LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This letter of offer ("**Letter of Offer / LoF**") is sent to you as a Public Shareholder (defined below) of Monsanto India Limited. If you require any clarifications about the action to be taken, you may consult your stock broker, investment consultant, the Managers to the Offer (as defined below) or the Registrar to the Offer (as defined below). In case you have recently sold your Equity Shares (as defined below) in Monsanto India Limited, please hand over this Letter of Offer and the accompanying Form of Acceptance-cum-Acknowledgement (defined below) and the transfer deed to the member of the Stock Exchange through whom the said sale was affected.

Open Offer (the "Offer")

BY

Bayer Aktiengesellschaft (formerly known as Farbenfabriken Bayer Aktiengesellschaft) (the "Acquirer") having its registered office at Kaiser-Wilhelm-Allee 1, 51373, Leverkusen, Germany, Tel: +4921430-1; Fax: +4921430- 26786

along with

Bayer CropScience Limited (formerly known as Bayer (India) Limited) (the "PAC") having its registered office at Bayer House, Central Avenue, Hiranandani Estate, Thane (West) 400 607, Maharashtra, India; Tel: +91 22 25311234; Fax: +91 22 25455151

TO ACQUIRE

up to **4,488,315 (four million, four hundred and eighty eight thousand, and three hundred and fifteen)** fully paid-up equity shares having a face value of INR 10/- (Rupees ten) (the "**Equity Shares**"), representing 26% (twenty six percent) of the fully diluted voting equity share capital as of the 10th (tenth) Working Day (defined below) from the Closure of the Tendering Period (as defined below) (the "**Voting Share Capital**")

OF

Monsanto India Limited (the "Target Company"), a public limited company incorporated under the provisions of the Companies Act, 1913 and having its registered office at Ahura Centre, 5th Floor, 96, Mahakali Caves Road, Andheri (East), Mumbai – 400 093, Maharashtra; Tel: +91 22 2824 6450; Fax: +91 22 28244707

AT A PRICE OF

INR 2,926.87 (Rupees two thousand, nine hundred and twenty six, and eighty seven paise only) per Equity Share **(the "Offer Price")** payable in cash

pursuant to the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto (the "**SEBI (SAST) Regulations**").

Note:

1. This Offer is being made by the Acquirer and the PAC pursuant to Regulations 3, 4 and 5(1), and other applicable regulations of the SEBI (SAST) Regulations.
2. This Offer is **not** conditional upon any minimum level of acceptance in terms of Regulation 19(1) of the SEBI (SAST) Regulations.
3. To the best of the knowledge of the Acquirer and the PAC, no statutory approvals, other than as indicated in Section 8 – "*Statutory and Other Approvals*", are required by the Acquirer and / or the PAC to complete this Offer. However, in case of any statutory approval being required by the Acquirer and / or the PAC at a later date, this Offer will be subject to such approvals, and the Acquirer and / or the PAC shall make the necessary applications for such approvals. Non-resident and Overseas Corporate Body ("**OCB**") holders of the Equity Shares must obtain all requisite approvals required to tender the Equity Shares held by them in this Offer (including, without limitation, the approval from the Reserve Bank of India ("**RBI**") since the Equity Shares validly tendered in this Offer may be acquired by a non-resident entity along with the resident entity) and submit such approvals along with the Form of Acceptance-cum-Acknowledgement (as defined below) and other documents required under this Offer. Further, if holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs, foreign institutional investors ("**FIIs**") and foreign portfolio investors ("**FPIs**") had required any approvals (including from the RBI or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals that they would have obtained for holding the Equity Shares, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer and the PAC reserve the right to reject such Equity Shares tendered in this Offer.
4. In the event that any statutory approvals required are not obtained or are finally refused or are otherwise not received for reasons outside the reasonable control of the Acquirer and/or the PAC, the Acquirer and/or the PAC may withdraw the Offer under Regulation 23 of the SEBI (SAST) Regulations.
5. **This Offer is NOT a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.**
6. If there is any upward revision in the Offer Price or the number of Equity Shares sought to be acquired in this Offer, at any time prior to last 3 (three) Working Days before the commencement of the Tendering Period in terms of the SEBI (SAST) Regulations, the Acquirer and the PAC shall (a) make corresponding increases to the escrow amounts, as more particularly set out in Paragraph 6.2.5; (b) make a public announcement in the newspapers in which the detailed public statement ("**DPS**") was published ("**Newspapers**"); and (c) inform the SEBI (as defined below), BSE (as defined below), NSE (as defined below) and the Target Company at its registered office of such revision. Such revised Offer Price (defined below) would be payable for all the Equity Shares validly tendered anytime during the Tendering Period.
7. As per the information available with the Acquirer, the PAC and the Target Company, there has been no competing offer as on the date of this LoF. If there are competing offers, the public offers under all the subsisting bids shall open and close on the same date.
8. In the event of withdrawal of this Offer, a public announcement will be made within 2 (two) Working Days of such withdrawal, in the Newspapers.
9. A copy of the public announcement in relation to this Offer ("**PA**"), the DPS, the Draft Letter of Offer and this Letter of Offer (including Form of Acceptance-cum-Acknowledgement) shall be made available on the SEBI website (www.sebi.gov.in).

Managers to the Offer	
DSP Merrill Lynch Limited Ground Floor, A Wing, One BKC, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra, India **Telephone**: +91 (0)22 6632 8000 **Fax:** +91 (0)22 6776 2343 **Email**: mailto:dg.mil_openoffer@baml.com **Contact Person**: Mr. Kumar Karthik Immaneni **SEBI Registration Number**: INM000011625	**Credit Suisse Securities (India) Private Ltd.** 9th Floor, Ceejay House, Plot F, Shivsagar Estate, Dr Annie Besant Road, Worli, Mumbai- 400018, Maharashtra, India **Telephone**: +91 (0)22 67773777 **Fax**: +91 (0)22 67773820 **Email**: list.moonshot@credit-suisse.com **Contact Person**: Mr. Devesh Pandey **SEBI Registration Number**: INM000011161

Registrar to the Offer

Link Intime India Private Limited
C-101, 247 Park, L.B.S Marg, Vikhroli West, Mumbai 400 083
Tel No.: +91 (0)22 4918 6200
Fax No.: +91 (0)22 4918 6195
Email: **monsanto.offer@linkintime.co.in**
Contact Person: Sumeet Deshpande
SEBI Registration Number : INR000004058

SCHEDULE OF MAJOR ACTIVITIES RELATING TO THE OFFER

Nature of the Activity	Day and Date*	Revised Day and Date#
Issue of PA	Monday, September, 19, 2016	Monday, September, 19, 2016
Publication of the DPS in the Newspapers	Wednesday, June 13, 2018	Wednesday, June 13, 2018
Last date for public announcement of a competing offer**	Wednesday, July 4, 2018	Wednesday, July 4, 2018
Identified Date***	Friday, July 13, 2018	Tuesday, August 7, 2018

Last date for sending the Letter of Offer to the Public Shareholders whose names appear on the register of members on the Identified Date	Friday, July 20, 2018	Tuesday, August 14, 2018
Last date by which a committee of independent directors of the Target Company is required to give its recommendation to the Public Shareholders of the Target Company for this Offer	Wednesday, July 25, 2018	Tuesday, August 21, 2018
Date of publication of Offer opening public announcement in the Newspapers	Thursday, July 26, 2018	Thursday, August 23, 2018
Date of commencement of the Tendering Period	Friday, July 27, 2018	Friday, August 24, 2018
Date of Closure of the Tendering Period	Thursday, August 09, 2018	Thursday, September 6, 2018
Last date of communicating the rejection/ acceptance and completion of the payment of consideration or refund of Equity Shares to the Public Shareholders	Tuesday, August 28, 2018	Monday, September 24, 2018

** The schedule of activities mentioned above is tentative and subject to SEBI's review process.*

***There has been no competing offer as of the date of this Letter of Offer.*

****Date falling on the 10th (tenth) Working Day prior to the commencement of the Tendering Period, for the purposes of determining the Public Shareholders to whom the Letter of Offer shall be sent. It is clarified that all the Public Shareholders (registered or unregistered) of Equity Shares are eligible to participate in this Offer at any time prior to the Closure of the Tendering Period.*

 # The schedule of activities has been revised based on the actual date of receipt of final comments from SEBI on the Draft Letter of Offer, i.e., August 3, 2018.

RISK FACTORS

The risk factors set forth below pertain only to this Offer, the Acquirer and the PAC and are not in relation to the present or future business operations of the Target Company or other related matters. These risk factors are neither exhaustive nor intended to constitute a complete analysis of the risks involved in the participation by a Public Shareholder in this Offer, but are merely indicative. Public Shareholders are advised to consult their stockbrokers, investment consultants and/or tax advisors, for analyzing and understanding all the risks with respect to their participation in this Offer.

For capitalized terms used herein, please refer to the section on Definitions set out below.

A. Risks relating to this Offer

1. To the best of the knowledge of the Acquirer and the PAC, no statutory approvals, other than as indicated in Section 8 – "*Statutory and Other Approvals*", are required by the Acquirer and / or the PAC to complete this Offer. However, in case of any statutory approvals being required by the Acquirer and / or the PAC at a later date, this Offer shall be subject to such approvals, and the Acquirer and / or the PAC shall make the necessary applications for such approvals. In the event of delay in receipt of any such statutory approvals, as per Regulation 18(11) of the SEBI (SAST) Regulations, SEBI may, if satisfied that the non-receipt of such approvals was not attributable to any wilful default, failure or neglect on part of the Acquirer and / or the PAC to diligently pursue such approvals, grant an extension of time for the purpose of completion of this Offer, subject to the Acquirer and / or the PAC agreeing to pay interest to the Public Shareholders for any delay beyond 10 (ten) Working Days, at such rate as may be specified by SEBI. Where the statutory approvals extend to some but not all the Public Shareholders, the Acquirer will have the option to make payment of the consideration to such Public Shareholders in respect of whom no statutory approvals are required in order to complete this Offer.

2. The Acquirer and the PAC will have the right not to proceed with this Offer in accordance with Regulation 23 of the SEBI (SAST) Regulations, if any statutory approvals, as may be required, are refused. Furthermore, in case of delay in receipt of any such statutory approvals, this Offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the Public Shareholders whose Equity Shares are validly tendered and accepted in this Offer, as well as the return of Equity Shares not validly tendered and accepted in this Offer, may be delayed.

