



September 8, 2017

The General Manager
Division of Corporate Restructuring
Corporate Finance Division
Securities and Exchange Board of India,
SEBI Bhavan, Plot C4-A, G Block,
Bandra Kurla Complex, Bandra (East)
MUMBAI 400051

Dear Sir,

Sub: Request for informal guidance by way of an “Interpretive Letter” pursuant to Securities and Exchange Board of India (Informal Guidance) Scheme 2003, in respect of proposed restructuring exercise outside India, within the Dow Group.

We, (i) Dow Luxembourg Spectrum Holding S.a.r.l (“**Dow Luxembourg**”), a private company limited by shares, registered under the laws of Luxembourg, having registration no. B208942, with its principal place of business at 14, rue Edward Steichen, L-2540 Luxembourg; and (ii) Dow France S.A.S (“**Dow France**”), a private company limited by shares, registered under the laws of France, having registration no. 552.012.791 RCS Bobigny, with its principal place of business at 23, avenue Jules Rimet, 93200, Saint Denis, France, both indirect subsidiaries of The Dow Chemical Company (“**TDCC**”), wish to seek informal guidance on the applicability and interpretation of the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (“**SEBI Takeover Regulations**”) in respect of a proposed internal restructuring being explored within the Dow group, outside India, pursuant to Securities and Exchange Board of India (Informal Guidance) Scheme, 2003 (“**Informal Guidance Scheme**”).

The said proposed restructuring exercise being explored within the Dow group involves multiple steps/stages and entities. Many entities involved in Step 1 and Step 2 (as described hereinafter), would be transferee/acquirer at a particular stage and be transferor at the next stage. Dow Luxembourg and Dow France are proposed/prospective acquirers at certain (different) stages in the proposed restructuring exercise besides certain other entities being transferees/acquirers at certain other stages.

A. Background

1. Multibase India Limited (“**MIL**”), is a company incorporated under the Companies Act, 1956, with its registered office at 74/ 5-6, Daman Industrial Estate, Kadaiya Village, Nani Daman, Daman and Diu, Union Territory, 396210. The shares of MIL are listed on BSE Limited.



Category of shareholders	No. of shares	Percentage (%)
Promoters/Promoters group (Multibase S.A., France)	94,65,794	75.01*
Public	31,54,206	24.99
Total	1,26,20,000	100.00

* DCC (as referred to in paragraph 3 below) was a 50:50 joint venture between Dow Holdings LLC (merged into TDCC effective October 26, 2016) and Corning Inc. Dow Holdings LLC was a 100% subsidiary of TDCC. Pursuant to a certain transaction completed on June 1, 2016, DCC became 100% subsidiary of TDCC thereby resulting in indirect change in control of MIL. Accordingly, a public offer pursuant to the provisions of SEBI Takeover Regulations was made by Multibase S.A. (promoter and majority shareholder of MIL), the acquirer along with DCC in its capacity as the person acting in concert with the acquirer and completed in accordance with the provisions of SEBI Takeover Regulations. Pursuant to the said public offer, Multibase S.A. acquired 800 shares of MIL, as a result of which the shareholding of Multibase S.A. in MIL exceeded slightly above 75%, i.e. to 75.0063% (rounded off as 75.01%). MIL has time of 12 months from the date of acquisition of said 800 shares (date of payment of consideration to the shareholders was December 16, 2016), to dispose off excess shares, such that the shareholding of Multibase S.A. is reduced to 75%.

2. Multibase S.A., France (“**Multibase France**”), which holds 75.01% of the equity shares of MIL, as stated in paragraph (1) above, is held 0.003% by nominal shareholder(s) and 99.997% by Dow Corning France S.A.S. (“**DC France**”).
 3. DC France is held 100% by DC Global Holdings S.a.r.l (“**DC Global**”). DC Global is a 100% subsidiary of Dow Corning Corporation (“**DCC**”), which is 100% held by TDCC.
 4. Dow France is 100% owned by Rohm and Haas International SNC (“**RHI**”).
 5. RHI is 99.9999 % held by Rohm and Haas Denmark Holding Company ApS which is in turn held by Rohm and Haas Denmark Bermuda GP ApS and Rohm and Haas Denmark Bermuda GP ApS is a 100% subsidiary of Dow Europe Holding B.V. (“**Dow Europe**”). There are certain other holding companies in the chain above Dow Europe ultimately owned by TDCC. The said holding companies include an entity Dow Switzerland Holding GmbH (Switzerland) (“**DSH**”) which thus indirectly holds Dow Europe and RHI.
 6. A chart reflecting the current structure/relationship of the entities in the Dow group is enclosed as **Annexure I**.
- B. **Proposed restructuring:** The proposed restructuring exercise contemplates the merger of DC France into Dow France. The merger is proposed to be preceded with the transactions, as described in Step 1 and Step 2 below:
1. **Step 1 - Transfer of shares of DC Global:** Transfer of shares of DC Global will take place as follows:
 - (a) First, from DCC to Dow Luxembourg in exchange for shares;
 - (b) Then, from Dow Luxembourg to Dow Luxembourg Galaxy Holding S.a.r.l in exchange for share premium;



(c) Finally from Dow Luxembourg Galaxy Holding S.a.r.l to DSH in exchange for shares.

Thus, upon completion of steps stated at (a) to (c) above, DC Global will become a 100% subsidiary of DSH, which is ultimately held 100% by TDCC. Accordingly, post completion of Step 1, Multibase France will become an indirect subsidiary of DSH, which is ultimately held 100% by TDCC.

2. **Step 2 – Transfer of shares of DC France:** Upon the completion of Step 1 as stated above, DC Global will transfer/contribute shares of DC France down the chain, to RHI for no consideration, as described below:

(i) From DC Global to DC Spectrum Holding CV, Netherlands;

(ii) From DC Spectrum Holding CV, Netherlands to Cooperatieve DC Prisma Holding U.A.;

(iii) From Cooperatieve DC Prisma Holding U.A. to Dow International Holdings S.A.;

(iv) From Dow International Holdings S.A to DC Galaxy Holding C.V., Netherlands;

(v) From DC Galaxy Holding C.V., Netherlands to Dow Europe;

(vi) From Dow Europe to RHI.

Thus, upon completion of steps stated at (i) to (vi) above, DC France will become a 100% subsidiary of RHI, which is ultimately held 100% by TDCC. Accordingly, post completion of Step 2, Multibase France will become an indirect subsidiary of RHI, which is ultimately held 100% by TDCC.

3. **Step 3 - Merger of DC France into Dow France:** Upon completion of Step 2, i.e. DC France becoming a direct 100% subsidiary of RHI, DC France is proposed to be merged into Dow France, which is also a direct 100% subsidiary of RHI.

4. Accordingly, post completion of Step 3, Multibase France will be owned 0.003% by nominal shareholder(s) and 99.997% by Dow France which would be 100% owned by RHI. RHI will continue to be ultimately 100% owned by TDCC. Multibase France will continue to hold 75.01% of the equity shareholding of MIL, as was the case prior to the proposed restructuring exercise. Thus prior and post restructuring the ultimate control of MIL will remain with TDCC.

5. Each of the transfer of shares/transactions as enumerated under Step 1 (Transfer/contribution of shares of DC Global from DCC ultimately to DSH) are contemplated to be done on the same day. Similarly, each of the transfer of shares/transactions as enumerated under Step 2 (Transfer/contribution of shares of DC France from DC Global ultimately to RHI) are also contemplated to be done on a single day (this may be a different day from that of the day on which all the transactions under Step 1 are completed).

6. All the entities involved (before and after the proposed restructuring exercise) will continue to be ultimately held and controlled by TDCC.



7. A graphic description of the aforesaid three step restructuring proposal is attached as Annexure II, for your ready reference. A chart showing the final structure, post completion of the restructuring exercise is also attached as Annexure III.

C. Applicable Legal Provisions

Relevant Provisions of SEBI Takeover Regulations

1. Regulation 3(1) of SEBI Takeover Regulations *inter-alia* provides that no acquirer shall acquire shares or voting rights in a target company which taken together with shares or voting rights, if any, held by him and by persons acting in concert with him in such target company, entitle them to exercise twenty-five per cent or more of the voting rights in such target company unless the acquirer makes a public announcement of an open offer for acquiring shares of such target company in accordance with the SEBI Takeover Regulations.

Regulation 3(2) of SEBI Takeover Regulations, *inter-alia* provides that no acquirer, who together with persons acting in concert with him, has acquired and holds in accordance with these regulations shares or voting rights in a target company entitling them to exercise twenty-five per cent or more of the voting rights in the target company but less than the maximum permissible non-public shareholding, shall acquire within any financial year additional shares or voting rights in such target company entitling them to exercise more than five per cent of the voting rights, unless the acquirer makes a public announcement of an open offer for acquiring shares of such target company in accordance with these regulations.

2. Regulation 4 of SEBI Takeover Regulations provides that irrespective of acquisition or holding of shares or voting rights in a target company, no acquirer shall acquire, directly or indirectly, control over such target company unless the acquirer makes a public announcement of an open offer for acquiring shares of such target company in accordance with the SEBI Takeover Regulations.
3. "Control", as defined in Regulation 2(1)(e) of SEBI Takeover Regulations, includes the right to appoint majority of the directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements or in any other manner.
4. In terms of Regulation 5 of SEBI Takeover Regulations, for the purposes of Regulation 3 and Regulation 4, acquisition of shares or voting rights in, or control over, any company or other entity, that would enable any person and persons acting in concert with him to exercise or direct the exercise of such percentage of voting rights in, or control over, a target company, the acquisition of which would otherwise attract the obligation to make a public announcement of an open offer for acquiring shares under these regulations, shall be considered as an indirect acquisition of shares or voting rights in, or control over the target company.



