and 11117029 respectively.
- The Offer is subject to the following statutory approvals namely:
 - the Austrian Federal Competition Authority (or any other relevant authority) having either, (i) declined jurisdiction, (ii) granted clearance, or (iii) being deemed to have granted clearance through the expiration of time periods available for their investigation, either unconditionally or in terms (reasonably) satisfactory to the Acquirer, and any period of limitation for filing an appeal therefrom having elapsed;
 - the Turkish Competition Authority (or any other relevant authority) having either, (i) declined jurisdiction, (ii) granted clearance, or (iii) being deemed to have granted clearance through the expiration of time periods available for their investigation, either unconditionally or in terms (reasonably) satisfactory to the Acquirer, and any period of limitation for filing an appeal therefrom having elapsed; and
 - Receipt of approval, as applicable, from the RBI for acquisition of the Sale Shares (as defined below) by the Acquirer from the Sellers at the negotiated price of Rs. 43.0 per Sale Share under the SPA.
- In addition to the statutory approvals mentioned in paragraph 5 above, the Offer is also subject to the satisfaction of the conditions or waiver, if applicable, stipulated under the SPA and disclosed herein below (all of which are considered to be outside the reasonable control of the Acquirer and the PAC):
 - No Material Adverse Change having occurred-material Adverse Change shall mean any change, effect, event, circumstance, occurrence or state of affairs (other than any general change to the general outlook in the economy) which is materially adverse to the business, operations or financial condition of the Target taken as a whole and has happened during the period between the date of the SPA and the date of completion of the sale and purchase of the Sale Shares in accordance with the provisions of the SPA (the "Closing Date" / "Closing"), provided that if the Target fails to achieve an EBITDA margin of at least 12% in the period from April 1, 2012 to December 31, 2012, a material adverse change shall be deemed to have occurred; and

- the key Sellers' warranties, as included in the SPA, being (a) Capitalisation/ Shareholding: (i) Each of the Sellers is the sole owner of the relevant Sale Shares set forth against its name above in this DPS and in the SPA, free from all encumbrances and third party rights. The Sellers are entitled to transfer or procure the transfer of full ownership of the Sale Shares to the Acquirer on the terms set out in the SPA. The share ownership details set out in the SPA are true and accurate. (ii) There are no outstanding rights, options or warrants or any contracts or arrangements (either oral or written, firm or conditional) obligating the Sellers to sell or transfer any Sale Shares held by them to any person (b) Past transactions in accordance with applicable laws: (i) The Target Company has carried out all material transactions in accordance with all applicable law and regulations. No material transaction undertaken by the Target Company constituted a transfer at an undervalue or an unlawful distribution or unlawful financial assistance by the Target Company (c) Ownership: (i) Except, for the plant and/or machinery of the Target Company that are installed or operated from customer locations in the ordinary course of business, or as disclosed in the disclosure letter forming part of the SPA, the Company is in possession of the whole of each of its properties, and no other person or entity is in or actually or conditionally entitled to possession, occupation, use or control of any of its properties (ii) Other than in favour of the lenders, there are no encumbrances or existence of any third party rights on any of the Target Company's properties. The Target Company owns all the properties that are included in the fixed assets register of the Company. Except as disclosed in the disclosure letter, the Company has title to and is in possession of the properties and is entitled to use them for the purpose of its business. The Target Company has not received any notice from any statutory authority challenging its title or possession of such properties.