3. Non-resident and OCB holders of the Equity Shares, if any, must obtain all requisite approvals required to tender the Equity Shares held by them in this Offer (including, without limitation, the approval from the RBI since the Equity Shares in this Offer may be acquired by a non-resident entity along with the resident entity) and submit such approvals along with the Form of Acceptance-cum-Acknowledgement and other documents required to accept this Offer. In the event such approvals are not submitted, the Acquirer and/or the PAC reserve the right to reject such Equity Shares tendered in this Offer. Further, if Public Shareholders who

are not persons resident in India (including NRIs, OCBs, FIIs and FPIs) had required any approvals (including from the RBI or any other regulatory body) at the time of their original investment in respect of the Equity Shares held by them, they will be required to submit such previous approvals that they would have obtained for acquiring/ holding the Equity Shares, along with the other documents required to be tendered to accept this Offer. If such previous approvals and/or the relevant documents are not submitted, the Acquirer and/or the PAC reserve the right to reject such Equity Shares tendered in this Offer. If the Equity Shares are held under the general permission of the RBI, the non-resident Public Shareholders should state that the Equity Shares are held under such general permission. Further, NRIs, OCBs, and entities incorporated outside India and which are owned and controlled by NRIs should clarify whether the Equity Shares are held on a repatriable basis or non-repatriable basis.

4. If: (a) there is any litigation that leads to a stay on this Offer, or restricts the Acquirer and/or the PAC from performing its obligations hereunder; or (b) SEBI instructs the Acquirer and the PAC not to proceed with this Offer, then this Offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the Public Shareholders whose Equity Shares are validly tendered and accepted in this Offer as well as the return of the Equity Shares not validly tendered and accepted in this Offer, may be delayed.

5. Public Shareholders who have lodged their acceptance to this Offer are not entitled to withdraw such acceptance during the Tendering Period, even if the acceptance of the Equity Shares in this Offer and the dispatch of payment consideration are delayed.

6. The Equity Shares tendered in this Offer may be held in trust by the Clearing Corporation / Registrar to the Offer until the completion of the Offer formalities, and the Public Shareholders who have tendered their Equity Shares will not be able to trade such Equity Shares during such period. During such period, there may be fluctuations in the market price of the Equity Shares that may adversely impact the Public Shareholders who have tendered their Equity Shares in this Offer. It is understood that the Public Shareholders will be solely responsible for their decisions regarding their participation in this Offer.

7. This Offer is an offer to acquire only up to 4,488,315 (four million, four hundred and eighty eight thousand, and three hundred and fifteen) Equity Shares, representing 26% (twenty six percent) of the Voting Share Capital. In the case of over subscription in the Offer, acceptance would be determined on a proportionate basis, and hence there is no certainty that all the Equity Shares tendered by the Public Shareholders in the Offer will be accepted.

8. This Letter of Offer together with the DPS and the PA in connection with the Offer has been prepared for the purposes of compliance with the applicable laws and regulations of India, including the SEBI Act and the SEBI (SAST) Regulations, and has not been filed, registered or approved in any jurisdiction outside India. Recipients of this Letter of Offer resident in jurisdictions outside India should inform themselves of, and observe any applicable legal requirements. This Offer is not directed towards any person or entity in any jurisdiction or country where the same would be contrary to the applicable laws or regulations or would

subject the Acquirer, the PAC or the Managers to the Offer to any new or additional registration requirements. This is not an offer for sale, or a solicitation of an offer to buy in *inter alia* the United States of America, Australia, Canada, Japan and South Africa, and cannot be accepted by any means or instrumentality from within *inter alia* the United States of America, Australia, Canada, Japan and South Africa.

9. The Public Shareholders are advised to consult their respective tax advisors for assessing the tax liability pursuant to this Offer, or in respect of other aspects such as the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. The Acquirer, the PAC and the Managers to the Offer do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in this Letter of Offer.

10. The Acquirer, the PAC and the Managers to the Offer accept no responsibility for statements made otherwise than in the PA, the DPS, the Draft Letter of Offer and this Letter of Offer or in the advertisements or any materials issued by or at the instance of the Acquirer / the PAC. Notwithstanding the above, the Acquirer, the PAC and the Managers to the Offer do not accept responsibility for the statements and information made with respect to the Target Company (which has been either sourced from publicly available sources or from the Target Company) in connection with this Offer as set out in this Letter of Offer, the Draft Letter of Offer, the DPS and the PA or any corrigendum issued by or at the instance of the Acquirer, the PAC or the Managers to the Offer. Any person placing reliance on any other source of information (not released by the Acquirer, the PAC or the Managers to the Offer) would be doing so at its / his / her own risk.

B. Risks relating to the Acquirer and the PAC

1. The Acquirer and the PAC make no assurances with respect to their investment and/or divestment decisions relating to their shareholding in the Target Company.

2. The Acquirer and the PAC make no assurances with respect to the continuation of the past trend in the financial performance or the future performance of the Target Company.

3. The Acquirer and the PAC make no assurances with respect to the market price of the Equity Shares before, during, or after this Offer and expressly disclaim their responsibility or obligation of any kind (except as required under applicable law) with respect to any decision by any Public Shareholder on whether to participate or not to participate in this Offer.

4. The Acquirer, the PAC and the Managers to the Offer do not accept responsibility with respect to the information contained in the PA, the DPS, the Draft Letter of Offer or this Letter of Offer that pertains to the Target Company.

5. As on the date of this Letter of Offer, the total public shareholding in the Target Company is 27.86% (twenty seven point eight six percent) of the total paid up equity share capital of the Target Company. As per Regulation 38 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the

"**SEBI LODR Regulations**") read with Rule 19A of the Securities Contract (Regulation) Rules, 1957, and subsequent amendments thereto (the "**SCRR**"), the Target Company is required to maintain minimum public shareholding, as determined in accordance with the SCRR, on a continuous basis for listing. If the Equity Shares accepted in the Offer are such that the shareholding of the Acquirer taken together with that of the PAC and the existing promoter and promoter group of the Target Company pursuant to the completion of the Offer results in their collective shareholding exceeding the maximum permissible non-public shareholding, the Acquirer shall be required to bring down the non-public shareholding to the level specified and within the limit permitted in accordance with Rule 19A and 19(2) of the SCRR and Regulation 38 of the SEBI LODR Regulations, as per the requirements of Regulation 7(4) of the SEBI (SAST) Regulations and/or the SEBI LODR Regulations, within the time period stated therein, i.e. bring down the non-public shareholding to 75% (seventy five percent) of the total shareholding of the Target Company within 12 (twelve) months from the date of such fall in the public shareholding to below 25% (twenty five percent), through permitted routes and any other such routes as may be approved by SEBI from time to time.

6. Further, in accordance with Regulation 7(5) of the SEBI (SAST) Regulations, if, as a result of the Equity Shares accepted in the Offer, the shareholding of the Acquirer and the PAC in the Target Company exceeds the maximum permissible non-public shareholding, then neither the Acquirer nor the PAC shall be eligible to make a voluntary delisting offer under the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, as amended ("**Delisting Regulations**"), unless a period of 12 (twelve) months has elapsed from the date of the completion of the Offer Period (defined below).

7. No action has been or will be taken to permit this Offer in any jurisdiction where action would be required for that purpose. The Letter of Offer shall be sent to all Public Shareholders whose names appear on the register of members of the Target Company, at their stated address, as of the Identified Date, subject to Regulation 18(2) of the SEBI (SAST)Regulations, viz. provided that where local laws or regulations of any jurisdiction outside India may expose the Acquirer, the PAC, the Managers to the Offer or the Target Company to material risk of civil, regulatory or criminal liabilities in the event the Letter of Offer in its final form were to be sent without material amendments or modifications into such jurisdiction, and the Public Shareholders resident in such jurisdiction hold Equity Shares entitling them to less than 5% (five percent) of the voting rights of the Target Company, the Acquirer / PAC may refrain from sending the Letter of Offer into such jurisdiction: provided further that, subject to applicable law, every person holding Equity Shares, regardless of whether he, she or it held Equity Shares on the Identified Date or has not received the Letter of Offer, shall be entitled to tender such Equity Shares in acceptance of the Offer. Further, receipt of the Letter of Offer by any Public Shareholder in a jurisdiction in which it would be illegal to make this Offer, or where making this Offer would require any action to be taken (including, but not restricted to, registration of the Letter of Offer under any local securities laws), shall not be treated by such Public Shareholder as an offer being made to them and shall be construed by them as being sent for information purposes only.

8. Persons in possession of the Letter of Offer are required to inform themselves of any relevant restrictions in their respective jurisdictions. Any Public Shareholder who tenders his, her, or its Equity Shares in this Offer shall be deemed to have declared, represented, warranted and agreed that he, she, or it is authorised under the provisions of any applicable local laws, rules, regulations and statutes to participate in this Offer. The Letter of Offer may include additional country-specific or other disclaimers or provisions on the basis of the applicable facts at that time and advice of the international legal counsel.

CURRENCY OF PRESENTATION

1. In this Letter of Offer, any discrepancy in any table between the total and sums of the amounts listed are due to rounding off and/or regrouping.

2. In this Letter of Offer, all references to "Rs", "Rupees", and "INR" are references to Rupees. Throughout this LoF, all figures have been expressed in "million", unless otherwise specifically stated.

3. At some places "EUR" has been used, which represents the Euro, the currency followed *inter alia* in Germany. All the data presented in EUR in this Letter of Offer has been converted into INR for the purpose of convenience of translation. The conversion has been assumed at the rate as identified along with such financial information in this Letter of Offer.