5. As per Regulation 10(1) of SEBI Takeover Regulations, *inter-alia*, the following acquisitions shall be exempt from the obligation to make an open offer under regulation 3 and regulation 4 subject to fulfillment of the conditions stipulated therefor, -

- (a) acquisition pursuant to *inter-se* transfer of shares amongst qualifying persons, being, -
- (i)...
 - (ii)...
 - (iii) a company, its subsidiaries, its holding company, other subsidiaries of such holding company, persons holding not less than fifty per cent of the equity shares of such company, other companies in which such persons hold not less than fifty per cent of the equity shares, and their subsidiaries subject to control over such qualifying persons being exclusively held by the same persons;
 - (iv)....
 - (v).....

Provided that for purposes of availing of the exemption under this clause, -

- (i) If the shares of the target company are frequently traded, the acquisition price per share shall not be higher by more than twenty-five per cent of the volume-weighted average market price for a period of sixty trading days preceding the date of issuance of notice for the proposed *inter se* transfer under sub-regulation (5), as traded on the stock exchange where the maximum volume of trading in the shares of the target company are recorded during such period, and if the shares of the target company are infrequently traded, the acquisition price shall not be higher by more than twenty-five percent of the price determined in terms of clause (e) of sub-regulation (2) of regulation 8; and
- (ii) the transferor and the transferee shall have complied with applicable disclosure requirements set out in Chapter V.

6. Further, as per Regulation 10(1)(d)(iii) of Takeover Regulations, acquisition pursuant to a scheme of arrangement not directly involving the target company as a transferor company or as a transferee company, or reconstruction not involving the target company's undertaking, including amalgamation, merger or demerger, pursuant to an order of a court or a competent authority under any law or regulation, Indian or foreign is exempt from the obligation to make an open offer subject to fulfillment of the following conditions—

- (A) the component of cash and cash equivalents in the consideration paid being less than twenty-five per cent of the consideration paid under the scheme; and
- (B) where after implementation of the scheme of arrangement, persons directly or indirectly holding at least thirty-three per cent of the voting rights in the combined entity are the same as the persons who held the entire voting rights before the implementation of the scheme.

7. In terms of Regulation 10(5), in respect of acquisitions under clause (a) of sub-regulation (1), the acquirer shall intimate the stock exchanges where the shares of the target company are listed, the details of the proposed acquisition in such form as may be specified, at least four working days



prior to the proposed acquisition, and the stock exchange shall forthwith disseminate such information to the public.

8. In terms of Regulation 10(6), in respect of any acquisition made pursuant to exemption provided for in regulation 10, the acquirer shall file a report with the stock exchanges where the shares of the target company are listed, in such form as may be specified not later than four working days from the acquisition, and the stock exchange shall forthwith disseminate such information to the public.
9. As per Regulation 10(7), in respect of any acquisition of or increase in voting rights pursuant to exemption provided for in clause (a) of sub-regulation (1), sub-clause (iii) of clause (d) of sub-regulation (1), the acquirer shall, within twenty-one working days of the date of acquisition, submit a report in such form as may be specified along with supporting documents to the Board giving all details in respect of acquisitions, along with a non-refundable fee of rupees one lakh fifty thousand by way of a banker's cheque or demand draft payable in Mumbai in favour of the Board.

D. Our Analysis

1. Pursuant to transfer of shares of DC Global, as stated in Step 1 (Transfer of shares of DC Global from DCC ultimately to DSH) above, DC Global will become a 100% subsidiary of DSH. As a result, at that stage, the subsidiaries of DC Global, which include DC France and Multibase France (which holds 75.01% shares of MIL), will also become indirect subsidiaries of DSH. TDCC will continue to remain the ultimate entity which owns Multibase France (as is the case before the aforesaid proposed acquisition of DC Global by DSH). Accordingly, the proposed acquisition by DSH of DC Global from DCC as described in Step 1, would not result in change in ultimate control of MIL. However, the chain of ownership/holding (indirect) of MIL will change pursuant to this step in as much as new entities (though all ultimately 100% held by TDCC) will step into the chain of entities holding DC Global and consequently DC France, Multibase France and MIL pursuant to completion of this step. It is our understanding that this would amount to indirect acquisition of shares in terms of Regulation 3 read with Regulation 5 of SEBI Takeover Regulations subject to exemptions, if any, available from making an open offer, under Regulation 10 of the SEBI Takeover Regulations.
2. As a result of the proposed contribution of DC France down the chain to RHI as described in Step 2 (Transfer of shares of DC France from DC Global ultimately to RHI) above, DC France and Multibase France (which holds 75.01% shares of MIL) would become subsidiaries of RHI, though all entities would be ultimately owned and controlled by TDCC, as is the position before the proposed transactions. It is our understanding that these transfers would also amount to indirect acquisition of shares in terms of Regulation 3 read with Regulation 5 of SEBI Takeover Regulations subject to exemptions, if any, available from making an open offer, under Regulation 10 of the SEBI Takeover Regulations.
3. As per Regulation 10(1) (a) of SEBI Takeover Regulations, acquisition pursuant to *inter-se* transfer of shares amongst qualifying persons falling under the categories provided therein shall be exempt from the obligation to make an open offer under Regulation 3 and Regulation 4 subject to fulfillment of the conditions stipulated therefor. From a combined reading of Regulation 5 together



with Regulation 3, Regulation 4 and Regulation 10, it is our understanding that even in case of indirect acquisitions, the exemptions under Regulation 10 are available.

4. All the entities (transferors/transferees) covered under Step 1 and Step 2 above, being group companies/co-subidiaries ultimately held 100% by common parent TDCC, would in our view fall under the purview of the category of qualifying persons provided under Regulation 10(1)(a)(iii) of SEBI Takeover Regulations. Accordingly, it is our view that:
 - (a) each proposed acquisition/transfer as stated in Step 1 (Transfer of shares of DC Global from DCC, ultimately to DSH) would qualify for the exemption under Regulation 10 (1)(a)(iii) of SEBI Takeover Regulations;
 - (b) similarly, each proposed acquisition/transfer as stated in Step 2 (Transfer of shares of DC France from DC Global, ultimately to RHI) would also qualify for the exemption under Regulation 10 (1)(a)(iii) of SEBI Takeover Regulations,subject to fulfilment of the conditions prescribed therein.
5. Further, we understand that the condition prescribed under the proviso to Regulation 10 (1) (a), relating to the acquisition price, will not be relevant in the proposed transactions under Step 1 and Step 2, since they would be indirect acquisitions, as discussed above.
6. In view of the fact that each of the transfer of shares/transactions as enumerated under Step 1 are contemplated to be done on the same day and similarly each of the transfer of shares/transactions as enumerated under Step 2 are also contemplated to be done on a single day, it is our view that consolidated filings (signed on behalf of all the acquirers/transferee entities) pursuant to Regulations 10(5), 10(6) and 10(7) of the SEBI Takeover Regulations (separate consolidated filings under each of these regulations) covering each of the transfers/transactions in Step 1, and similarly for Step 2, can be done and that the same would be sufficient compliance with Regulations 10(5), 10(6) and 10(7) of the SEBI Takeover Regulations. Such consolidated intimations/filings in our view would help detail the transactions clearly and avoid any confusion, if any, that may arise if disclosures under Regulations 10(5), 10(6) and 10(7) were to be made separately in respect of each of the transfers covered under Step 1 and Step 2.
7. As stated above, in Step 3, DC France is proposed to be merged into Dow France, both, at this stage, being 100% subsidiaries of RHI. Post the said merger, while the entity holding Multibase France and consequently indirect holding entity of MIL would change from DC France to Dow France, MIL would continue to be held 75.01% by Multibase France, with all these entities ultimately being held by the TDCC, as was the case prior to the proposed transactions. It is our understanding that Step 3 should not attract the provisions of Regulations 3, 4 or 5 of the SEBI Takeover Regulations.

E. Queries

1. Whether each step involving (i) transfer of the shares of DC Global (Transfer of shares of DC Global from DCC ultimately to DSH), as described in Step 1; and (ii) transfer of the shares of DC France (Transfer of shares of DC France from DC Global ultimately to RHI), as described in Step



- 2, attract the provisions of Regulation 3 of the SEBI Takeover Regulations/amounts to indirect acquisition of shares in terms of Regulation 3 read with Regulation 5 of SEBI Takeover Regulations and triggers the requirement on the concerned acquiring entities to make an open offer in accordance with SEBI Takeover Regulations, subject to exemptions, if any, available under Regulation 10?
2. If the answer to query 1 above is in the affirmative, please confirm our understanding that each of the concerned acquirer/transferee entities shall qualify for the exemption in terms of Regulation 10(1)(a)(iii) of the SEBI Takeover Regulations, in respect of each of the transfer of shares as described in Step 1 and Step 2.
 3. In case the exemptions in terms of Regulation 10(1)(a)(iii) of the SEBI Takeover Regulations stated in query 2 above are available to each of the concerned acquiring entities, please confirm that our understanding is correct that the condition in relation to the acquisition price, as prescribed under the proviso to Regulation 10(1)(a), will not be relevant/applicable for each of the proposed transactions under Step 1 and Step 2, as each of the said transactions would be an indirect acquisition.
 4. In case the exemptions in terms of Regulation 10(1)(a)(iii) of the SEBI Takeover Regulations as stated in query 2 above are available to each of the concerned acquiring entities, considering that each of the transfer of shares/transactions as enumerated under Step 1 are contemplated to be done on the same day and similarly each of the transfer of shares/transactions as enumerated under Step 2 are also contemplated to be done on a single day, whether:
 - (i) a single consolidated filing (signed on behalf of each of the transferees/acquiring entities) pursuant to Regulation 10(5) of the SEBI Takeover Regulations, covering each transfer of shares/transaction in Step 1 and similarly for Step 2 can be made and that such consolidated filings would be sufficient compliance with Regulation 10(5) of the SEBI Takeover Regulations.?
 - (ii) a single consolidated filing (signed on behalf of each of the transferees/acquiring entities) pursuant to Regulation 10(6) of the SEBI Takeover Regulations covering each transfer of shares/transaction in Step 1 and similarly for Step 2 can be made and that such consolidated filings would be sufficient compliance with Regulation 10(6) of the SEBI Takeover Regulations.?
 - (iii) a single consolidated filing (signed on behalf of each of the transferees/acquiring entities) pursuant to Regulation 10(7) of the SEBI Takeover Regulations covering each transfer of shares/transaction in Step 1 and similarly for Step 2 can be made and that such consolidated filings would be sufficient compliance with Regulation 10(7) of the SEBI Takeover Regulations.?
 5. Whether the proposed merger of DC France into Dow France as discussed in Step 3 would attract the provisions of Regulations 3, 4 or 5 of the SEBI Takeover Regulations? In case Step 3 attracts the provisions of aforesaid regulations 3, 4 or 5 of the SEBI Takeover Regulations, please confirm our understanding that the merger would qualify for exemption under Regulation 10(1)(d)(iii) of the SEBI Takeover Regulations.