- To the best of the knowledge of the Acquirer and the PAC, there are no other statutory approvals required to complete the acquisition of the Offer Shares. If any statutory approvals become applicable prior to the completion of the Offer, the Offer would also be subject to such statutory approvals.
- The acquisition of Offer Shares from Non-Resident Indians ("NRIs") and from erstwhile Overseas Corporate Bodies ("OCBs") is subject to the approval / exemption from the Reserve Bank of India ("RBI").
- Further if there are some statutory approvals that extend to some but not all of the Public Shareholders, the Acquirer shall have the option to make payment to such Public Shareholders in respect of whom no statutory approvals are required in order to complete the Offer.
- In case of a delay in the receipt of any statutory approvals that become applicable to the Offer, SEBI may, if satisfied that such delay in the receipt of the requisite statutory approval was not attributable to any willful 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 the PAC to delay commencement of the tendering period for the Offer pending receipt of such statutory approvals or grant extension of time to the Acquirer and the PAC to make payment of the consideration to the Public Shareholders whose Equity Shares have been accepted in the Offer.
- The Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of the SEBI (SAST) Regulations and is not a competitive bid in terms of Regulation 20 of the SEBI (SAST) Regulations.
- The Acquirer currently does not have any intention to alienate, whether by way of sale, lease, encumbrance or otherwise any material assets belonging to the Target Company during the period of two years following the completion of the Offer, except in the ordinary course of business, or as may be required to be alienated due to pendency of applicable regulatory or statutory approvals. Other than above, if the Acquirer intends to alienate any material assets of Target Company, within a period of two years from the completion of the Offer, the Acquirer shall seek the approval of its shareholders as per the proviso to Regulation 25(2) of the SEBI (SAST) Regulations.
- In the event following the completion of the Offer Shares, the public shareholding falls below the minimum level required for continuous listing under clause 40A of the listing agreement and Rule 19A of the Securities Contract (Regulation) Rules, 1957 ("SCRR"), the Acquirer and PAC shall increase the level of public shareholding in the Target Company to the minimum level required under clause 40A of the listing agreement and Rule 19A of the SCRR within the time limits specified therein and through the permitted routes available under the listing agreement including any other such route as may be permitted by SEBI from time to time.

II. BACKGROUND TO THE OFFER

- This Offer is made in accordance with Regulation 3(1) and Regulation 4 of the SEBI (SAST) Regulations pursuant to the SPA.
- The Acquirer, the Seller 1, Seller 2, Seller 3, Seller 4, Seller 5, Seller 6, Seller 7, Seller 8, Seller 9, Seller 10 and Seller 11 (together "Sellers") and the Target Company have entered into the SPA, pursuant to which and subject to the satisfaction or waiver, if applicable, of the conditions contained in the SPA, the Sellers have agreed to sell, and the Acquirer has agreed to purchase in cash, 5,24,01,579 Equity Shares of the total issued and paid up equity share capital of the Company at a price of Rs. 43.0 (Rupees forty three only) per equity share, representing approximately 43.62% of the total issued and paid up equity share capital of the Company (the "Sale Shares") from the Sellers as follows:
 - 1,17,91,483 Equity Shares, representing 9.81% of the Emerging Voting Capital of the Target from Seller 1;
 - 1,47,47,510 Equity Shares, representing 12.28% of the Emerging Voting Capital of the Target from Seller 2;
 - 1,47,23,564 Equity Shares, representing 12.26% of the Emerging Voting Capital of the Target from Seller 3;
 - 65,81,882 Equity Shares, representing 5.48% of the Emerging Voting Capital of the Target from Seller 4;
 - 2,00,394 Equity Shares, representing 0.17% of the Emerging Voting Capital of the Target from Seller 5;
 - 6,00,766 Equity Shares, representing 0.50% of the Emerging Voting Capital of the Target from Seller 6;
 - 29,60,000 Equity Shares, representing 2.46% of the Emerging Voting Capital of the Target from Seller 7;
 - 2,31,000 Equity Shares, representing 0.19% of the Emerging Voting Capital of the Target from Seller 8;
 - 4,99,400 Equity Shares, representing 0.42% of the Emerging Voting Capital of the Target from Seller 9;
 - 50,000 Equity Shares, representing 0.04% of the Emerging Voting Capital of the Target from Seller 10;
 - 15,580 Equity Shares, representing 0.01% of the Emerging Voting Capital of the Target from Seller 11;
- Under the SPA, the purchase of the Sale Shares by the Acquirer is subject to the satisfaction or waiver (to the extent permissible under the SPA and any applicable law) of certain other conditions, including but not limited to:

- the Acquirer having, (i) announced and launched the Open Offer, and (ii) deposited the entire amount of consideration payable to the public shareholders of the Target under the Open Offer in an escrow account, in compliance with the SEBI (SAST) Regulations, and a period of twenty one (21) working days (within the meaning of working days being as provided under the SEBI (SAST) Regulations) having elapsed since the date of the DPS;
- the Austrian Federal Competition Authority (or any other relevant authority) having either, (i) declined jurisdiction, (ii) granted clearance, or (iii) being deemed to have granted clearance through the expiration of time periods available for their investigation, either unconditionally or in terms (reasonably) satisfactory to the Acquirer, and any period of limitation for filing an appeal therefrom having elapsed;
- the Turkish Competition Authority (or any other relevant authority) having either, (i) declined jurisdiction, (ii) granted clearance, or (iii) being deemed to have granted clearance through the expiration of time periods available for their investigation, either unconditionally or in terms (reasonably) satisfactory to the Acquirer, and any period of limitation for filing an appeal therefrom having elapsed;
- No Material Adverse Change having occurred. Material Adverse Change shall mean any change, effect, event, circumstance, occurrence or state of affairs (other than any general change to the general outlook in the economy) which is materially adverse to the business, operations or financial condition of the Target taken as a whole and has happened during the period between the date of the SPA and the Closing Date, provided that if the Target fails to achieve an EBITDA margin of at least 12% in the period from April 1, 2012 to December 31, 2012, a material adverse change shall be deemed to have occurred;
- the warranties as relating to the Sellers and the Acquirer, and as detailed in the SPA, being true and correct as if originally made on and as of the Closing Date, unless specified in the respective warranties;
- each of SGR, AM, BR and UR having obtained an approval from the concerned Tax Authority pursuant to section 281 of the Income Tax Act, 1961; and
- the Target having obtained the consent of HDFC Bank Limited and State Bank of India for the transfer of the Sale Shares as required under the working capital facilities extended to the Target by the banks.