DEFINITIONS

Term	Definition
Acquirer	Bayer Aktiengesellschaft, having its registered office at Kaiser-Wilhelm-Allee 1, 51373, Leverkusen, Germany, Tel +4921430-1; Fax: +4921430- 26786.
Acquisition Window	A separate window made available by the Designated Stock Exchange so as to facilitate the tendering of shares in the Open Offer through the stock exchange mechanism.
Bank Guarantee	An unconditional and irrevocable bank guarantee provided by the Acquirer from Barclays Bank PLC, a company incorporated under the laws of England, and a banking company within the meaning of the Banking Regulation Act, 1949, having its registered office at No. 1 Churchill Place, Canary Wharf, London, E14, 5HP and acting through its branch office at Eros Corporate Towers, New Delhi-110019, India, for an amount of INR 2,064,500,000 (Rupees two billion, sixty four million, and five hundred thousand only), which is equal to or more than the prescribed amount of 25% (twenty five percent) for the first INR 5,000,000,000 (Rupees five billion only) of the Maximum Consideration and 10% (ten percent) thereafter on the balance consideration.
Board / Board of Directors	Board of directors of the Target Company.
Buying Broker	DSP Merrill Lynch Limited
BSE	BSE Limited
CA Certificate	Certificate provided by Milind Joshi & Associates, chartered accountants (Registration no. 119315W) confirming that the Acquirer and the PAC have adequate financial resources through verifiable means to meet their payment obligations under the Offer.
CCI	Competition Commission of India
Clearing Corporation	Clearing Corporation of India Limited
Certificate under Section 197 of the Income Tax Act	Certificate issued by the income tax authority for payment either without deduction of tax at source or deduction of tax at a lower rate.
Closure of the Tendering Period	The last day by which the Public Shareholders may tender their Equity Shares in acceptance of the Offer, i.e. September 6, 2018.
Depositories	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL)
Designated Stock Exchange	BSE
DIN	Director Identification Number
DP	Depository Participant
DPS / Detailed Public	Detailed Public Statement dated June 13, 2018, issued by the

Term	Definition
Statement	Managers to the Offer, on behalf of the Acquirer and the PAC, in relation to this Offer and published in the Newspapers on June 13, 2018.
Draft Letter of Offer	The draft letter of offer filed with SEBI on June 20, 2018.
DTAA	Double Taxation Avoidance Agreement.
Enhancement Amount	INR 434.90 (Rupees four hundred and thirty four and ninety paise only) per Equity Share, the amount by which the offer price calculated in accordance with Regulation 8(3) of the SEBI (SAST) Regulations has been enhanced due to the interest payable at a rate of 10% (ten percent) per annum on the offer price, calculated for the period from September 14, 2016 to June 13, 2018, being the date of publication of the DPS.
Equity Shares	Fully paid-up equity shares of the Target Company, having a face value of INR 10/- (Rupees ten) each carrying voting rights and including any security which entitles the holder thereof to exercise voting rights.
Escrow Account	An escrow account bearing number 041233596715 opened by the Acquirer and the PAC with the Escrow Agent, in accordance with Regulation 17(1) of the SEBI (SAST) Regulations.
Escrow Agent / Escrow Bank	Barclays Bank PLC
FII(s)	Foreign Institutional Investor(s), as defined under Section 115AD of the Income Tax Act.
FPI	Foreign Portfolio Investor as defined under Regulation 2 (h) of the SEBI (Foreign Portfolio Investors) Regulations, 2014.
Form of Acceptance-cum-Acknowledgement	The form of acceptance-cum-acknowledgement, which will be a part of the Letter of Offer.
Identified Date	August 7, 2018 i.e. the date falling on the 10th (tenth) Working Day prior to the commencement of the Tendering Period, for the purposes of determining the Public Shareholders to whom the Letter of Offer shall be sent.
Income Tax Act / ITA	Income Tax Act, 1961 and subsequent amendments thereto.
IND AS	Indian Accounting Standards as notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto.
Indian GAAP	Generally Accepted Accounting Principles, as applicable to Indian companies and notified under the Companies (Accounting Standard) Rules, 2006 and subsequent amendments thereto.
Letter of Offer / LOF	This Letter of Offer dated August 8, 2018, duly incorporating SEBI's comments on the Draft Letter of Offer, including the Form of Acceptance-cum- Acknowledgement.

Term	Definition
Managers/ Managers to the Offer	**DSP Merrill Lynch Limited** ("**DSP Merrill Lynch**") having its registered office at Ground Floor, A Wing, One BKC, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra, India; and **Credit Suisse Securities (India) Private Ltd**. ("**Credit Suisse**") having its registered office at 9th Floor, Ceejay House, Plot F, Shivsagar Estate, Dr Annie Besant Road, Worli, Mumbai- 400018, Maharashtra, India.
Maximum Consideration	The total funding requirement for this Offer assuming full acceptance of this Offer, i.e. INR 13,136,714,525 (Rupees thirteen, billion one hundred and thirty six million, seven hundred and fourteen thousand, and five hundred and twenty five only).
Merger Agreement	An Agreement and Plan of Merger dated September 14, 2016, entered into between Monsanto (defined below), the Acquirer, and KWA Investment Co., a Delaware corporation and an indirect wholly owned subsidiary of the Acquirer ("**KWA**"). KWA was a pure investment vehicle that was not active in any other area of business. Pursuant to the Merger Agreement, KWA has been merged into Monsanto, with Monsanto continuing as the surviving corporation and a wholly owned subsidiary of the Acquirer.
Newspapers	The newspapers in which the DPS was published, i.e., the Financial Express, the Jansatta and the Loksatta.
NRI	Non Resident Indian, as defined under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017.
NSE	National Stock Exchange of India Limited.
OCB	Overseas Corporate Body, as defined under the Foreign Exchange Management (Deposit) Regulations, 2000.
Offer / Open Offer	This open offer, which is being made by the Acquirer and the PAC to the Public Shareholders, for acquiring up to 4,488,315 (four million four hundred and eighty eight thousand and three hundred and fifteen) Equity Shares, representing 26% (twenty six percent) of the Voting Share Capital of the Target Company.
Offer Escrow Agreement	The escrow agreement dated June 8, 2018 entered into amongst the Acquirer, the PAC, the Managers to the Offer and the Escrow Agent.
Offer Period	The period between September 14, 2016, the date of the Merger Agreement and the date on which the payment of consideration to the Public Shareholders whose Equity Shares are validly tendered and accepted in this Offer is made, or the date on which this Offer is withdrawn, as the case may be.
Offer Price	INR 2,926.87 (Rupees two thousand, nine hundred and twenty six and eighty seven paise only) per Equity Share, computed as INR 2,491.97 (Rupees two thousand, four hundred, and ninety one and ninety seven paise only) per Equity Share calculated in accordance

Term	Definition
	with Regulation 8(3) of the SEBI (SAST) Regulations, enhanced by an interest payable at the rate of 10% (ten percent) per annum for the period between September 14, 2016 and the date of publication of the DPS, i.e. June 13, 2018, in terms of Regulation 8(12) of SEBI (SAST) Regulations, being INR 434.90 (Rupees four hundred and thirty four and ninety paise only) per Equity Share.
Offer Size	Up to 4,488,315 (four million, four hundred and eighty eight thousand, and three hundred and fifteen) Equity Shares, representing 26% (twenty six percent) of the Voting Share Capital.
PA / Public Announcement	Public announcement dated September 19, 2016 in relation to this Offer disclosed to the Stock Exchanges and filed with SEBI on September 20, 2016 and sent to the Target Company on September 21, 2016.
PAC	Person acting in concert with the Acquirer for this Offer, i.e. Bayer CropScience Limited, having its registered office at Bayer House, Central Avenue, Hiranandani Estate, Thane (West) 400 607, Maharashtra, India, Tel +91 22 25311234; Fax +91 22 25455151.
PAN	Permanent Account Number.
Primary Transaction	The merger of KWA into Monsanto, with Monsanto continuing as the surviving corporation and a wholly owned subsidiary of the Acquirer pursuant to the terms of the Merger Agreement.
Public Shareholders	All the public shareholders of the Target Company, other than the promoters and promoter group of the Target Company, the Acquirer, the PAC and any other persons acting in concert or deemed to be acting in concert with the Acquirer and/or the PAC.
RBI	Reserve Bank of India.
Registrar to the Offer	Link Intime India Pvt. Ltd
Rs. / Rupees / INR	Rupees
SCRR	Securities Contract (Regulation) Rules, 1957 and subsequent amendments thereto.
SEBI	Securities and Exchange Board of India.
SEBI Act	Securities and Exchange Board of India Act, 1992 and subsequent amendments thereto.
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subsequent amendments thereto.
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto.
Seller / Monsanto	Monsanto Company, a company incorporated under the laws of Delaware and a holding company of the Target Company.
Selling Broker	Respective stock brokers of the Public Shareholders

Term	Definition
Special Escrow Account	An escrow account bearing number 041233596716 opened by the Acquirer and the PAC for the purpose of payment of consideration to the Public Shareholders in cash.
Stock Exchanges	Collectively refers to BSE and NSE.
Target Company	Monsanto India Limited
Tax Residence Certificate	Certificate to be furnished by any Public Shareholder claiming benefit under any DTAA.
Tendering Period	Period commencing from August 24, 2018 and closing on September 6, 2018 (both days inclusive).
TDS	Tax Deducted at Source
Voting Share Capital	Fully diluted voting equity share capital of the Target Company as of the 10th (tenth) Working Day from the date of Closure of the Tendering Period.
Working Day	A working day of SEBI in Mumbai.

Note: All terms beginning with a capital letter used in this Letter of Offer, and not specifically defined herein, shall have the meanings ascribed to them in the SEBI (SAST) Regulations.

1 DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE FILING OF THE DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT IT HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT(S) THEREOF. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF MONSANTO INDIA LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF THE ACQUIRER, THE PAC OR THE TARGET COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ACQUIRER AND THE PAC ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MANAGERS TO THE OFFER ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER AND THE PAC DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGERS, "DSP MERRILL LYNCH" AND “CREDIT SUISSE” HAVE SUBMITTED A DUE DILIGENCE CERTIFICATE DATED JUNE 20, 2018 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING

OF THIS LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER AND THE PAC FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

2 GENERAL DISCLAIMER

This Letter of Offer together with the DPS that was published on June 13, 2018 and the PA dated September 19, 2016 in connection with the Offer, has been prepared for the purposes of compliance with the applicable laws and regulations of the SEBI (SAST) Regulations. Accordingly, the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws and regulations of any jurisdiction outside of India. Neither the delivery of the Draft Letter of Offer and/or this Letter of Offer, under any circumstances, create any implication that there has been no change in the affairs of the Target Company and the Acquirer, the PAC and persons deemed to be acting in concert with the Acquirer and/or the PAC, since the date hereof or that the information contained herein is correct as at any time subsequent to this date. Nor is it to be implied that the Acquirer, the PAC or any persons deemed to act in concert with the Acquirer and/or the PAC are under any obligations to update the information contained herein at any time after this date.

No action has been or will be taken to permit this Offer in any jurisdiction where action would be required for that purpose. The Letter of Offer shall be sent to all Public Shareholders whose names appear in the register of members of the Target Company, at their stated address, as of the Identified Date. However, receipt of the Letter of Offer by any Public Shareholder in a jurisdiction in which it would be illegal to make this Offer, or where making this Offer would require any action to be taken (including, but not restricted to, registration of the Draft Letter of Offer and/or this Letter of Offer under any local securities laws), shall not be treated by such Public Shareholder as an offer being made to them, and shall be construed by them as being sent for information purposes only. Accordingly no such Public Shareholder may tender his, her or its Equity Shares in this Offer in such jurisdiction.