We request you to kindly issue an interpretive letter as requested, in respect of the queries stated in paragraphs E (1-5) above.

Further, keeping in view the nature of the proposed restructuring being explored within the Dow group in respect of which the informal guidance is sought, we request you to kindly treat this letter and the information contained herein as confidential, in terms of paragraph 11 of the Informal Guidance Scheme.

Should you need any information or clarification, please feel free to contact the undersigned.

Please find enclosed herewith, the following:

- (i) A chart reflecting the current structure of the entities in the Dow group (Annexure I);
- (ii) A graphic description of the proposed transactions (Annexure II);
- (iii) A chart showing the final structure, post completion of the proposed restructuring exercise (Annexure III);
- (iv) Power of Attorney in favour of the signatory;
- (v) A demand draft of Rs. 25,000 (Indian Rupees Twenty five thousand only) towards fees for informal guidance.

Thanking You.

Yours faithfully,

For Dow Luxembourg Spectrum Holding S.a.r.l
14, rue Edward Steichen, L-2540 Luxembourg

Name: Ramolla Karnani
Designation: Constituted Attorney
Address: 02, Block B, 1st Floor, Godrej Business District, LBS Marg, Vikhroli (W), Mumbai 400079
Email id: rkarnani@dow.com
Phone number: +91 22 66741506

For Dow France S.A.S
23, avenue Jules Rimet, 93200, Saint Denis, France

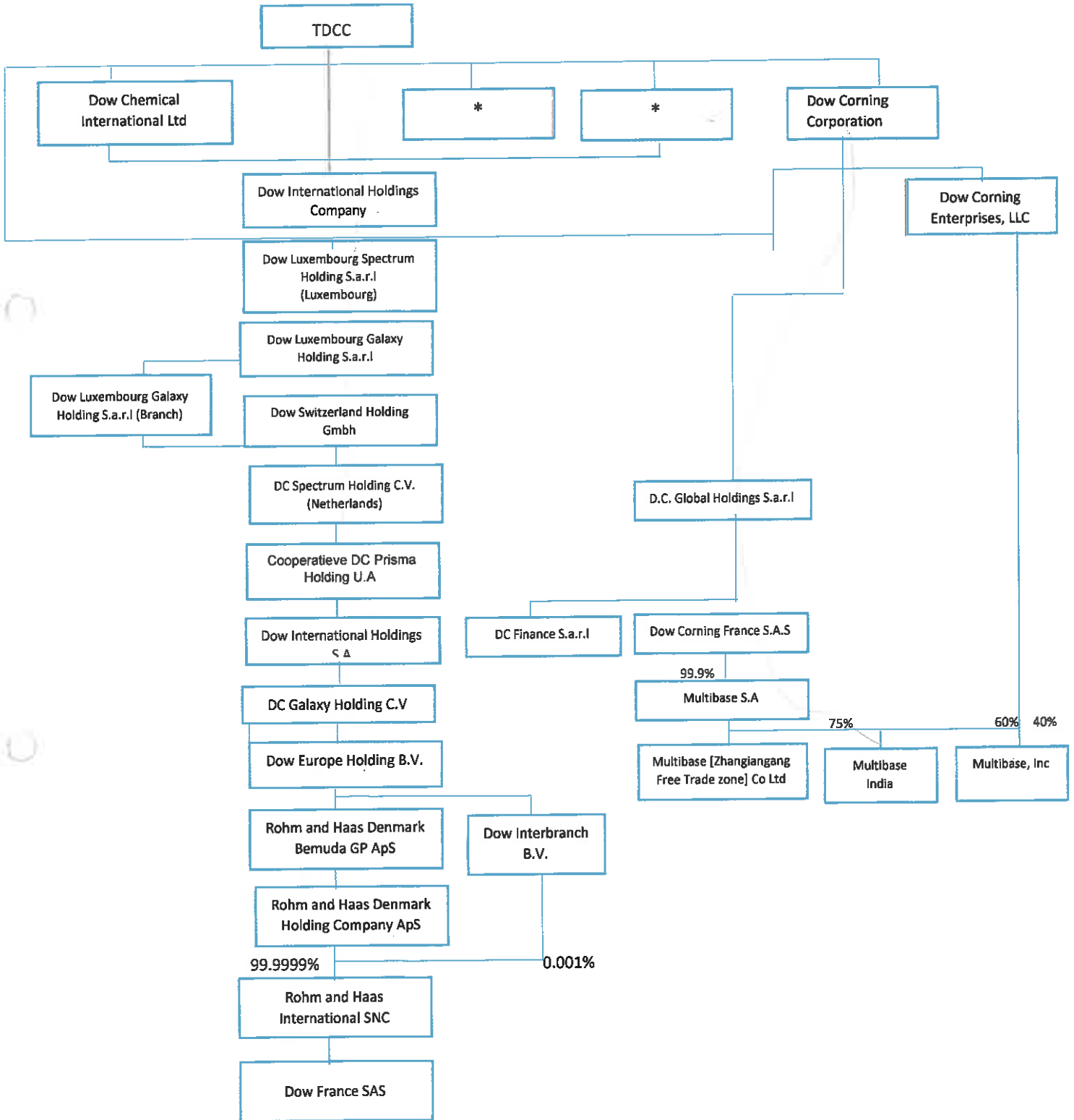
Name: Ramolla Karnani
Designation: Constituted Attorney
Address: 02, Block B, 1st Floor, Godrej Business District, LBS Marg, Vikhroli (W), Mumbai 400079
Email id: rkarnani@dow.com
Phone number: +91 22 66741506

Enclosures: as above



Annexure I

Current Structure of the entities in the DOW Group



Notes:

- 1) * TDCC has four direct subsidiaries of which two are not relevant to this transaction and hence not depicted.



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Annexure II

Graphic description of the Proposed Transactions

A. STEP 1: Transfer of shares of DC Global Holdings S.a.r.l

Sr. No.	Transferor	Transferee
1.	Dow Corning Corporation (DCC)	Dow Luxembourg Spectrum Holding S.a.r.l. (Dow Luxembourg)
2.	Dow Luxembourg Spectrum Holding S.a.r.l. (Dow Luxembourg)	Dow Luxembourg Galaxy Holding S.a.r.l
3.	Dow Luxembourg Galaxy Holding S.a.r.l	Dow Switzerland Holding GmbH (DSH)

B. STEP 2: Transfer /Contribution of shares of Dow Corning France S.A.S (DC France)

Sr. No.	Transferor	Transferee
1.	DC Global Holdings S.a.r.l (DC Global)	DC Spectrum Holding CV, Netherlands
2.	DC Spectrum Holding CV, Netherlands	Cooperatieve DC Prisma Holding U.A.
3.	Cooperatieve DC Prisma Holding U.A.	Dow International Holdings S.A.
4.	Dow International Holdings S.A	DC Galaxy Holding C.V., Netherland
5.	DC Galaxy Holding C.V., Netherland	Dow Europe Holding BV (Dow Europe)
6.	Dow Europe Holding BV (Dow Europe)	Rohm and Haas International SNC, France (RHI)

At level 6: Dow Corning France S.A.S (DC France) becomes a subsidiary of Rohm and Haas International SNC, France (RHI).