- As per the SPA, the parties have agreed that from the date of the SPA until the earlier of, (i) Closing,

to be paid by the Acquirer to the Sellers in relation to the Sellers undertaking to comply with the above non-compete obligations

- (ii) Dividend Payment: The Acquirer agrees with the Sellers that the Acquirer shall cause the Target Company to adopt a dividend policy for payment of a minimum dividend of INR 1 in each financial year following Closing till such time as SGR holds at least 4% of the issued equity share capital of the Target Company and subject to the Target Company having the ability to pay such dividend in the relevant financial year;
- (iii) Board of Directors: Based on the written recommendation received from the Acquirer, SGR will be redesignated an executive director of the Company on terms and conditions similar to those applicable as at the date of the SPA, to hold office, as the executive vice chairman of the Target, till he holds at least 1% of the total issued share capital of the Company. The Acquirer and the PAC shall have the right to nominate and/or recommend all the remaining non-independent directors on the board of the Target. At Closing, the board of directors of the Target shall designate an independent non-executive director as the chairman of the board of directors of the Target.
- (iv) Termination: The Acquirer may terminate the SPA by notice to the Sellers and the Target Company at any time before Closing if any of the following circumstances arises or occurs at any time before Closing, namely, (i) the occurrence of any Material Adverse Change, (ii) a material breach of any Sellers warranty as given on the date of the SPA, (iii) any event occurs which would constitute a material breach of any of the Sellers warranties if they were repeated at any time before Closing by reference to the facts and circumstances then existing (on the basis that references in the Sellers warranties to the date of the SPA were references to the relevant date), or (iv) any material breach by any of the Sellers and/or the Target Company of its respective obligations under the SPA. On occurrence of any of the above circumstances, the Acquirer shall, upon being made aware of such occurrence, give a written notice of a specified time to the Sellers to cure such breach (the "Cure Period"). If the Sellers are unable to cure such defects within the Cure Period, the Acquirer shall have the right to terminate the SPA by issuing a written notice to the Sellers within a specified time, failing which it shall be deemed that the Acquirer has waived its right to terminate the SPA. If Closing has not occurred on or before April 30, 2013 or such other date as the parties may agree in case of there being a delay in obtaining the statutory approvals mentioned at points (i) and (ii) of paragraph 5 in the section Details of the Offer above, the SPA shall automatically terminate.
- (v) Leave and License Agreement: Following Closing, the Target shall be entitled to use the current registered office of the Target ("Licensed Premises"), for a period of ten (10) months from the Closing Date subject to the payment of a monthly license fee of Rs. 125,000 (the "License Fee") and on such other terms and subject to such conditions as set out in the leave and license agreement to be entered into between OAL and the Target. The License Fee shall also include any expenses incurred towards consumption of electricity and water charges that relate to the Licensed Premises along with costs incurred towards operating and maintaining the common facilities including security, house-keeping, maintenance of building, generator set etc. The Acquirer has undertaken under the SPA to change the registered office of the Target, at the earliest and in any case, before the end of the ten (10) months from the date of the SPA.

6. The purchase of the Sale Shares by the Acquirer from the Sellers is also subject to the receipt of the approval, as applicable, from the RBI for acquisition of the Sale Shares at the negotiated price of Rs. 43.0 per Sale Share.
7. The Acquirer and the PAC believe that the Target Company's business is complementary to RHI AG's current presence in the mini-mills segment in India and its acquisition is important in pursuing their growth strategy focused on emerging markets and strengthening its global market position in the flow control business segment. The Acquirer and the PAC believe that ORL's technical and service know-how and its production facility will further strengthen RHI AG's service-oriented sales approach for the growing Indian and Asian steel industry.