Persons in possession of the Draft Letter of Offer and/or this Letter of Offer are required to inform themselves of any relevant restrictions. Any Public Shareholder who tenders his, her or its Equity Shares in this Offer shall be deemed to have declared, represented, warranted and agreed that he, she, or it is authorized under the provisions of any applicable local laws, rules, regulations and statutes to participate in this Offer.

3 DETAILS OF THIS OFFER

3.1 Background to this Offer

3.1.1 This Offer is a mandatory offer, being made under Regulations 3, 4, and 5(1) and other applicable regulations of the SEBI (SAST) Regulations, pursuant to an indirect acquisition of voting rights in and control by the Acquirer over the Target Company in terms of the Merger Agreement and as a result of the Primary Transaction. The criteria as set out under Regulation 5(2) of the SEBI (SAST) Regulations have been analyzed by Bansi S. Mehta & Co., chartered accountants (Registration no. 100991W), and it has been concluded that the Primary Transaction shall not be deemed to be a 'direct acquisition' as per the provisions of Regulation 5(2) of the SEBI (SAST) Regulations. This Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.

3.1.2 This Offer was triggered upon the execution of the Merger Agreement entered into between the Seller, the Acquirer and KWA. Pursuant to the Merger Agreement, the parties underwent a reverse triangular merger, whereby KWA merged into the Seller, with the Seller continuing as the surviving corporation and a wholly owned subsidiary of the Acquirer, and the Acquirer having indirectly acquired 72.14% (seventy two point one four percent) of the fully diluted voting share capital of the Target Company. As on the date of this Letter of Offer, the Acquirer and the PAC do not directly hold any Equity Shares.

3.1.3 Under the Merger Agreement, (a) each share of the common stock of Monsanto, (other than *inter alia* the shares of common stock owned by the Acquirer, KWA or any of their wholly owned subsidiaries); (b) each restricted stock unit of Monsanto; and (c) each performance stock unit of Monsanto outstanding immediately prior to the effectiveness of the merger have been automatically converted to the right to receive cash of USD 128 per share without interest. Further, each outstanding option at the effective time to purchase shares of common stock and each stock appreciation right in respect of a share of common stock have been converted into the right to receive a cash payment.

3.1.4 The salient features of the Merger Agreement are as follows:

i. Under, and subject to, the terms and conditions of the Merger Agreement, the Acquirer offered an all-cash consideration of US$128.00 per share of Monsanto. This corresponded to an expected transaction value of approximately US$66 billion as of May 31, 2016, comprising an equity value (purchase price) of approximately US$56 billion and net debt to be assumed in an amount of US$10 billion, including pension obligations as of May 31, 2016, and liabilities for payments under stock-based compensation programs.

ii. The Merger Agreement was subject to customary closing conditions, including the receipt of the necessary anti-trust approvals.

iii. Under the Merger Agreement the Acquirer had committed to undertake certain divestitures, if, and to the extent required, to obtain anti-trust approvals and completion of the Committee on Foreign Investment in the United States review process, including (i) agreeing to the sale, divestiture or other conveyance or holding separate of assets of the Acquirer or Monsanto, (ii) permitting Monsanto to sell, divest or otherwise convey or hold separate its assets, (iii) terminating existing relationships, contractual rights or obligations of the Acquirer or Monsanto, (iv) terminating any joint venture or other arrangement of Bayer or Monsanto, and (v) creating any relationship, contractual right or obligation of the Acquirer or Monsanto, subject to certain limitations.

3.1.5 The Primary Transaction was completed on June 7, 2018. Upon the completion of the Primary Transaction, the Seller became a wholly owned subsidiary of the Acquirer. The Seller, both directly and indirectly, held 72.14% (seventy two point one four percent) of the fully diluted voting share capital of the Target Company prior to the completion of the Primary Transaction. Therefore, upon completion of the Primary Transaction, the Acquirer has indirectly acquired 72.14% (seventy two point one four percent) of the fully diluted voting share capital of the Target Company, resulting in a change in control of the Target Company.

3.1.6 The PA in respect of the Merger Agreement was issued on September 19, 2016, within 4 (four) Working Days from September 14, 2016, the date of the Merger Agreement, as contemplated under Regulation 13(2)(e) of the SEBI (SAST) Regulations and the DPS was published in the Newspapers on June 13, 2018.

3.1.7 The proposed indirect acquisition of voting rights in and control by the Acquirer over the Target Company is not through any scheme of arrangement under Indian Laws.

3.1.8 The Acquirer, the PAC and the promoters of the PAC have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act or under any of the regulations made under the SEBI Act.

3.1.9 The Acquirer, the PAC and their respective directors have not been categorized as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI.

3.1.10 As on the date of this LoF, there are no directors appointed by the Acquirer or the PAC on the board of directors of the Target Company, and no directors of the Acquirer or the PAC are on the board of directors of the Target Company. The Acquirer and the PAC reserve the right to appoint its nominee(s) on the Board of Directors during the Offer Period in accordance with the SEBI (SAST) Regulations by depositing 100% (hundred percent) of the Maximum Consideration payable under the Offer in the Escrow Account as required under Regulation 24(1) of the SEBI (SAST) Regulations. As of the date of this Letter of Offer, the Acquirer and the PAC have not made any decision with regard to the appointment of directors on the Board.

3.1.11 As per Regulation 26(6) of the SEBI (SAST) Regulations, the Board of Directors is required to constitute a committee of independent directors to provide its reasoned recommendation on this Offer to the Public Shareholders. Such recommendation shall be published at least 2 (two) Working Days before the commencement of the Tendering Period in the Newspapers in compliance with Regulation 26(7) of the SEBI (SAST) Regulations.

3.2 **Details of this Offer**

3.2.1 The Managers to the Offer have, on behalf of the Acquirer and the PAC published the DPS on June 13, 2018, which appeared in the following newspapers:

Newspaper	Language	Editions
The Financial Express	English	All
Jansatta	Hindi	All
Loksatta	Marathi	Mumbai

A copy of the DPS is also available on the SEBI website: www.sebi.gov.in

3.2.2 This Offer is made by the Acquirer and the PAC to all the Public Shareholders, to acquire up to 4,488,315 (four million four hundred and eighty eight thousand and three hundred and fifteen) Equity Shares, representing 26% (twenty six percent) of the Voting Share Capital, at a price of INR 2,926.87 (Rupees two thousand, nine hundred and twenty six and eighty seven paise only) per Equity Share, to be paid in cash, in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations and subject to the terms and conditions set out in the PA, the DPS and the Letter of Offer.

3.2.3 As of the date of this Letter of Offer, there are no: (i) partly paid-up Equity Shares; or (ii) outstanding convertible instruments (warrants / fully convertible debentures / partially convertible debentures/ fully or partly convertible preference shares) issued by the Target Company. Further, there is no differential pricing for the Offer.

3.2.4 This Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations. There has been no competing offer as of the date of this Letter of Offer.

3.2.5 The completion of the Primary Transaction has resulted in an indirect acquisition of control over the Target Company. The criteria as set out under Regulation 5 (2) of the SEBI (SAST) Regulations have been analyzed by Bansi S. Mehta & Co., chartered accountants (Registration no. 100991W), and it has been concluded that the Primary Transaction is not a deemed direct acquisition of control over the Target Company as it does not fall within the parameters prescribed under Regulation 5(2) of the SEBI (SAST) Regulations. In terms of Regulation 5(2) of the SEBI (SAST) Regulations, an indirect acquisition where:

a. the proportionate net asset value of the target company, as a percentage of the consolidated net asset value of the entity or business being acquired;

b. the proportionate sales turnover of the target company, as a percentage of the consolidated sales turnover of the entity or business being acquired; or

c. the proportionate market capitalization of the target company, as a percentage of the enterprise value for the entity or business being acquired,

is in excess of 80% (eighty percent), on the basis of the most recent audited annual financial statements, shall be deemed to be a direct acquisition for the purpose of the SEBI (SAST) Regulations.

3.2.6 To the best of the knowledge of the Acquirer and the PAC, other than as indicated in Section 8 – “Statutory and Other Approvals”, no statutory approvals are required by the Acquirer and / or the PAC to complete this Offer. However, in case of any statutory approvals being required by the Acquirer and / or the PAC at a later date, this Offer shall be subject to such approvals, and the Acquirer and / or the PAC shall make the necessary applications for such approvals. Provided that where the statutory approvals extend to some but not all holders of the Equity Shares, the Acquirer and/or the PAC will have the option to make payment to such holders of the Equity Shares in respect of whom no statutory approvals are required in order to complete this Offer.

3.2.7 The Acquirer and the PAC will have the right not to proceed with this Offer in accordance with Regulation 23 of the SEBI (SAST) Regulations, in the event such statutory approvals are refused. In the event of withdrawal of this Offer, a public announcement will be made within 2 (two) Working Days of such withdrawal, in the Newspapers and such public announcement will also be notified to the Stock Exchanges, the SEBI and the Target Company at its registered office.

3.2.8 This Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of the SEBI (SAST) Regulations.

3.2.9 The Acquirer and the PAC have not acquired any Equity Shares after the date of the PA, i.e. September 19, 2016 and up to the date of this Letter of Offer, except for the indirect acquisition of Equity Shares by the Acquirer pursuant to the completion of the Primary Transaction.

3.3 Object of the Primary Transaction and this Offer

3.3.1 The Primary Transaction has resulted in an indirect acquisition of voting rights in and control by the Acquirer over the Target Company for the purposes of the SEBI (SAST) Regulations, requiring the Acquirer to make this Offer to the Public Shareholders in accordance with the SEBI (SAST) Regulations.

3.3.2 The Primary Transaction would bring together two companies with a presence in seeds & traits, crop protection, and biologics. The Primary Transaction would bring together two existing companies to enable healthy, safe and affordable production in the agricultural sector to meet the challenges of a resource constrained world. This would help to bring synergies in the existing portfolio and business of the Acquirer and the Seller.

3.3.3 The Acquirer and the PAC intend to continue the existing business of the Target Company, as on the date of this Letter of Offer.