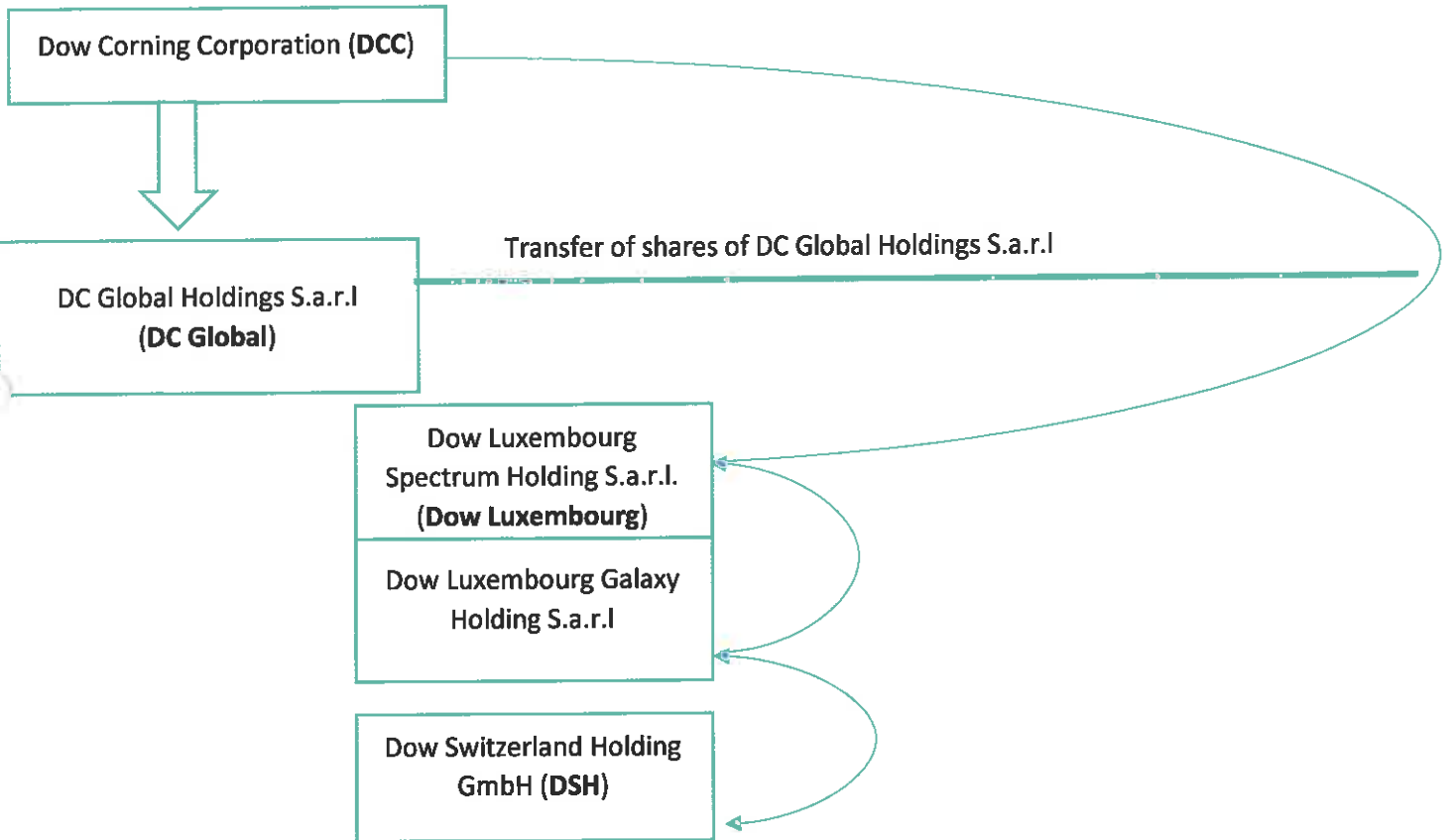
C. STEP 3: Merger of Dow Corning France S.A.S (DC France) and Dow France S.A.S (Dow France)

Further in at Step 3 Dow Corning France S.A.S (DC France) will be merged with Dow France S.A.S. (Dow France). Hence, Multibase SA will become a direct subsidiary of Dow France S.A.S (Dow France) and Multibase India Limited (MIL) will become indirect subsidiary of Dow France S.A.S (Dow France).

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Transaction 1: Transfer of shares of DC Global Holdings S.a.r.l

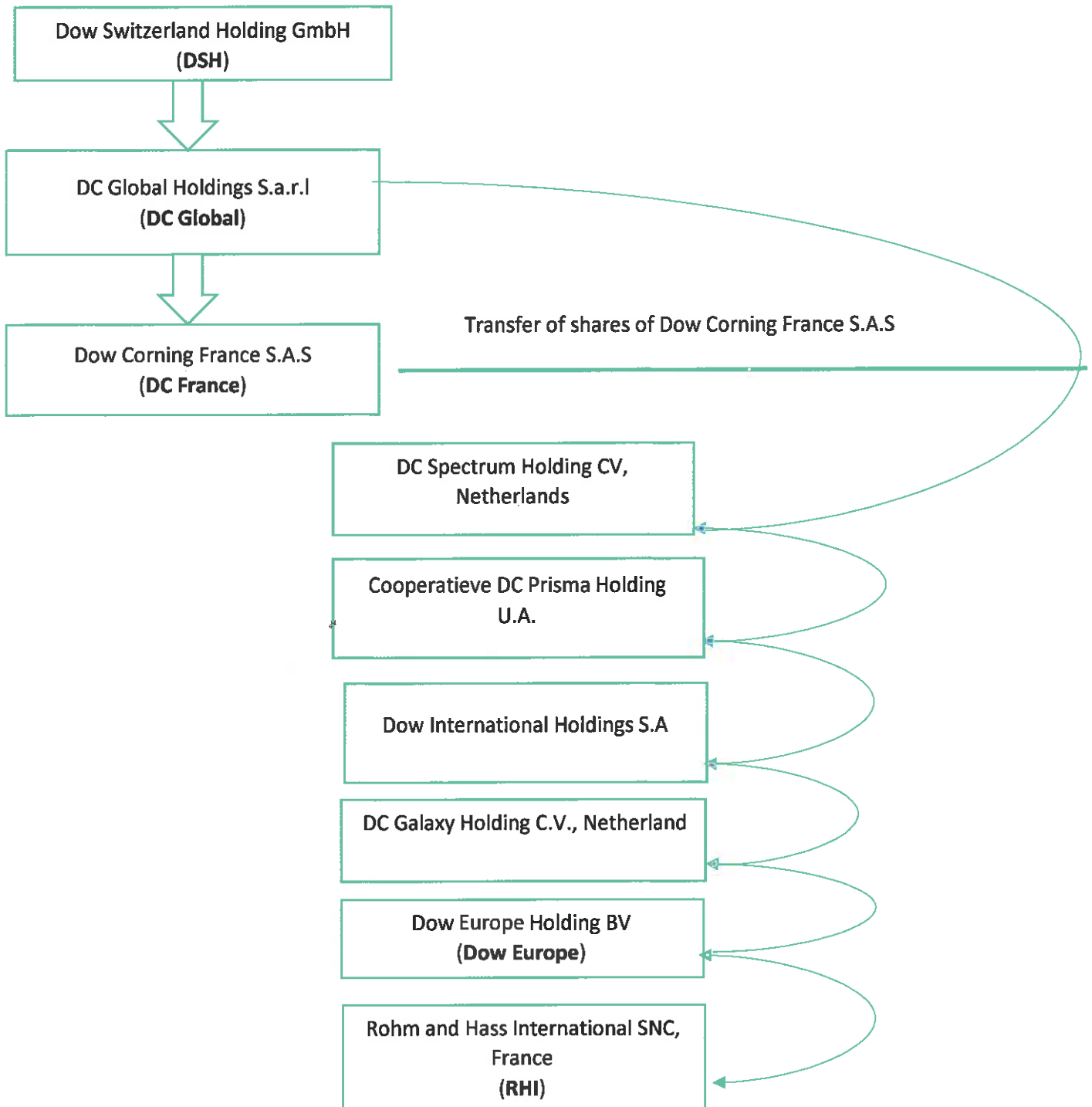


Notes:

DC Global becomes a subsidiary of DSH post the aforesaid transaction



Transaction 2: Transfer of shares of Dow Corning France S.A.S

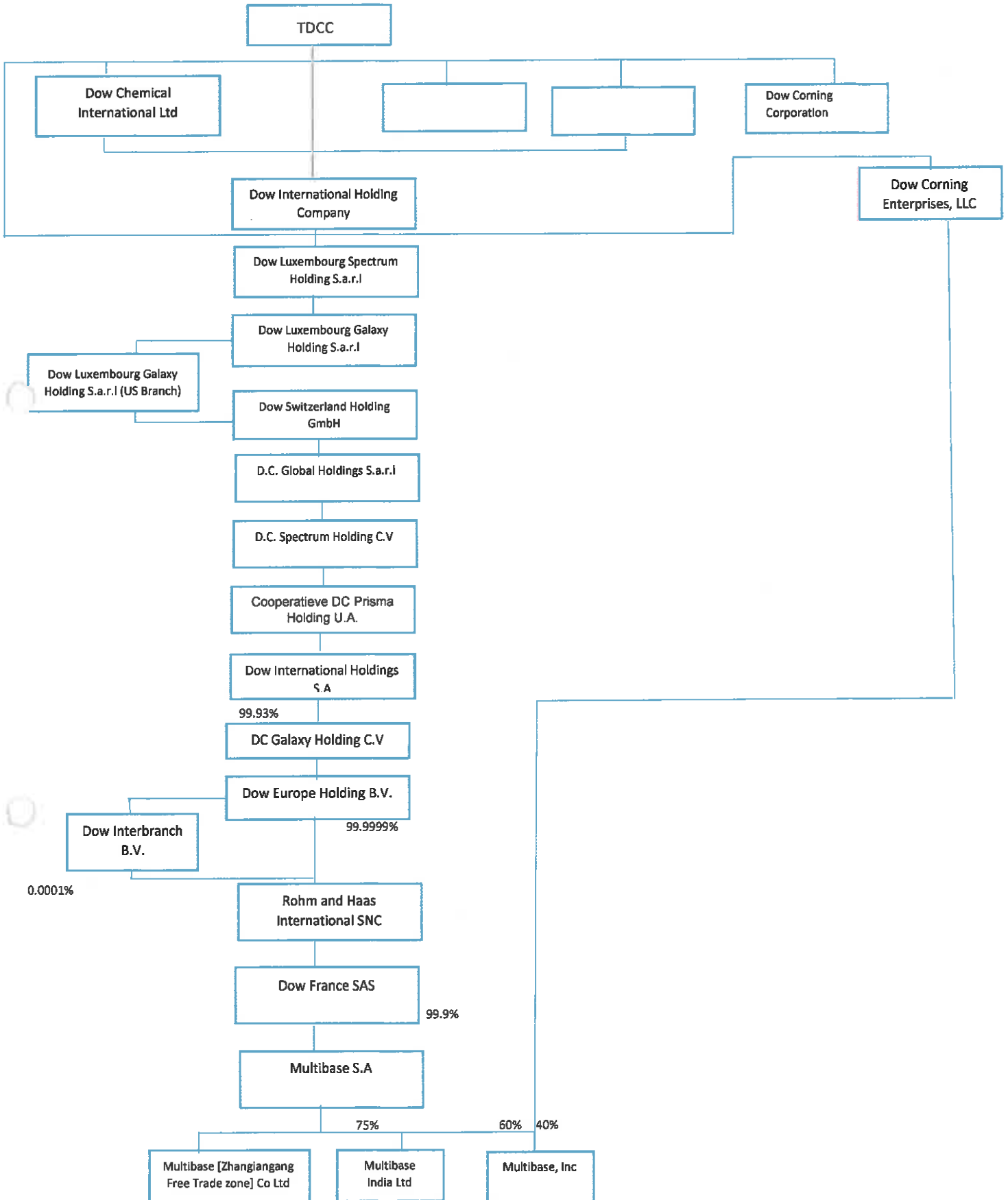


Note: After DC France becomes a subsidiary of RHI it is proposed to be merged with Dow France. Accordingly Multibase S.A. will become subsidiary of Dow France and Multibase India Limited (MIL) will become indirect subsidiary of Dow France.