III. SHAREHOLDING AND ACQUISITION DETAILS

Please find below the shareholding of the Acquirer and the PAC in the Target Company as of the date of DPS. The Acquirer, the PAC and the directors of the Acquirers and the PAC do not hold any shares in the Target Company as of the date of the DPS.

Details	Acquirer		PAC	
	Number of Equity Shares	% ⁽¹⁾	Number of Equity Shares	% ⁽¹⁾
Shareholding as of the date of the PA	Nil	0.0	Nil	0.0
Shares acquired between the PA date and the DPS date	Nil	0.0	Nil	0.0
Post Offer shareholding ⁽²⁾	8,36,37,771	69.62	Nil	0.0

(1) Computed on the Emerging Voting Capital

(2) Assuming full acceptance in the Offer and including the Equity Shares to be acquired through SPA

IV. OFFER PRICE

1. The Equity Shares are listed on the BSE and NSE and are frequently traded, in terms of the SEBI (SAST) Regulations. The trading turnover in the Equity Shares based on the trading volumes on the BSE for the period from March 9, 2012 to December 31, 2012 and NSE from March 12, 2012 to December 31, 2012 i.e. from the date of listing of the shares of the Target Company on the stock exchanges to the last day of the calendar month preceding the month in which the PA was issued is as given below:

Stock Exchange	Total Traded Turnover from the date of listing	Annualised Traded Turnover ("A")	Weighted average number of total shares of Target Company ("B")	Traded Turnover % (A/B)
BSE	76,26,388	93,66,638	12,01,39,200	7.80%
NSE	1,23,87,329	1,53,68,686	12,01,39,200	12.79%

Source: CA certificate dated January 15, 2013 issued by SSPA & Co., Chartered Accountants, membership number 45816

2. The Offer Price of Rs. 43.0 (Rupees Forty Three only) per Offer Share is justified in terms of Regulations 8(2) and 8(5) of SEBI (SAST) Regulations, being the highest of the following parameters:

	Details	Rupees
A	The highest negotiated price per share of the Target Company (as per the Share Purchase Agreement) attracting the obligation to make a PA of this Offer	43.00
B	The volume weighted average price paid or payable for acquisitions, by the Acquirer or PAC during the fifty two weeks immediately preceding the date of the PA	Not applicable
C	The highest price paid or payable for any acquisition by the Acquirer or PAC during the twenty six weeks immediately preceding the date of the PA	Not applicable
D	The volume weighted average market price of Equity Shares of the Target Company for a period of sixty trading days immediately preceding the date of the PA as traded on the National Stock Exchange of India Limited, being the stock exchange where the maximum volume of trading in the shares of the Target Company are recorded during such period, the shares being frequently traded	Rs. 38.67

Note: The Offer Price would be revised in the event of any corporate actions like bonus, splits etc: where the record date for effecting such corporate actions falls within 3 Working Days prior to the commencement of the tendering period in the Offer

Source: CA certificate dated January 15, 2013 issued by SSPA & Co., Chartered Accountants, membership number 45816

3. The Acquirer and the PAC may revise the Offer Price at their discretion or pursuant to any acquisition by the Acquirer and/or the PAC at a price which is higher than the Offer Price at any time prior to 3 Working Days prior to the commencement of the tendering period under the Offer. In the event of such a revision, the Acquirer and the PAC shall, (i) make a corresponding increase to the escrow amounts, as more particularly set out in Part V – Financial Arrangements of this DPS below, (ii) make a public announcement in the same newspapers in which this DPS is to be published, and (iii) simultaneously with such an announcement, inform SEBI, the Stock Exchanges and the Target Company at its registered office of such a revision.