3.3.4 In terms of Regulation 25(2) of the SEBI (SAST) Regulations, the Acquirer and the PAC currently do not have any intention to restructure or alienate, whether by way of sale, lease, encumbrance or otherwise, any material assets of the Target Company or of its subsidiaries or of entities controlled by the Target Company during the period of 2 (two) years following the completion of the Offer other than (a) an intention to explore the possibility of a merger of the Target Company and the PAC, subject to the receipt of necessary approvals from the board of directors and shareholders of the respective companies, as well as from regulatory and other statutory authorities including completion of the divestment of certain businesses in various jurisdictions of the Acquirer group in compliance with the conditions of approval granted in relation to the Primary Transaction and pursuant to regulatory approvals for divestment; or (b) in the ordinary course of business; or (c) on account of regulatory approvals or conditions, or compliance with any law that is binding on or applicable to the operations of the Target Company; or (d) as has already been disclosed by the Target Company in the public domain; or (e) with the prior approval of the shareholders of the Target Company by way of a special resolution passed by postal ballot. However, as of the date of this Letter of Offer, the Acquirer and PAC cannot ascertain the repercussions, if any, on the employees and locations of the Target Company's places of business.

3.3.5 As on the date of this Letter of Offer, the total public shareholding in the Target Company is 27.86% (twenty seven point eight six percent), of the fully diluted voting share capital of the Target Company.

3.3.6 If the Equity Shares accepted in the Offer are such that the shareholding of the Acquirer taken together with that of the PAC and the existing promoter and promoter group of the Target Company pursuant to the completion of the Offer results in their collective shareholding exceeding the maximum permissible non-public shareholding, the Acquirer shall be required to bring down the non-public shareholding to the level specified and within the limit permitted in accordance with Rule 19A and 19(2) of the SCRR and Regulation 38 of SEBI LODR Regulations, as per the requirements of Regulation 7(4) of the SEBI (SAST) Regulations, within the time period stated therein through permitted routes and any other such routes as may be approved by SEBI from time to time.

3.3.7 Further, in accordance with Regulation 7(5) of the SEBI (SAST) Regulations, if, as a result of the Equity Shares accepted in the Offer, the shareholding in the Target Company of the Acquirer and the PAC, taken together with the promoter and promoter group of the Target Company exceeds the maximum permissible non-public shareholding, then neither the Acquirer nor the PAC shall be eligible to make a voluntary delisting offer under the Delisting Regulations, unless a period of 12 (twelve) months has elapsed from the date of the completion of the Offer Period.

4 BACKGROUND OF THE ACQUIRER AND THE PAC

4.1 <u>Acquirer- Bayer Aktiengesellschaft</u>

4.1.1 The Acquirer is a corporation, incorporated as Farbenfabriken Bayer Aktiengesellschaft on January 15, 1952 under the laws of Germany. The name of the Acquirer was changed to Bayer Aktiengesellschaft on June 14, 1972. The registered office of the Acquirer is located at Kaiser-Wilhelm-Allee 1, 51373, Leverkusen, Germany, Tel +4921430-1, Fax: +4921430-26786. All references to the board of directors/ directors of the Acquirer in this Letter of Offer shall mean the board of management/ members of the board of management of the Acquirer.

4.1.2 The Acquirer is engaged in the business of manufacturing, marketing and other industrial activities or the provision of services in the fields of health care and agriculture. The Acquirer may also perform these activities in the fields of polymers and chemicals. Key business divisions of the Acquirer include Pharmaceuticals, Consumer Health, Crop Science and the business unit, Animal Health. The Pharmaceuticals division focuses on prescription products (especially for cardiology and women's healthcare), specialty therapeutics (in the areas of oncology, hematology and ophthalmology) and the radiology business (marketing diagnostic imaging equipment together with the necessary contrast agents). The Consumer Health division markets over-the-counter medicines, medical products and cosmetics in the dermatology, nutritional supplement, analgesic, digestive health, cold, allergy, foot care and sun protection categories. The Crop Science division provides products and services in seeds, crop protection and nonagricultural pest control. The Animal Health business unit develops and markets products and solutions for the prevention and treatment of diseases in companion and farm animals. The Bayer group comprises 237 consolidated companies (as at December 31, 2017 in 79 countries throughout the world).

4.1.3 The Acquirer is the ultimate parent company of the Bayer group, including the PAC.

4.1.4 The Acquirer is publicly listed and has dispersed shareholding with no specific controlling shareholders, and no public shareholder of the Acquirer holds shares in excess of 5% of the total percentage of voting rights of the Acquirer, except for Blackrock Inc., together with its subsidiaries. As of March 26, 2018, the total percentage of voting rights of Blackrock Inc. and its subsidiaries in the Acquirer is as set out below:

S. No.	Name of the shareholder	Category of shareholder	% of voting rights held
1.	Blackrock Inc. (together with subsidiaries)	Public shareholder	7.44%

4.1.5 The names, details of experience, qualifications, and date of appointment of the members of the board of management of the Acquirer, as on the date of this Letter of Offer are set-out below:

Sr. No.	Name of Director, Designation	Experience & Qualifications	Date of appointment
1	Werner Baumann, Chairman	Werner Baumann studied economics in Aachen and Cologne, joining Bayer AG in 1988. After holding positions of increasing responsibility in Spain and the United States, he became a member of the Board of Management of Bayer HealthCare. He was appointed to the Bayer Board of Management in 2010, first as Chief Financial Officer (CFO) and then as Chief Strategy and Portfolio Officer. Baumann has been Chairman of the Bayer Board of Management since May, 2016.	January 1, 2010
2	Wolfgang Nickl, Chief Financial Officer	Wolfgang Nickl completed a Bachelor of Business Administration (BBA) in Stuttgart, Germany and obtained a Master of Business Administration (MBA) in Los Angeles, USA. He held the position as Chief Financial Officer (CFO) in different companies in the USA and the Netherlands, most recently as the Executive Vice President and CFO at ASML in the Netherlands. Wolfgang Nickl joined the Bayer Board of Management on April 26, 2018 and was appointed as the CFO on June 1, 2018. He is also responsible for the regions Asia/Pacific and North America.	April 26, 2018
3	Heiko Schipper	After earning his Master's degree in economics in Rotterdam, Heiko Schipper started his professional career at Heineken. He joined Nestlé in 1996 and held various positions at the company's headquarters in Switzerland and abroad. Schipper became Deputy Executive Vice President and a member of the Nestlé Group Executive Board in 2014 with global responsibility for the Nestlé Nutrition business. He has been a member of the Board of Management of Bayer AG since March 2018 and head of the Consumer Health Division since April 2018.	March 1, 2018

Sr. No.	Name of Director, Designation	Experience & Qualifications	Date of appointment
4	Dieter Weinand	Dieter Weinand studied pharmacology, toxicology and biology in New York. After holding positions at various companies in the pharmaceutical industry including Pfizer and Bristol-Myers Squibb, he was President Global Commercialization & Portfolio Management at Otsuka Pharmaceutical Development & Commercialization Inc. in Princeton. In 2014, Weinand became head of the Pharmaceuticals Division at Bayer.	January 1, 2016
5	Dr. Hartmut Klusik	Hartmut Klusik studied chemistry in Marburg. After gaining a Ph.D., he began his professional career at Wolff Walsrode in 1984. He transferred to crop protection production at Bayer in Brazil in 1990. Following assignments in the United States and Australia and after holding positions of increasing responsibility at Bayer CropScience, he was appointed to the Board of Management of Bayer HealthCare with responsibility for Product Supply. He is currently responsible for Human Resources, Technology & Sustainability and is the company's Labor Director.	January 1, 2016
6	Kemal Malik	Kemal Malik studied medicine and worked in a London hospital. After holding different positions of increasing responsibility at Bristol-Myers Squibb, he joined Bayer in 1995. In 2007, Malik became a member of the Executive Committee, head of Global Development and Chief Medical Officer of Bayer HealthCare. He is currently responsible for Innovation and the Latin America region.	February 1, 2014
7	Liam Condon	Liam Condon studied international marketing in Dublin and Berlin. He held various positions of increasing responsibility with the former Schering AG, Berlin, Germany, and with Bayer HealthCare in Europe and Asia, including Managing Director of Bayer HealthCare China and head of Bayer HealthCare in Germany. Condon became Chief Executive Officer of Bayer CropScience in 2012.	January 1, 2016

4.1.6 As on the date of this Letter of Offer, none of the members of the board of management of the Acquirer have been appointed on the Board of the Target Company.

4.1.7 As on the date of this Letter of Offer, the Acquirer does not directly own any Equity

Shares of the Target Company. Pursuant to the closing of the Primary Transaction, the Target Company has become an indirect subsidiary of the Acquirer.

4.1.8 The Acquirer has not been prohibited by SEBI from dealing in securities, in terms of any directions issued Section 11B of the SEBI Act or under any of the regulations made under the SEBI Act.

4.1.9 The key financial information of the Acquirer, as derived from its audited consolidated financial statements (Bayer group) for the financial years ended December 31, 2015, December 31, 2016 and December 31, 2017, audited by the independent statutory auditor of the Acquirer, and unaudited consolidated financial statements (Bayer group) for the three month period ended March 31, 2018, subject to limited review by the independent statutory auditor of the Acquirer, is set out here below:

Profit and Loss Statement

Particulars	**Financial quarter ended on**		**Financial Year ended on**					
	March 31, 2018		**December 31, 2017**		**December 31, 2016**		**December 31, 2015**	
	In EUR mn	**In INR mn**	**in EUR mn**	**in INR mn**	**in EUR mn**	**in INR mn**	**in EUR mn**	**in INR mn**
Income from operations [1]	9,138	687,338	35,015	2,633,744	34,943	2,628,329	46,085	3,466,403
Other Income [2]	152	11,433	864	64,988	787	59,196	1,109	83,416
Total Operating Income	**9,290**	**698,772**	**35,879**	**2,698,732**	**35,730**	**2,687,525**	**47,194**	**3,549,819**
Total Expenditure[3]	6,472	486,808	27,316	2,054,644	26,929	2,025,535	37,621	2,829,761
Profit Before Depreciation, Interest and Tax[4]	**2,818**	**211,963**	**8,563**	**644,088**	**8,801**	**661,990**	**9,573**	**720,058**
Depreciation and Amortization	508	38,211	2,660	200,079	3,063	230,392	3,332	250,625
Interest Charges[5]	(130)	(9,778)	1,326	99,739	965	72,585	1,005	75,594
Profit before Tax	**2,440**	**183,531**	**4,577**	**344,271**	**4,773**	**359,014**	**5,236**	**393,839**
Income Taxes	494	37,157	1,329	99,964	1,017	76,496	1,223	91,991
Income from discontinued operations after Income Tax	8	602	4,846	364,504	1,070	80,483	85	6,393
Profit After Tax	**1,954**	**146,975**	**8,094**	**608,811**	**4,826**	**363,000**	**4,098**	**308,242**