Annexure III

Final structure post completion of the proposed restructuring exercise



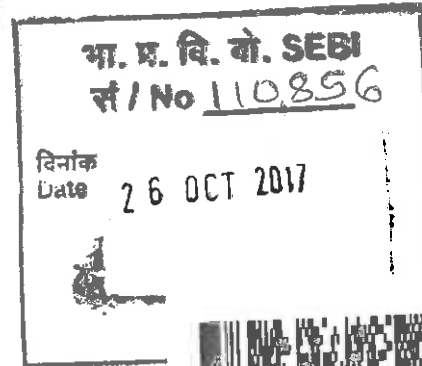
Notes:
 Following transactions/changes are also proposed to take place as part of the overall restructuring exercise contemplated within the Dow group. However, these do not have any impact from the perspective of SEBI Takeover Regulations and accordingly, have not been depicted in the structures in Annexure I, II and III.

- (i) Before Step 1, Rohm and Haas Denmark Holding Company ApS will sell shares of Rohm and Haas International SNC, held by it to Dow Europe Holding B.V. As a result, Rohm and Haas will become a direct subsidiary of Dow Europe Holding B.V.
- (ii) After completion of Step 1 but before Step 2, Dow Switzerland Holding GmbH shall sell shares of DC Spectrum Holding C.V., held by it to DC Global Holdings S.a.r.l. As a result of this transfer, DC Global Holdings S.a.r.l. will become the holding entity of DC Spectrum Holding C.V. and its subsidiaries.



October 26, 2017

Mr. Pavan Shah
Division of Corporate Restructuring
Corporate Finance Division
Securities and Exchange Board of India,
SEBI Bhavan, Plot C4-A, G Block,
Bandra Kurla Complex, Bandra (East)
MUMBAI 400051



SEBI/IW/P/20171026/0000110856

Dear Sir,

Sub: Our application dated September 8, 2017 requesting for informal guidance by way of an "Interpretive Letter" in respect of proposed restructuring exercise outside India, within the Dow Group.

Ref: Meeting at your office on October 12, 2017 and our letter dated October 18, 2017

This is further to our letter dated October 18, 2017. We wish to submit the following further information, as sought by you during our meeting on October 12, 2017 at your offices.

1. Merger process in France, in view of the proposed merger of Dow Corning France S.A.S and Dow France S.A.S at Step 3, as described in our application.

The process of merger in France is governed by the Commercial Code. There is a separate chapter under the Commercial Code which deals with and lays down the process to be followed for merger of companies incorporated in France. The Commercial Code allows one or more companies by means of a merger, to transfer their assets and liabilities to an existing company or to a new company. The merger is required to be approved by the shareholders of both the companies with requisite majority. The merger process involves appointment of a merger auditor, or at least a contribution auditor, since the merger involves in the case at hand sister companies, preparation of a merger plan by the participating companies, filing the same with the concerned registry of the Tribunal de commerce (Commercial Court) of Bobigny and request of the publication in the official legal gazette (BODACC). This publication starts the 30-day opposition period granted to the creditors of both French entities, which would oppose to the merger. During this 30-day period, the creditors may oppose the merger plan before the Commercial Court. The Court can refuse the opposition, order the reimbursement of the creditors or require the absorbing company to provide the requisite guarantee to protect the interest of the creditors of the absorbed company. In consideration of the merger, the parent company of the absorbed company will receive new shares of the absorbing company. In order for the merger to be valid, the participating companies are required to file with the registry a declaration (compliance statement) in which they have to record all the acts carried out in order to proceed with this operation of merger as laid down in the Commercial Code and by which they have to confirm that the operation of merger has been carried out in accordance with the acts and regulations.



WORLDWIDE PARTNER



A notice regarding the completion of the merger, the correlative increase in capital of the absorbing company and the dissolution of non-surviving company without liquidation is published in a legal gazette. Tax registration and legal formalities have therefore to be carried out in order to reflect the increase in capital of the absorbing company and the removal of non-surviving company from the commercial registry of Bobigny.

2. **Reasons for transfers contemplated at Step1 and Step 2 through multiple entities.**



The goal of the transactions is to eliminate Dow Corning France S.A.S (“**DC France**”) and simplify the organizational structure of The Dow Chemical Company through tax neutral internal reorganizations.

Considering that DC France and Dow France S.A.S (“**Dow France**”), the two relevant entities, are currently located in different ownership chains (although each of the entities in both the chains is owned and controlled by The Dow Chemical Company), a direct merger of the two entities would create cross-chain ownerships, which would increase the administrative burden and cost to maintain the entities going forward, and are generally avoided as a matter of the corporate policy. In addition, a sale of the shares of DC France to the relevant chain would not be tax-efficient from the US federal income tax perspective.

The current plan, which involving contributions down-the-chain of DC France followed by a brother-sister merger into Dow France, should achieve the goal of tax neutral reorganization from the perspective of each relevant country in the chain, and should simplify the organizational structure by eliminating DC France without creating cross-chain ownerships or triggering material tax costs.

Thanking You.

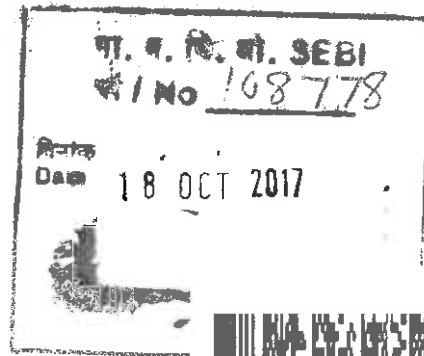
Yours faithfully,

<p>For Dow Luxembourg Spectrum Holding S.a.r.l 14, rue Edward Steichen, L-2540 Luxembourg</p>  <hr/> <p>Name: Ramolla Karnani Designation: Constituted Attorney Address: 02, Block B, 1st Floor, Godrej Business District, LBS Marg, Vikhroli (W), Mumbai 400079 Email id: rkarnani@dow.com Phone number: +91 22 66741506</p>	<p>For Dow France S.A.S 23, avenue Jules Rimet, 93200, Saint Denis, France</p>  <hr/> <p>Name: Ramolla Karnani Designation: Constituted Attorney Address: 02, Block B, 1st Floor, Godrej Business District, LBS Marg, Vikhroli(W), Mumbai 400079 Email id: rkarnani@dow.com Phone number: +91 22 66741506</p>
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October 18, 2017

Mr. Pavan Shah
Division of Corporate Restructuring
Corporate Finance Division
Securities and Exchange Board of India,
SEBI Bhavan, Plot C4-A, G Block,
Bandra Kurla Complex, Bandra (East)
MUMBAI 400051



SEBI/IW/P/2017101/0000108778

Dear Sir,

Sub: Our application dated September 8, 2017 requesting for informal guidance by way of an "Interpretive Letter" in respect of proposed restructuring exercise outside India, within the Dow Group.

Ref: Meeting at your office on October 12, 2017

We thank you for giving time and meeting us at your offices on October 12, 2017.

In furtherance of the said meeting regarding our application dated September 8, 2017 referred above, we wish to submit the information sought by you, as follows:

1. Shareholding details of each of the entities holding (directly/indirectly) shares of Multibase India Limited ("MIL") are as under:
 - (i) Multibase S.A., France ("**Multibase France**") holds 75.01%¹ of share capital of MIL and the remaining share capital of MIL is held by public.
 - (ii) Multibase France is held 0.003% by nominal shareholder(s) and 99.997% by Dow Corning France S.A.S. ("**DC France**").
 - (iii) DC France is held 100% by DC Global Holdings S.a.r.l ("**DC Global**"). DC Global is a 100% subsidiary of Dow Corning Corporation ("**DCC**"), which is 100% held by The Dow Chemical Company ("**TDCC**").
2. Shareholding details of each of the other relevant entities (reflecting TDCC's (direct or indirect) shareholding in each of the entities) as on September 8, 2017 are as follows:

¹ Please refer to paragraph A.1 of our application dated 08 September, 2017.