V. FINANCIAL ARRANGEMENTS

1. The Offer Price is Rs. 43.0 (Rupees forty three only) per Offer Share and the Offer Size is Rs. 1,34,31,56,256 (Rupees one hundred thirty four crores thirty one lakhs fifty six thousand two hundred and fifty six only).
2. In accordance with Regulation 17(1) of the SEBI (SAST) Regulations, an escrow arrangement has been created in the form of a Cash Escrow (as defined below).
3. The Acquirer has entered into an escrow agreement (the "Escrow Agreement") with Axis Bank Limited, having its registered office at 1st Floor, Axis House, C-2, Wadia International Centre, P.B. Marg, Worli, Mumbai 400 025, India, (the "Escrow Agent") and the Manager, pursuant to which the Acquirer has deposited an amount aggregating to Rs.33,58,00,000 (Rupees thirty three crores fifty eight lakhs only) in cash, being more than 25% of the Offer Size ("Cash Escrow"), in the escrow account opened with the Escrow Agent ("Escrow Account"). The Cash Escrow constitutes the escrow amount ("Escrow Amount") which has been computed in accordance with Regulation 17(1) of the SEBI (SAST) Regulations. The Manager has been authorized to operate the Escrow Account on the terms and subject to the conditions set out in the Escrow Agreement.
4. SSPA & Co., Chartered Accountants, have vide their certificate dated January 15, 2013, based on the cash reserves available with the PAC, certified that the Acquirer and the PAC have adequate resources and capability to meet the financial obligations under the Offer.

5. Based on the above, the Manager is satisfied that firm financial arrangements through verifiable means have been put in place by the Acquirer and the PAC to fulfill their obligations under the Offer.

VI. STATUTORY AND OTHER APPROVALS

1. The Offer is subject to the statutory approvals as specified in paragraph 5 in the section I, part 4-Details of the Offer above. The applications to the relevant regulatory authorities for the statutory approvals shall be made by the Acquirer in due course.
2. The acquisition of Offer Shares from Non-Resident Indians ("NRIs") and from erstwhile Overseas Corporate Bodies ("OCBs") is subject to the approval / exemption from the Reserve Bank of India ("RBI").
3. To the best of the knowledge of the Acquirer and the PAC, there are no other statutory approvals required by the Acquirer and / or the PAC to complete this Offer. If any other statutory approvals become applicable prior to the completion of the Offer, the Offer would also be subject to such statutory approvals. Further if there are some statutory approvals that extend to some but not all of the Public Shareholders, the Acquirer shall have the option to make payment to such Public Shareholders in respect of whom no statutory approvals are required in order to complete the Offer.
4. The Offer is further subject to the satisfaction of the conditions stipulated under the SPA and disclosed herein above in paragraph 6 in the section I, part 4- Details of the Offer above for the purpose of acquisition of the Sale Shares.
5. In case of a delay in the receipt of any statutory approvals that become applicable to the Offer, SEBI may, if satisfied that such delay in the receipt of the requisite statutory approval 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 the PAC to delay commencement of the tendering period for the Offer pending receipt of such statutory approvals or grant extension of time to the Acquirer and the PAC to make payment of the consideration to the Public Shareholders whose Equity Shares have been accepted in the Offer.
6. In terms of Regulation 23(1) of the SEBI (SAST) Regulations, in the event that the approvals and conditions specified above in paragraphs 5 and 6 in the section I, part 4- Details of the Offer above (all of which are considered to be outside the reasonable control of the Acquirer and the PAC) are not received or satisfied or unless otherwise waived, if applicable, by the Acquirer, the Acquirer shall have the right to withdraw the Offer. In the event of such 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 for the withdrawal in accordance with Regulation 23(2). In such an event, the Acquirer shall not acquire the Sale Shares and to that extent the SPA shall stand rescinded.

VII. TENTATIVE SCHEDULE OF ACTIVITY

Activity	Day and Date
Public Announcement	Tuesday, January 15, 2013
Date of publishing this DPS	Tuesday, January 22, 2013
Filing of the draft Letter of Offer with SEBI	Wednesday, January 30, 2013
Last date for a competitive offer(s)	Wednesday, February 13, 2013
Last date for SEBI observations on draft Letter of Offer (in the event SEBI has not sought clarifications or additional information from the Manager to the Offer)	Thursday, February 21, 2013
Identified Date*	Monday, February 25, 2013
Last date for dispatch of Letter of Offer to Equity Shareholders	Monday, March 4, 2013
Last date for revising the Offer price/ number of shares	Tuesday, March 5, 2013
Last Date by which the committee of the independent directors of the Target Company shall give its recommendation	Thursday, March 7, 2013
Date of publication of Offer Opening Public Announcement	Friday, March 8, 2013
Date of commencement of Tendering Period (Offer Opening Date)	Monday, March 11, 2013
Date of Expiry of Tendering Period (Offer Closing Date)	Friday, March 22, 2013
Last date of communicating rejection/ acceptance and payment of consideration for applications accepted/return of unaccepted Share Certificates/credit of unaccepted Equity Shares to demat account	Tuesday, April 9, 2013
Last Date of publication of Offer Closing Public Announcement	Wednesday, April 17, 2013

* The Identified Date is only for the purpose of determining the Public Shareholders as on such date to whom the Letter of Offer would be mailed. It is clarified that all the Public Shareholders (registered or unregistered) are eligible to participate in this Offer at any time prior to the closure of the tendering period.