Balance Sheet Statement

Particulars	March 31, 2018		December 31, 2017		December 31, 2016		December 31, 2015	
	In EUR mn	In INR mn	in EUR mn	in INR mn	in EUR mn	in INR mn	in EUR mn	in INR mn
Sources of Funds								
Paid up share capital[6]	2,117	159,236	2,117	159,236	2,117	159,236	2,117	159,236
Reserves and Surplus [7]	36,267	2,727,917	34,744	2,613,360	29,780	2,239,980	23,328	1,754,676
Net worth	**38,384**	**2,887,152**	**36,861**	**2,772,596**	**31,897**	**2,399,216**	**25,445**	**1,913,912**
Secured Loans	-	-	-	-	-	-	-	-
Unsecured Loans[8]	12,273	923,146	12,483	938,941	16,180	1,217,021	16,513	1,242,068
Other non-current liabilities[9]	11,639	875,458	12,150	913,894	15,624	1,175,200	14,979	1,126,684
Total	**62,296**	**4,685,756**	**61,494**	**4,625,431**	**63,701**	**4,791,436**	**56,937**	**4,282,664**
Total Uses of Funds								
Net fixed assets[10]	32,995	2,481,805	34,058	2,561,761	42,993	3,233,830	43,649	3,283,173
Investments[11]	4,311	324,263	5,641	424,302	1,865	140,281	1,338	100,641
Other non-current assets[12]	4,919	369,995	5,315	399,782	6,933	521,484	5,109	384,287
Net current assets[13]	20,071	1,509,692	16,480	1,239,586	11,910	895,842	6,841	514,564
Total miscellaneous expenditure not written off	-	-	-	-	-	-	-	-
Total Assets	**62,296**	**4,685,756**	**61,494**	**4,625,431**	**63,701**	**4,791,436**	**56,937**	**4,282,664**

Other Financial Data

Particulars	Financial quarter ended on		Financial Year ended on					
	March 31, 2018		December 31, 2017		December 31, 2016		December 31, 2015	
	In EUR	In INR	in EUR	in INR	in EUR	in INR	in EUR	in INR
Dividend per share	-	-	2.80	210.61	2.70	203.09	2.50	188.04
Earnings per share[14]	2.23	167.74	3.73	280.56	4.50	338.48	4.87	366.31

Footnotes:

1. *Represents net sales;*
2. *Represents other operating income;*
3. *Represents cost of goods sold, selling expenses, research and development expenses, general administration expenses and other operating expenses excluding depreciation and amortization;*
4. *Profit before depreciation, interest and tax is EBIT plus the amortization of intangible assets and the depreciation of property, plant and equipment, plus impairment losses and minus impairment loss reversals, recognized in profit or loss during the reporting period;*

5. *Interest charges comprises of income/ loss from investment in affiliated companies, interest expenses & income, other financial expenses & income, equity-method income (loss);*
6. *Represents capital stock;*
7. *Represents capital reserves, other reserves and equity attributable to non-controlling interest;*
8. *Represents non-current financial liabilities;*
9. *Represents provisions for pensions and other post-employment benefits, other provisions, refund liabilities, contract liabilities, income tax liabilities, deferred taxes, other liabilities;*
10. *Represents goodwill, other intangible assets and property, plant and equipment;*
11. *Represents investments accounted for using the equity method and other financial assets (non -current);*
12. *Represents other receivables and deferred taxes;*
13. *Represents total current assets less total current liabilities;*
14. *Basic and diluted earnings per share from continuing operations; calculated as per weighted average number of shares for the year as disclosed in the audited financial statements; weighted average number of shares for 2015, 2016, 2017 and Q1 2018 were 826,947,808; 832,502,808; 872,107,808 and 872,467,808 respectively.*

***Notes**:*

Since the financials of the Acquirer are presented in EUR, a translation (convenience translation) of such financials into Rupees has been adopted. The EUR to INR conversion has been assumed at the rate of 1 EUR = INR 75.2176 as on Sep 12, 2016, (i.e. 1 (one) working day prior to the Merger Agreement) (Source: www.rbi.org.in).

Financial data: 2018 Q1 as reported in Q1 2018 interim report, 2017 figures as reported in 2017 annual report, 2016 figures as restated in 2017 annual report and 2015 figures as last reported (2016 annual report).

The consolidated financial information are from the Acquirer's audited consolidated financial statements (Bayer group) for the years 2015 to 2017 and for Q1 2018 are from the Acquirer's limited review consolidated financial statements (Bayer group) prepared in accordance with the applicable accounting standards notified under the International Financial Reporting Standards (IFRS) taking also into account the applicable further requirements of the German Commercial Code and audited/ reviewed by the independent statutory auditor of the Acquirer.

4.1.10 As of December 31, 2017, the total contingent liability of the Bayer group, as disclosed in the financial statements for the financial year ended 2017 amounts to EUR 850 million (approximately INR 63.93 billion). The Bayer group has no major contingent liabilities apart from the following:

(i) the Acquirer has given guarantees worth EUR 148 million (approximately INR 11.13 billion), which mainly comprise a declaration issued by the Acquirer to the trustees of the U.K. pension plans guaranteeing the pension obligations of Bayer Public Limited Company and Bayer CropScience, UK. Under the declaration, the Acquirer, in addition to the above two companies, undertakes to make further payments into the plans upon receipt of a payment request from the trustees;

(ii) the Bayer group also has outstanding warranties worth EUR 88 million (approximately INR 6.61 billion).

The Bayer group also has other contingent liabilities worth EUR 614 million, mainly comprising pending legal cases in several countries.

4.1.11 As of March 31, 2018, the total contingent liabilities of the Bayer Group amount to EUR 844 million (approximately INR 63.48 billion)

4.1.12 The ordinary shares of the Acquirer are listed in the stock exchanges of Frankfurt, Berlin, Dusseldorf, Hamburg, Hannover, Munich and Stuttgart, as well as in Barcelona and Madrid.

4.1.13 The market price per share of the common stock of the Acquirer on the Frankfurt Stock Exchange is as follows:

Date	Market price per ordinary share of the Acquirer
Date of PA (September, 19, 2016)	EUR 91.13
September 30, 2016	EUR 89.10
December 31, 2016	EUR 99.13
March 31, 2017	EUR 107.81
June 30, 2017	EUR 113.50
September 30, 2017	EUR 115.55
December 31, 2017	EUR 104.00
March 31, 2018	EUR 92.15

Source: Bloomberg

4.1.14 The Acquirer is in compliance with all corporate governance rules and regulations to which it is subject under the applicable laws. The compliance officer of the Acquirer is Dr. Gabriel Harnier (Head of Law, Patents & Compliance Bayer Group), Tel: 00 800 15 15 1700, E-mail: bayercompliance@expolink.co.uk

4.2 PAC - Bayer CropScience Limited

4.2.1 The PAC is a public limited company, and was incorporated on September 9, 1958, under the Companies Act, 1956 under the name of ‘Bayer-Agrochem Private Limited’.

Its name was subsequently changed to Bayer (India) Limited on May 21, 1963 and then to its present name, i.e. Bayer CropScience Limited, on April 5, 2004.

4.2.2 The registered office of the PAC is located at Bayer House, Central Avenue, Hiranandani Estate, Thane (West) 400 607, Maharashtra, India, Tel +91 22 25311234; Fax +91 22 25455151. Its corporate identity number is L24210MH1958PLC011173.

4.2.3 The PAC is a Bayer group entity. The Acquirer is the ultimate parent company of the PAC. The Acquirer directly holds 10.41% of the share capital of the PAC, and indirectly through its subsidiaries holds 58.28% of the share capital of the PAC. The Acquirer is thus in control of the PAC.

4.2.4 The promoters of the PAC are Bayer Vapi Private Limited (holding 23.42% shares), Bayer SAS (holding 19.28% shares), Bayer CropScience AG (holding 15.59% shares) and the Acquirer (holding 10.41% shares).

4.2.5 The PAC is engaged in the business of manufacturing of insecticides, rodenticides, fungicides and herbicides. The PAC operates through the Crop Science division. The Crop Science division provides products relating to crop protection, agricultural seeds and environmental science (nonagricultural pest control). The PAC markets high-value hybrid seeds along with innovative chemical and biological pest management solutions. The Environmental Science division focuses on non-agricultural applications including a broad portfolio of pest control products and services for areas ranging from the home and garden sector to forestry.

4.2.6 The equity shares of the PAC are listed on the BSE (Security Code: 506285) and permitted to trade on the NSE (Symbol: BAYERCROP).

4.2.7 The shareholding pattern of the PAC as of June 15, 2018 is as follows:

S.No	Shareholders' Category	Number and Percentage of the Shares held
1.	Promoters	23,584,448 (68.69%)
2.	Foreign Institutional Investors/ mutual funds/ Financial Institutions/ Banks	7,800,890 (22.72%)
3.	Public	2,948,255 (8.59%)
	Total Paid up Capital	**34,333,593 (100%)**

4.2.8 Names, details of experience, qualifications, and date of appointment of the directors on the board of directors of the PAC, as on the date of this Letter of Offer are as follows:

Sr No	Name of Director, Designation	Director Identification Number	Experience & Qualifications	Date of Appointment
1	Pankaj Patel, Chairman & Non-Executive Independent Director	00131852	Pankaj Patel was appointed as an additional non-executive director and the chairman of the board of directors of the PAC with effect from July 05, 2016. He was appointed as an independent director with effect from September 12, 2016. Mr. Patel has an experience of over 40 (forty) years in the Indian pharmaceutical industry. He combines both research and techno-commercial expertise. He has published over hundred research papers in peer reviewed journals and is a co-inventor in more than sixty-four patents.	July 05, 2016
2	Richard van der Merwe, Vice Chairman & Managing Director and CEO	06768305	Richard van der Merwe is the vice chairman & managing director and CEO of the PAC. Richard has been responsible for the Bayer group business activities in South Asia since February 2014. Richard started his career with the Bayer group in 1985 in Bayer South Africa. He was there till June 1993 as manager – finance and controlling, after which he moved to Leverkusen, the Bayer group headquarters in July 1993 as an internal auditor. In January 1995, Richard returned to South Africa and was appointed group human resources and administration manager. Richard was appointed the managing director of Bayer Zimbabwe (Pty) Ltd. in July 1996. He then went on to become the chief executive and country head for the then Bayer polymers division. From July 2004 to August 2009, Richard was chief executive (senior Bayer representative) for the Bayer group in southern Africa, as well as head south & southern Africa for Bayer CropScience. Richard studied finance and administration at South African University and has a degree in international finance administration. He is also a chartered accountant.	February 01, 2014