WORLDWIDE PARTNER

bc

	Entity name	Shareholding details
1.	Dow International Holdings Company	(i) 76.15% held by TDCC (ii) 15.01% held by Union Carbide Corporation which is in turn 100% direct subsidiary of TDCC (iii) 8.8% held by Essex Specialty Products LLC which is in turn 100% direct subsidiary of TDCC (iv) 0.04% held by Dow Chemical International Limited which is in turn 100% direct subsidiary of TDCC
2.	Dow Luxembourg Spectrum Holding S.a.r.l (“Dow Luxembourg”)	(i) 97.40% held by Dow International Holdings Company (ii) 1.93% by Dow Corning Corporation. (iii) Balance 0.67% shares held by Rohm and Haas Denmark A/S
3.	Dow Luxembourg Galaxy Holding S.a.r.l	100% held by Dow Luxembourg Spectrum Holding S.a.r.l
4.	Dow Switzerland Holding GmbH (“DSH”)	100% held by Dow Luxembourg Galaxy Holding S.a.r.l
5.	DC Spectrum Holding C.V.	(i) 99.99% held by Dow Switzerland Holding GmbH (ii) Nominal shares held by Dow Netherlands Holding LLC
6.	Cooperatieve DC Prisma Holding U.A	(i) 99.999 % held by DC Spectrum Holding C.V. (ii) Balance 0.001% held by Dow Netherlands Investments LLC
7.	Dow International Holdings S.A.	100% held by Cooperatieve DC Prisma Holding U.A
8.	DC Galaxy Holding C.V.	(i) 99.93% held by Dow International Holdings S.A. (ii) Nominal shares (0.07%) held by Dow Dutch Holding B.V.
9.	Dow Europe Holding B.V. (“Dow Europe”)	100% held by DC Galaxy Holding C.V.
10.	Rohm and Haas Denmark Bermuda GP ApS	100% held by Dow Europe Holding B.V.
11.	Rohm and Haas Denmark Holding Company ApS	100% held by Rohm and Haas Denmark Bermuda GP ApS
12.	Rohm and Haas International SNC	(i) 99.99% held by Rohm and Haas Denmark Holding Company ApS (ii) Nominal shares (0.0001%) held by Dow Interbranch B.V.
13.	Dow France SAS	100% held by Rohm and Haas International SNC

Attached hereto, for your ready reference is the flowchart of the transaction (existing structure as well as the final structure post execution of various steps) as Annexure I.



3. As desired, please also note below the description of the proposed three step restructuring, with inclusion of shareholding details of each of the entities involved.

A. **Step 1 - Transfer of shares of DC Global Holdings S.a.r.l:** Transfer of shares of DC Global Holdings S.a.r.l will take place as follows:

- (a) First, from Dow Corning Corporation (100% direct subsidiary of TDCC) to Dow Luxembourg Spectrum Holding S.a.r.l (97.40% held by Dow International Holdings Company, 1.93% shares held by Dow Corning Corporation and balance 0.67% shares held by Rohm and Haas Denmark A/S) in exchange for shares;
- (b) Then, from Dow Luxembourg Spectrum Holding S.a.r.l to Dow Luxembourg Galaxy Holding S.a.r.l (100% held by Dow Luxembourg Spectrum Holding S.a.r.l) in exchange for share premium;
- (c) Finally from Dow Luxembourg Galaxy Holding S.a.r.l to Dow Switzerland Holding GmbH (100% held by Dow Luxembourg Galaxy Holding S.a.r.l (through)) in exchange for shares.

B. **Step 2 – Transfer of shares of Dow Corning France S.A.S:** Upon the completion of Step 1 as stated above, DC Global Holdings S.a.r.l will transfer/contribute shares of Dow Corning France S.A.S down the chain, to Rohm and Haas International SNC for no consideration, as described below:

- (i) From DC Global Holdings S.a.r.l (held 100% by Dow Switzerland Holding GmbH as a result of Step 1) to DC Spectrum Holding CV, Netherlands (99.99% shares held by DC Global and nominal shares held by Dow Netherlands Holding LLC, as a result of transfer of shares from Dow Switzerland Holding GmbH to DC Global Holdings S.a.r.l after Step 1);
- (ii) From DC Spectrum Holding CV, Netherlands to Cooperatieve DC Prisma Holding U.A. (99.999% held by DC Spectrum Holding C.V. and balance 0.001% held by Dow Netherlands Investments LLC)
- (iii) From Cooperatieve DC Prisma Holding U.A. to Dow International Holdings S.A. (100% held by Cooperatieve DC Prisma Holding U.A.);
- (iv) From Dow International Holdings S.A to DC Galaxy Holding C.V., Netherlands (99.93% held by Dow International Holdings S.A. and nominal shares (0.07%) held by Dow Dutch Holding B.V.);
- (v) From DC Galaxy Holding C.V., Netherlands to Dow Europe Holding B.V (100% held by DC Galaxy Holding C.V);





(vi) From Dow Europe Holding B.V. to Rohm and Haas International SNC (99.99% held by Rohm and Haas Denmark Holding Company ApS and nominal shares (0.0001%) held by Dow Interbranch B.V.)



Accordingly, each of the entities involved in proposed restructuring described at Step 1 and Step 2 above (both before and after the proposed Step 1 and Step 2) are direct/indirect subsidiaries of TDCC.

C. **Step 3 - Merger of DC France into Dow France:** Upon completion of Step 2, i.e. Dow Corning France S.A.S becoming a direct 100% subsidiary of Rohm and Haas International SNC, Dow Corning France S.A.S is proposed to be merged into Dow France S.A.S, which is also a direct 100% subsidiary of Rohm and Haas International SNC.

We will revert shortly as regards your queries on the process for the proposed merger at Step 3 and reasons for transfers contemplated at Step 1 and Step 2 through multiple entities.

Thanking You.

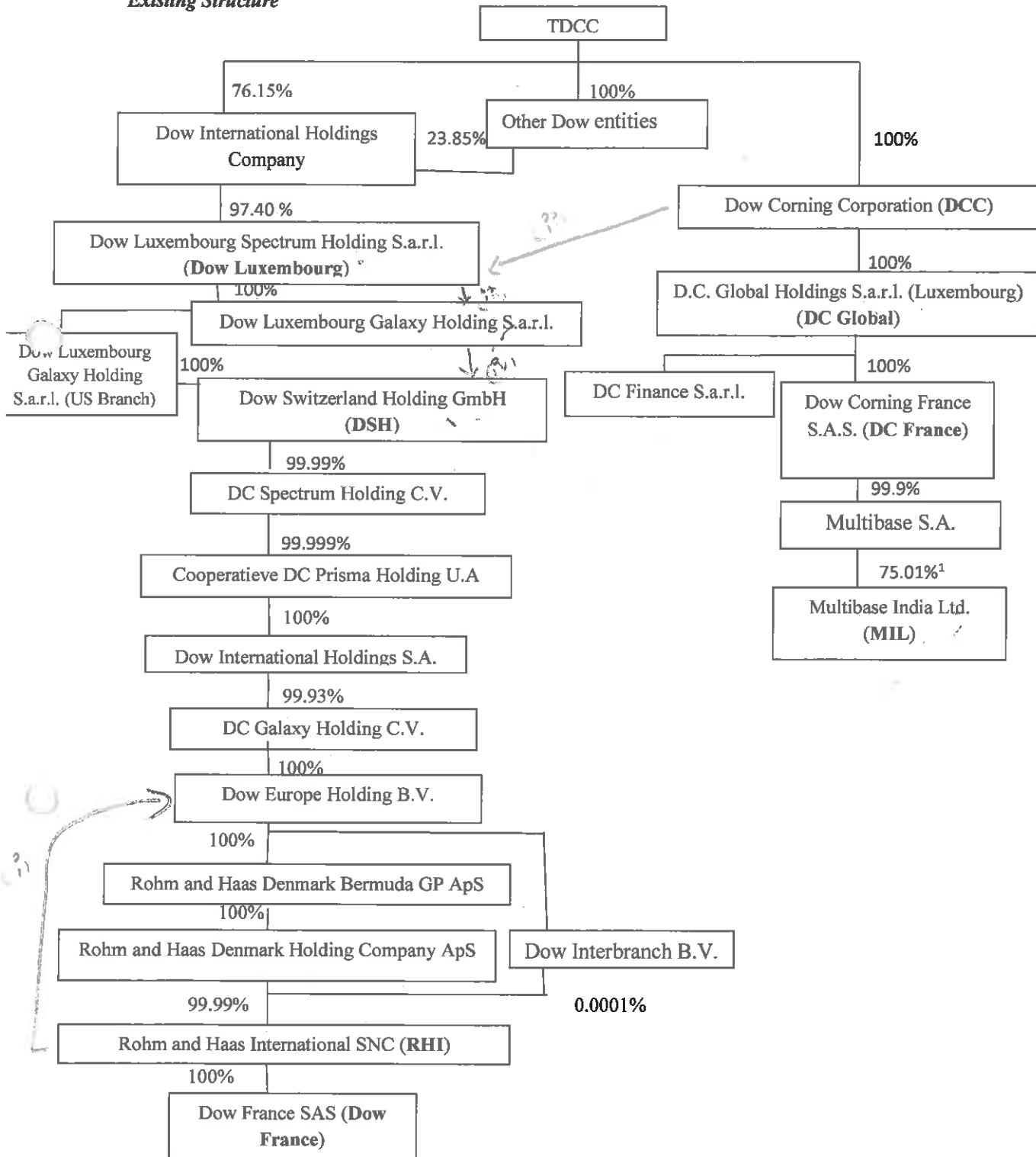
Yours faithfully,

<p>For Dow Luxembourg Spectrum Holding S.a.r.l 14, rue Edward Steichen, L-2540 Luxembourg</p>  <p>Name: Ramolla Karnani Designation: Constituted Attorney Address: 02, Block B, 1st Floor, Godrej Business District, LBS Marg, Vikhroli (W), Mumbai 400079 Email id: rkarnani@dow.com Phone number: +91 22 66741506</p>	<p>For Dow France S.A.S 23, avenue Jules Rimet, 93200, Saint Denis, France</p>  <p>Name: Ramolla Karnani Designation: Constituted Attorney Address: 02, Block B, 1st Floor, Godrej Business District, LBS Marg, Vikhroli(W), Mumbai 400079 Email id: rkarnani@dow.com Phone number: +91 22 66741506</p>
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Annexure I