VII. PROCEDURE FOR TENDERING THE SHARES IN CASE OF NON RECEIPT OF LETTER OF OFFER

1. All Public Shareholders, whether holding Equity Shares in dematerialised form or physical form, registered or unregistered, are eligible to participate in this Offer at any time during the tendering period of this Offer.
2. The Letter of Offer specifying the detailed terms and conditions of this Offer along with the Form of Acceptance-cum-Acknowledgement ("Form of Acceptance") will be mailed to all the Public Shareholders whose names appear on the register of members of the Target Company as at the close of business hours on the Identified Date.
3. The Public Shareholders who wish to tender their Equity Shares pursuant to this Offer will be required to communicate their acceptance in the form and manner specified in the Letter of Offer to Link Intime India Pvt Ltd acting as the Registrar to the Offer in accordance with the instructions contained in the Letter of Offer and Form of Acceptance. Applicants who cannot hand deliver their documents at the collection centers, as will be mentioned in the Letter of Offer, may send such documents by registered post or by courier, at their own risk and cost, to the Registrar to the Offer.
4. In the case of the Equity Shares held in dematerialized form, the depository participant ("DP") name, DP ID, account number together with a photocopy or counterfoil of the delivery instruction slip in "off-market" mode duly acknowledged by the DP for transferring the Equity Shares, as per the instructions given below:

Depository Participant Name	Ventura Securities Ltd
DPID	11117029
Client ID	IN303116
Account Name	LIIPLORL Open Offer Escrow Demat Account
Depository	National Securities Depository Limited

It is the sole responsibility of the Public Shareholders to ensure credit of their respective Equity Shares in the depository account above, prior to the closure of the Offer.

5. Public Shareholders who are holding Equity Shares in physical form and who wish to tender their respective Equity Shares in the Offer are required to submit the duly signed Form of Acceptance addressed to the Registrar to the Offer together with the original share certificate(s), valid transfer deed(s), and such other documents as may be specified in the Letter of Offer and the Form of Acceptance, either by hand delivery on weekdays or by registered post, so as to reach the Registrar to the Offer on or before the closure of the tendering period, i.e., no later than Friday, March 22, 2013, in accordance with the instructions specified in the Letter of Offer and the Form of Acceptance.
6. Persons who have acquired Equity Shares but whose names do not appear in the register of members of the Target Company as on the Identified Date, or unregistered owners or those who have acquired Equity Shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Offer by submitting an application on plain paper giving details regarding their shareholding and confirming their consent to participate in this Offer on the terms and conditions of this Offer as set out in the PA, this DPS and the Letter of Offer. Alternatively, such holders of Equity Shares may also apply on the Form of Acceptance in relation to this Offer annexed to the Letter of Offer, which may be obtained from the SEBI's website (www.sebi.gov.in) or from Link Intime India Private Limited.

The detailed procedure for tendering the Equity Shares in this Offer will be available in the Letter of Offer.

IX. OTHER INFORMATION

1. The Acquirer and the PAC and the directors of the Acquirer and the PAC accept full responsibility for the information contained in the PA and this DPS (other than such information that has been sourced from public sources or provided and confirmed by the Target Company and shall be jointly and severally responsible for the fulfillment of the obligations under the Offer and as laid down in SEBI (SAST) Regulations.
2. The Acquirer has appointed Link Intime India Private Limited as the Registrar to the Offer. Address: C-13 Pannalal Silk Mills Compound, LBS Marg, Bhandup West, Mumbai 400 078; Tel: +91 22-25967878; Fax: +91 22-25960329; E-mail: orl.off@linkintime.co.in; Contact Person: Pravin Kasare
3. This DPS and the PA would also be available on SEBI's website (www.sebi.gov.in)

Issued by the Manager to the Offer

JM FINANCIAL

JM Financial Institutional Securities Private Limited,
141, Maker Chambers III, Nariman Point, Mumbai – 400 021
Tel. No.: +91 22 6630 3030, Fax No.: +91 22 2204 7185
Email: lakshmi.lakshmanan@jmfil.com
Contact Person: Ms. Lakshmi Lakshmanan

Place : Mumbai
Date : January 22, 2013

On behalf of the Acquirer and the PAC
Dutch US Holding B.V.
RHI AG