Sr No	Name of Director, Designation	Director Identification Number	Experience & Qualifications	Date of Appointment
3	Sharad M. Kulkarni, Non-Executive Independent Director	00003640	Sharad M. Kulkarni is a non-executive independent director of the PAC and holds a degree in engineering (B.E.) from University of Pune. He is also a fellow of the Institute of Engineers, India. He is a fellow of Institution of Management, UK and a fellow of the Institute of Directors, UK. Mr. Kulkarni is a business advisor and a management consultant. He is on the board of directors of several Indian and international companies and is associated with several NGOs and educational trusts. He has been the chief executive officer and the president of major international and Indian corporate entities during his career span of more than 40 (forty) years. His area of expertise covers business development, international alliance management, strategic planning, management and technology institutions of learning and corporate governance.	April 01, 2006
4	Vimal Bhandari, Non – Executive Independent Director	00001318	Mr. Vimal Bhandari is a commerce graduate from Mumbai University and a chartered accountant. Mr. Bhandari is a proficient and a proven top management professional with over 25 (twenty five) years of experience in a range of businesses in the financial services industry.	July 01, 2008
5	Peter Mueller, Non-Executive Non – Independent Director	03582162	Mr. Mueller joined Bayer AG as a commercial trainee in 1979 and spent 2 (two) years in corporate auditing thereafter. He then moved to Japan where he worked for 7 (seven) years with three Bayer subsidiaries in the field of finance & accounting. After a further period of 3 (three) years at the German Bayer headquarters in central controlling, Mr. Mueller became the deputy general manager of Bayer's newly founded holding company in Beijing, China. In the following 5 (five) years, he established the	August 01, 2011

Sr No	Name of Director, Designation	Director Identification Number	Experience & Qualifications	Date of Appointment
			administrative country platform and helped to negotiate and finance twelve joint venture companies. Mr. Mueller joined the finance division at Bayer AG as the head of corporate financial controlling in 1999 before being appointed as the head of corporate finance in 2002 and head of finance in 2011.	
6	Ulrich Stefer, Executive Director & CFO	07447177	Ulrich Stefer was appointed as an additional director of the PAC on March 4, 2016. He was appointed as the whole time director and chief financial officer of the PAC with effect from April 1, 2016. Mr. Stefer has completed his business administration at the University of Cologne. He started his career at a chartered accountant firm in Cologne, Germany. Subsequent to his examination as a tax consultant, he joined Bayer in 1998 to work as an auditor in the corporate auditing department. From 2002 to 2008, he was transferred to the Asia Pacific region to run a regional project at Bayer Middle East, Dubai, UAE; and took up responsibilities as chief financial officer of Bayer Pakistan (Private) Ltd, partly in combination with the role as CEO/senior Bayer representative. He has also held the position of the chief financial officer of Bayer Korea Ltd. In 2010 he was transferred to the tax department of Bayer AG heading the international taxes/foreign affiliates functions, and from 2013 assumed responsibilities for tax planning, mergers & acquisitions (tax) and transfer pricing.	April 01, 2016
7	Dr. (Ms.) Miriam Colling-Hendelkens, Non-Executive	07839649	Dr. Hendelkens is qualified as a German and European patent attorney. She started her professional career in the year 2002 and joined Bayer as a trainee in the patent department of Bayer Chemistry AG which later on has been	June 06, 2017

Sr No	Name of Director, Designation	Director Identification Number	Experience & Qualifications	Date of Appointment
	Non-Independent Director		carved-out as Lanxess GmbH. In 2005 she moved back to Bayer and joined the IP team of the Bayer affiliated company, H.C. Starck GmbH where she was responsible for the conductive polymer IP portfolio. Since May 2016 she is heading the patents cropscience department with global responsibility for Bayer´s cropscience IP organization.	

4.2.9 As of the date of this Letter of Offer, none of the above directors are on the Board of the Target Company.

4.2.10 As of the date of this Letter of Offer, the PAC has not directly or indirectly purchased any Equity Shares**.**

4.2.11 The key financial information of the PAC, as derived from its audited standalone financial statements for the financial years ended March 31, 2016, March 31, 2017 and March 31, 2018, audited by the independent statutory auditor of the PAC is as set out here below:

Profit and Loss Statement

Particulars	Financial Year ended on		
	March 31, 2018*	**March 31, 2017***	**March 31, 2016***
	Audited	**Audited**	**Audited**
	in INR mn	**in INR mn**	**in INR mn**
Income from operations[1]	27,490	29,484	28,894
Other income	388	701	817
Total income	**27,878**	**30,185**	**29,711**
Total expenditure[2]	23,396	25,348	24,548
Profit before depreciation Interest and Tax	**4,482**	**4,837**	**5,163**
Depreciation	331	289	247
Interest	113	69	100
Profit before tax	**4,038**	**4,479**	**4,816**
Provision for tax[3]	1,037	1,569	1,665
Profit after tax	**3,001**	**2,910**	**3,151**

Balance Sheet Statement

Particulars	March 31, 2018*	March 31, 2017*	March 31, 2016*
	Audited	Audited	Audited
	in INR mn	in INR mn	in INR mn
Sources of funds			
Paid up share capital	343	354	354
Reserves and surplus[4]	17,440	20,213	18,040
Net worth	**17,783**	**20,567**	**18,394**
Secured loans	-	-	-
Unsecured loans	-	-	-
Other non-current liabilities[5]	946	856	750
Total	**18,729**	**21,423**	**19,144**
Use of funds			
Net fixed assets[6]	3,705	3,661	3,384
Other non-current assets (including investments)[7]	882	851	765
Net current assets[8]	14,142	16,911	14,995
Total miscellaneous expenditure not written off		-	-
Total	**18,729**	**21,423**	**19,144**

Other Financial Data

Particulars	Financial Year ended on		
	March 31, 2018*	March 31, 2017*	March 31, 2016*
	Audited	Audited	Audited
	in INR	in INR	in INR
Dividend (per share)	18.00	17.00	17.00
Earnings per share[9]	86.16	82.31	87.34

Footnotes:-

1. *Represents revenue from sale of goods (including excise duty) and other operating revenue as*

on March 31, 2016, March 31, 2017 and March 31, 2018. Revenue for period starting July 1, 2017 is net of GST;

2. *Represents cost of materials consumed, purchases of stock-in-trade, excise duty, changes in inventories of finished goods, stock-in-trade and work-in-progress, employee benefits expenses and other expenses;*

3. *Represents tax expense comprising of current tax and deferred tax;*

4. *Represents capital redemption reserve, general reserve, retained earnings (surplus in statement of profit and loss;*

5. *Represents non-current provisions and deferred tax liabilities (Net);*

6. *Represents property, plant and equipment, capital work-in-progress, investment properties, intangible assets and intangible assets under development;*

7. *Represents other non-current financial assets, deferred tax assets (net), income tax asset (net) and other non-current assets;*

8. *Represents total current assets less total current liabilities;*

9. *Basic and diluted; calculated as per weighted average number of equity shares outstanding at year end; weighted average number of equity shares outstanding for 2015-16, 2016-17 and 2017-18 were 36,076,364; 35,354,001 and 34,831,217 respectively.*

Note:

**Figures are in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS).*

4.2.12 As of March 31, 2018, as per the audited financial statements of the PAC, the major contingent liabilities of the PAC are as follows: claims against the PAC not acknowledged as debts towards (i) direct tax matters to the tune of INR 340 million mainly due to disallowance for certain expenses; (ii) indirect tax matters to the tune of INR 784 million mainly due to product classification and related to forms; (iii) litigation/ claims filed against the PAC by customers/ vendors/ third party to the tune of INR 49 million mainly due to crop failure; and (iv) litigation/demand raised by other statutory authorities to the tune of INR 117 million mainly due to demand raised for shortfall of stamp duty related to a property. Future cash flows in respect of above, if any, are determinable only on receipt of judgment/ decisions pending with relevant authorities.

4.2.13 The equity shares of the PAC are listed on the BSE and permitted to trade on the NSE. The market price of the shares on the NSE is as follows:

Date	Market price per ordinary share of the PAC
Date of PA (19 September, 2016)	INR 4,114.15
September 30, 2016	INR 4,471.85
December 31, 2016	INR 4,234.65
March 31, 2017	INR 3,796.20
June 30, 2017	INR 4,633.05
September 30, 2017	INR 3,899.90
December 31, 2017	INR 4,484.65
March 31, 2018	INR 4,229.15

Source: NSE

4.2.14 The PAC is in compliance with all corporate governance rules and regulations to which it is subject under the applicable laws. The compliance officer of the PAC is Mr. Rajiv Wani (Head – Law, Patents & Compliance and Company Secretary), Tel: +91 22 2531 1234, e-mail: ir_bcsl@bayer.com

4.2.15 The PAC and its promoters have not been prohibited by SEBI from dealing in securities in terms of any directions issued under Section 11 B of SEBI Act or under any of the regulations made under the SEBI Act.

5 DETAILS OF THE TARGET COMPANY

5.1 The Target Company is a public limited company incorporated on December 8, 1949 under the Companies Act, 1913, having its registered office at Ahura Centre, 5th Floor, 96, Mahakali Caves Road, Andheri (East), Mumbai- 400093, Maharashtra, India. Its corporate identity number is L74999MH1949PLC007912.

5.2 The Target Company is engaged in the business of production and sale of agricultural inputs, namely, chemicals and hybrid seeds. The Target Company's corporate office is located in Mumbai. It has a chemical production unit at Silvassa, hybrid seeds processing and drying units at Hyderabad and breeding stations at Udaipur, Bangalore and Hyderabad.

5.3 The Equity Shares of the Target Company are presently listed on BSE (Scrip Code: 524084) and NSE (Symbol: MONSANTO).

5.4 The Equity Shares are frequently traded on BSE and NSE in terms of Regulation 2(1)(j) of the SEBI (SAST) Regulations. (*Further details provided in Section 6 below (Offer Price)*).