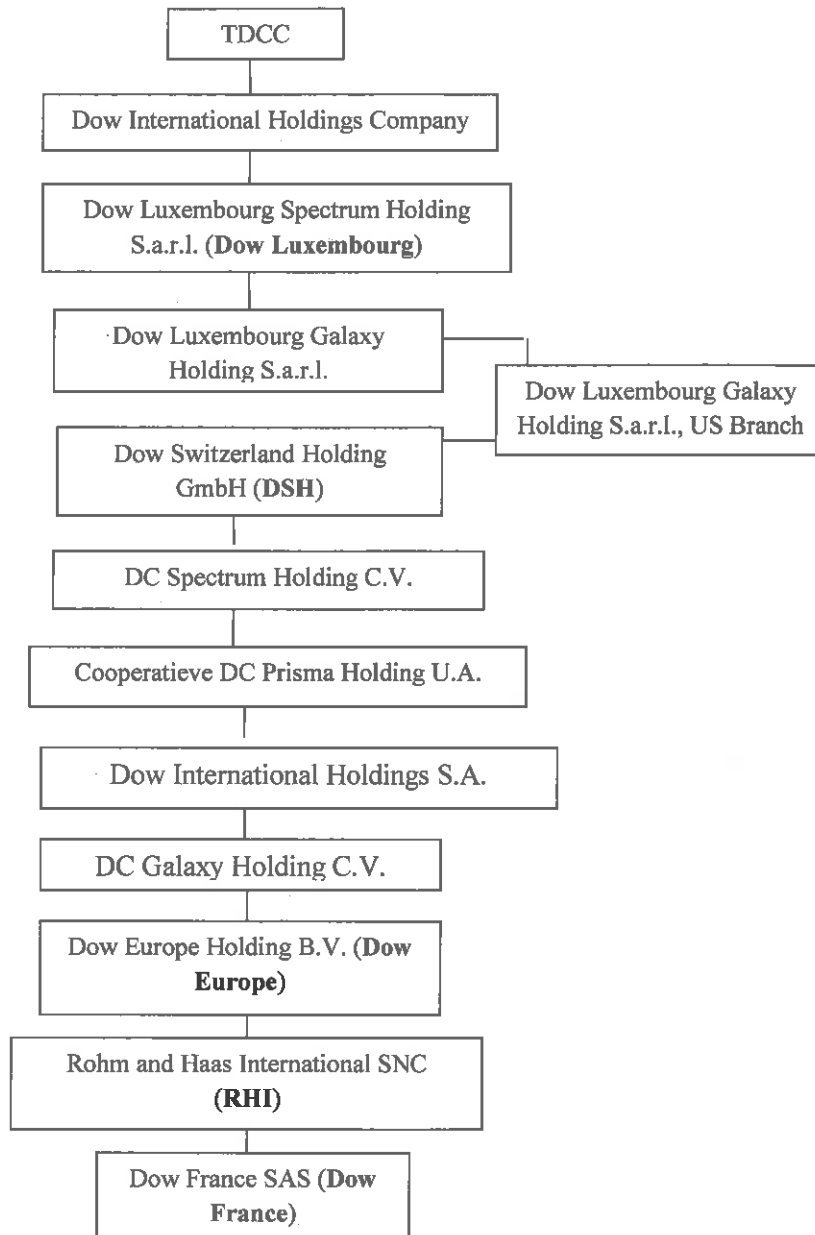
Existing Structure



¹ Please refer to paragraph A.1 of our application dated 08 September, 2017.

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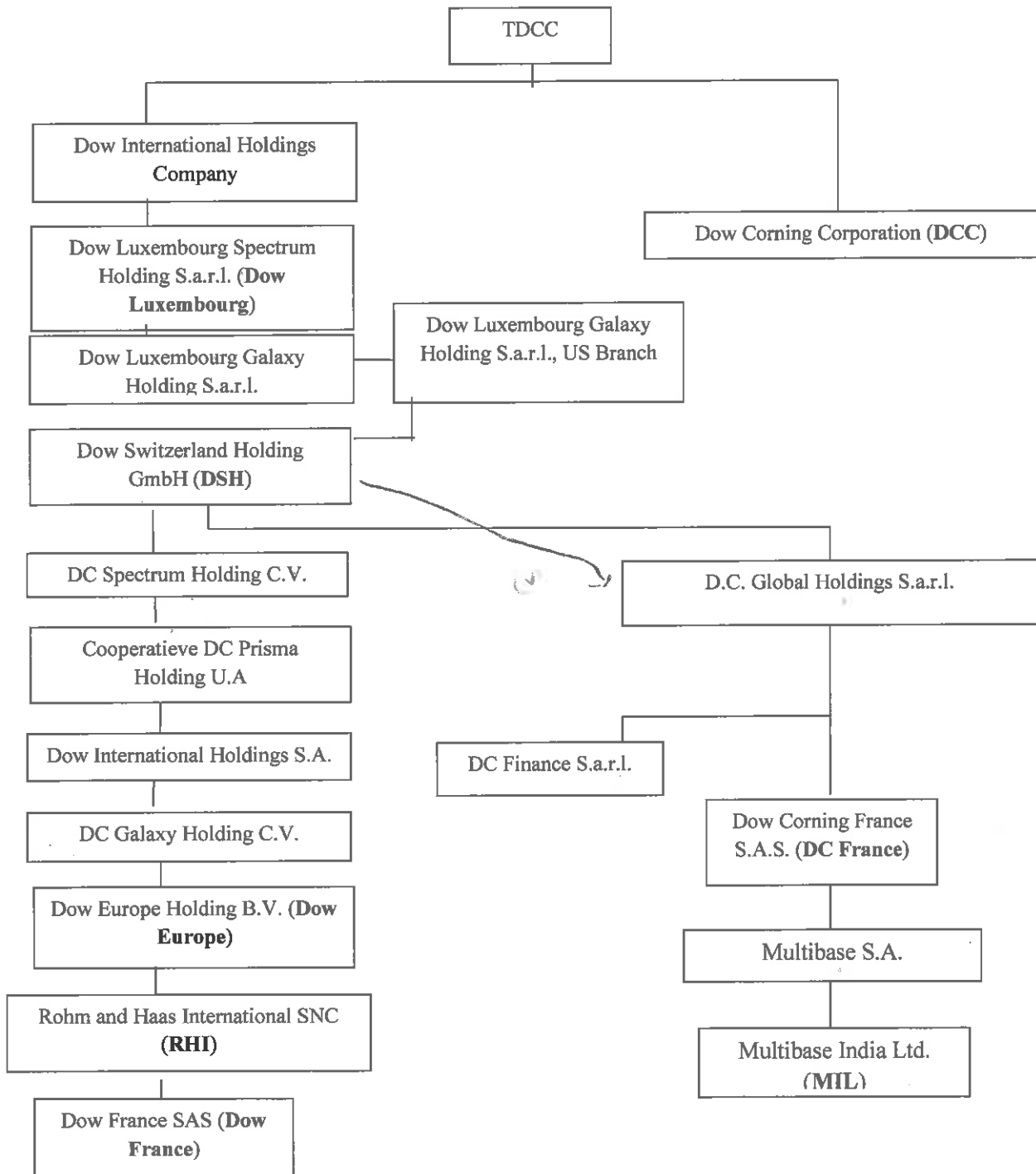
Before Step 1[#]



Before Step 1, Rohm and Haas Denmark Holding Company ApS will sell shares of Rohm and Haas International SNC, held by it to Dow Europe Holding B.V. As a result, Rohm and Haas will become a direct subsidiary of Dow Europe Holding B.V.

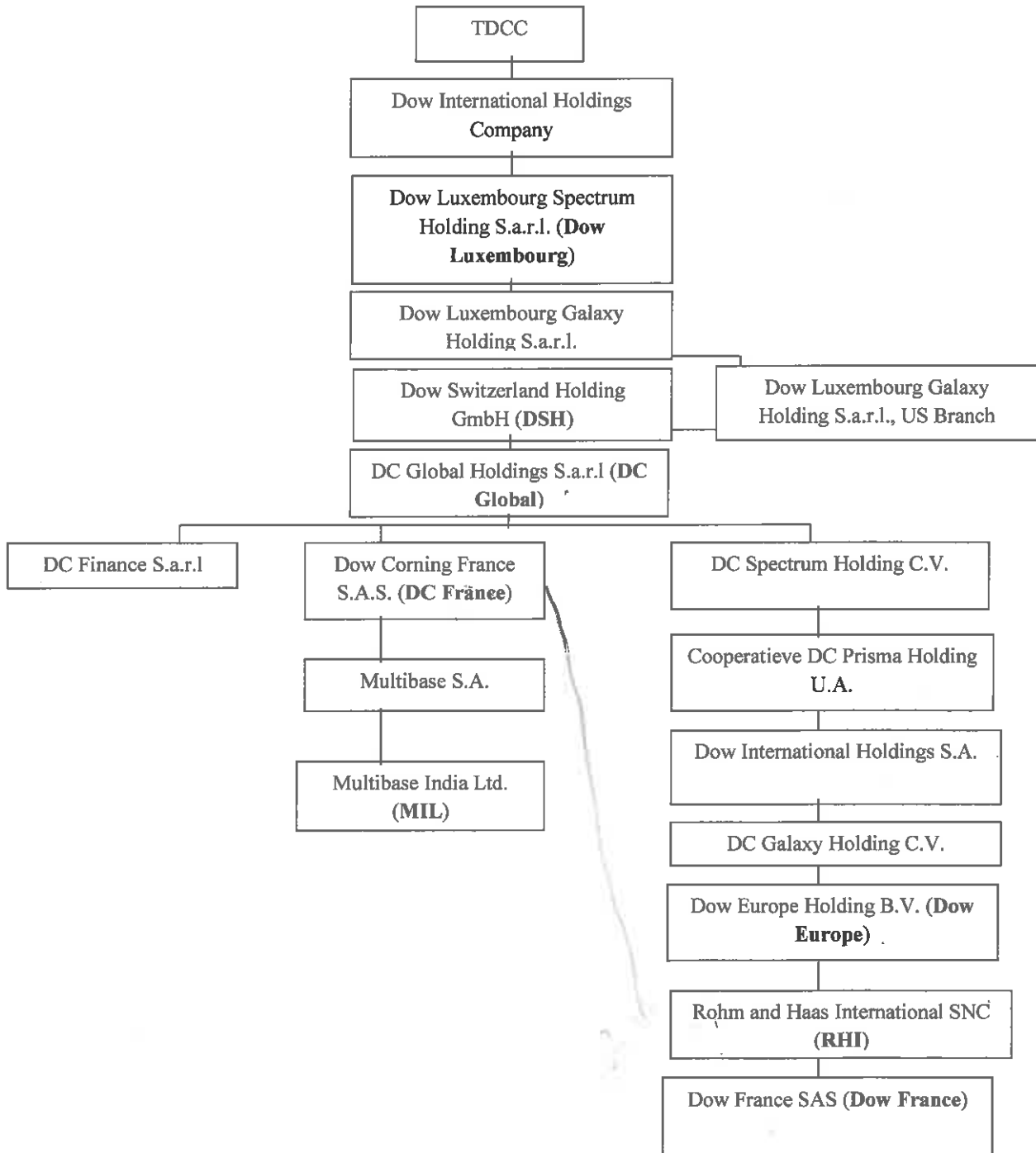
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Post Step 1



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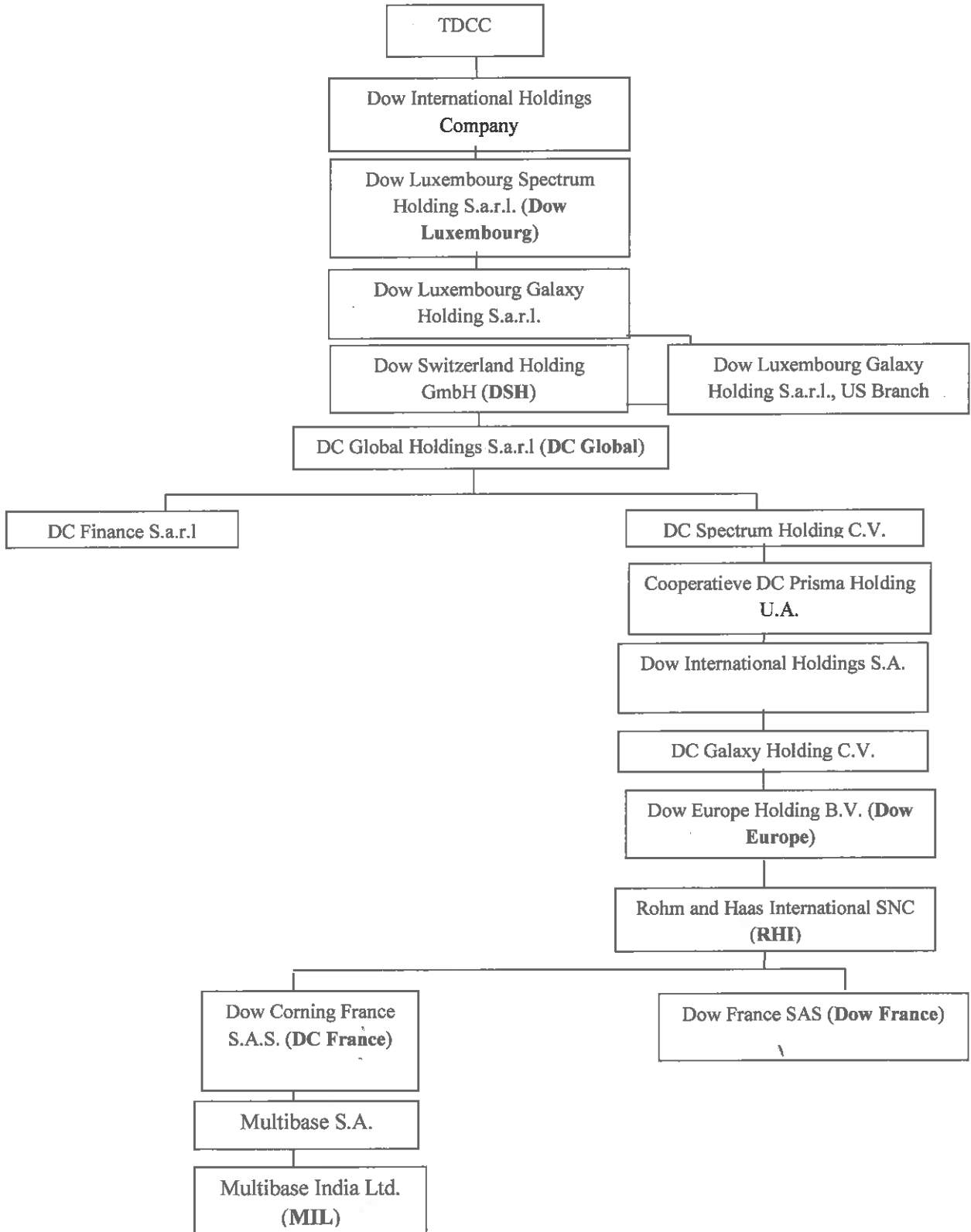
After Step 1 and before Step 2^



^After completion of Step 1 but before Step 2, Dow Switzerland Holding GMBH shall sell shares of DC Spectrum Holding C.V., held by it to DC Global Holdings S.a.r.l. As a result of this transfer, DC Global Holdings S.a.r.l will become the holding entity of DC Spectrum Holding C.V. and its subsidiaries.

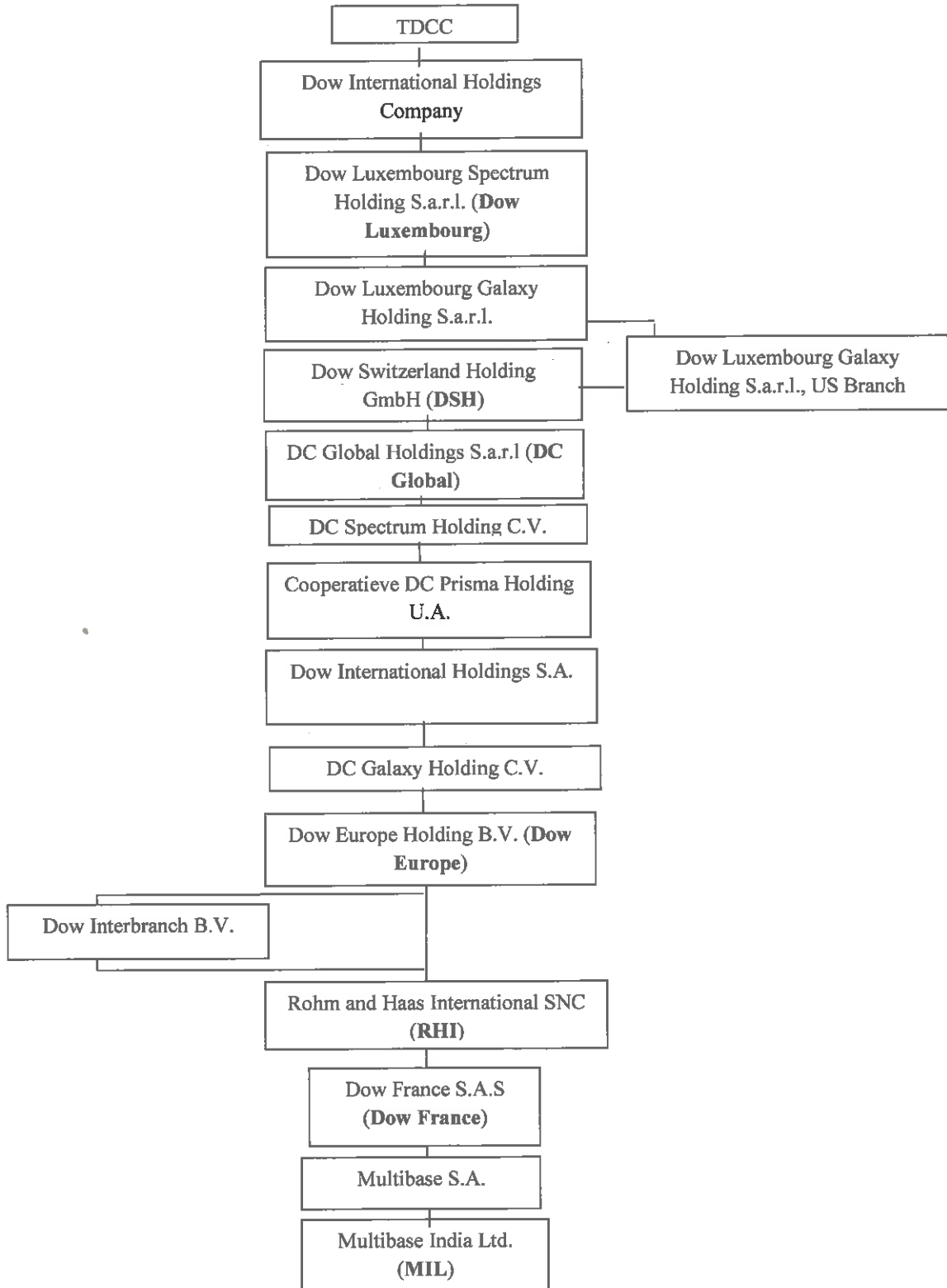
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After Step 2



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Final Structure



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