5.5 As of the date of this Letter of Offer, the authorized share capital of the Target Company is INR 200,000,000 (Rupees two hundred million only) comprising 20,000,000 (twenty million) Equity Shares of INR 10/- (Rupees ten) each. The total issued and subscribed and fully diluted equity share capital of the Target Company is INR 172,630,480 (Rupees one hundred and seventy two million, six hundred and thirty thousand, and four hundred and eighty only) comprising 17,263,048 (seventeen million, two hundred and sixty three thousand, and forty eight) Equity Shares of INR 10/- (Rupees ten) each and the total paid-up equity share capital of the Target Company is INR 172,627,480 (Rupees one hundred and seventy two million, six hundred and twenty seven thousand, and four hundred and eighty only) comprising 17,262,748 (seventeen million, two hundred and sixty two thousand, and seven hundred and forty eight) Equity Shares of INR 10/- (Rupees ten). The Target Company has not allotted a total of 300 Equity Shares, which are part of its total issued and subscribed equity share capital, since they are a subject matter of disputes / court proceedings between some of its shareholders, to which the Target Company is not a party. Since no voting rights have been attached to the said 300 Equity Shares, they do not form part of the Voting Share Capital of the Target Company.

5.6 The equity share capital structure of the Target Company as on the date of this Letter of Offer is as follows:

Paid-up Equity Shares of Target Company	***No. of Shares/ Voting Rights***	***% of Shares/ Voting Rights***
Fully paid-up equity shares	17,262,748	100%
Partly paid- up equity shares	Nil	Nil
Total paid- up equity shares	17,262,748	100%
Total voting rights in the Target Company	**17,262,748**	**100%**

5.7 The key financial information of the Target Company, as derived from its audited financial statements for the financial years ended March 31, 2016, March 31, 2017 and March 31, 2018 audited by the independent statutory auditor of the Target Company is as set out here below:

Profit & Loss Statement

Particulars	**Financial Year ended on**		
	March 31, 2018**	**March 31, 2017****	**March 31, 2016***
	Audited	**Audited**	**Audited**
	in INR mn	**in INR mn**	**in INR mn**
Income from operations[1]	6,721	6,458	5,416
Other income	172	129	142
Total income	**6,893**	**6,587**	**5,558**
Total expenditure[2]	5,031	4,842	4,337

Profit before depreciation Interest and Tax	**1,863**	**1,744**	**1,221**
Depreciation and amortization	130	91	93
Interest	14	11	7
Exceptional Items	13	13	29
Profit before tax	**1,706**	**1,630**	**1,092**
Provision for tax[3]	61	115	79
Profit after tax[4]	**1,646**	**1,514**	**1,013**

Balance Sheet

Particulars	**March 31, 2018****	**March 31, 2017****	**March 31, 2016***
	Audited	**Audited**	**Audited**
	in INR mn	**in INR mn**	**in INR mn**
Sources of funds			
Paid up share capital	173	173	173
Reserves and surplus	6,231	5,165	3,960
Net worth (Shareholders' Fund)	**6,404**	**5,338**	**4,133**
Secured Loans	-	-	-
Unsecured Loans	-	-	-
Total	**6,404**	**5,338**	**4,133**
Use of funds			
Net fixed assets[5]	1,168	1,065	951
Investments	-	-	-
Non-current other Assets[6]	1,217	520	369
Net current assets[7]	4,020	3,753	2,813
Total	**6,404**	**5,338**	**4,133**

Other Financial Data

Particulars	**Financial Year ended on**		
	March 31, 2018**	**March 31, 2017****	**March 31, 2016***
	in INR	**in INR**	**in INR**
Dividend per share	30.00	30.00	30.00
Earnings per share[8]	95.34	87.74	58.66

Footnotes:

1. *Represents Revenue from sale of products (excluding excise duty) and other operating revenue for the year ended March 31, 2016; Represents Revenue from sale of products (including excise duty) and other operating revenue for the years ended March 31, 2017 and March 31, 2018. Revenue for the period starting from July 1, 2017 is net of GST;*

2. *Represents Cost of materials consumed and other inputs, Changes in inventories of finished goods and work-in-progress, Employee benefit expenses and Other expenses for the year ended March 31, 2016; Represents Cost of materials consumed and other inputs, Changes in inventories of finished goods and work-in-progress and biological assets, Employee benefit expenses and Other expenses (including excise duty for years ended March 31, 2017 and March 31, 2018);*

3. *Represents tax expense comprising of current tax, deferred tax net of excess provision for tax relating to prior years;*

4. *Represents profit after tax after exceptional items; for the year ended March 31, 2016, there was no Other comprehensive income since the financials were as per Indian GAAP and for the years ended March 31, 2017 and March 31, 2018 numbers represent profit after tax before Other comprehensive income;*

5. *Represents Tangible assets (Property, Plant and Equipment), Intangible assets and Capital work-in-progress;*

6. *Represents Deferred tax assets (net), Long term loans and advances, (less) Other long term liabilities and (less) Long term provisions for year ended March 31, 2016. Represents Deferred tax assets (net), Non current tax assets (net), Financial assets, Other non current assets, (less) Non current liabilities for years ended March 31, 2017 and March 31, 2018;*

7. *Represents Total Current assets including Assets classified as held for sale less Total Current liabilities; Represents total current assets, total current liabilities;*

8. *Basic and diluted; Calculated as per weighted average number of equity shares outstanding at year end; weighted average number of equity shares outstanding for 2015-16, 2016-17 and 2017-18 were 17,262,748; 17,262,748 and 17,262,748 respectively.*

Notes:

* *Figures are in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) (previous Indian GAAP)*

** *Figures are in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS)*

5.8 The details of the Board of Directors, as of the date of this Letter of Offer, are set forth below. As on the date of this Letter of Offer, there are no directors representing the Acquirer or the PAC and none of the directors of the Acquirer or the PAC have been appointed as directors on the Board of Directors.

S. No.	Name	Director Identification Number	Date of appointment	Designation
1.	Mr. Sekhar Natarajan	01031445	December 12, 2006	Non-executive chairman
2.	Ms. Shilpa Sridhar Divekar	06619353	September 01, 2014	Managing director
3.	Mr. H. C. Asher	00024863	August 09, 1973	Non-executive independent director
4.	Mr. Pradeep Poddar	00025199	December 30, 2005	Non-executive independent director
5	Mr. Bangla Bose Radhakrishna Mallipeddi	07999286	November 23, 2017	Non-executive director

5.9 There are no nominees of Monsanto on the Board of Directors of the Target Company as of the date of this Letter of Offer.

5.10 As of the date of this Letter of Offer, there are no (i) partly paid-up Equity Shares; or (ii) outstanding convertible instruments (warrants/ fully convertible debentures/ partly convertible debentures/ fully or partly convertible preference shares) issued by the Target Company.

5.11 All the paid-up Equity Shares of the Target Company are listed. The Target Company has not allotted a total of 300 Equity Shares, which are part of its total issued and subscribed equity share capital, since they are a subject matter of disputes / court proceedings between some of its shareholders, to which the Target Company is not a party. None of the Stock Exchanges have, in the past, refused listing of the Equity Shares of the Target Company.

5.12 None of the Equity Shares of the Target Company have been suspended from trading by the Stock Exchanges.

5.13 No penal/ punitive actions have been taken against the Target Company by the Stock Exchanges on account of non-compliance with the listing agreement and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in the last 3 (three) years, except for minor penalties (amounting to less than INR 15,000 (Rupees fifteen thousand only) on account of a delay of a few days in the submission of the Target Company's annual report for the year 2014-15.

5.14 The Target Company has not been involved in any merger, de-merger, spin-off or hiving off during the last 3 (three) years. The name of the Target Company has not undergone any change in the last 3 (three) years.

5.15 None of the Equity Shares of the Target Company are currently locked-in.

5.16 The shareholding pattern of the Target Company before and after this Offer, based on the latest shareholding data as of March 31, 2018, is as follows:

Shareholders' category	**Shareholding & voting rights prior to the agreement/ acquisition and Offer**		**Shares /voting rights agreed to be acquired which triggered the SEBI (SAST) Regulations**		**Shares/voting rights to be acquired in Offer (Assuming full acceptance)**		**Shareholding / voting rights after the acquisition and Offer**	
	(A)		**(B)**		**(C)**		**(A)+(B)+(C) = (D)**	
	No.	**%**	**No.**	**%**	**No.**	**%**	**No.**	**%**
(1) Promoter Group including Acquirer								
a. Parties to the Merger Agreement								
#Bayer Aktiengesellschaft	Nil	Nil	N.A*	N.A*	3,138,315	18.18	3,138,315*	18.18*
Monsanto Company	2,316,920	13.42	NA	NA	Nil	Nil	2,316,920	13.42
b. Promoters other than (a) above								
Monsanto Investments India Private Ltd.***	10,137,124	58.72	N.A	N.A	Nil	Nil	10,137,124	58.72
#Bayer CropScience Ltd.	Nil	Nil	N.A	N.A	1,350,000	7.82	1,350,000	7.82
Total 1 (a+b)	**12,454,044**	**72.14**	**N.A**	**N.A**	**4,488,315**	**26.00**	**16,942,359**	**98.14**
(2) Parties to the Merger Agreement other than(1) (a) & (b)								
KWA Investment Co.**	Nil	Nil	N.A	N.A	N.A	N.A	N.A	N.A
(3) Public (other than parties to agreement, Acquirer & PAC)								
a. FIs/MFs/UTI/Banks	1,105,769	6.41	N.A	N.A	Nil	Nil	320,389	1.86
b. Others (Individuals/ NRIs/Bodies Corporate/ Clearing Members)	3,702,935	21.45	N.A	N.A	Nil	Nil		
No of shareholders in "Public" – 17837								
Total (3)(a+b)	**4,808,704**	**27.86**	**N.A**	**N.A**	**Nil**	**Nil**	**320,389**	**1.86**

GRAND TOTAL (1+2+3)	17,262,748	100	N.A	N.A	4,488,315	26.00	17,262,748	100

**Please note that as part of the Primary Transaction, the Acquirer has indirectly acquired 72.14% (seventy two point one four percent) of the fully diluted voting share capital of the Target Company which it holds through its subsidiaries- Monsanto Company and Monsanto Investments India Private Ltd. However, the above number of 3,138,315 (three million, one hundred and thirty eight thousand and three hundred and fifteen) Equity Shares reflects only direct shareholding of Acquirer in the Target Company, assuming full acceptance of the Offer.*

*** Please note that pursuant to the Primary Transaction, KWA Investment Co. has now merged with Monsanto Company.*

****Prior to 2015, the promoters of the Target Company were Monsanto and Monsanto Holdings Private Ltd ("**MHPL**"). In 2015, pursuant to a scheme of arrangement between MHPL and Monsanto Investments India Private Ltd ("**MIIPL**"), the entire shareholding of MHPL stood transferred to MIIPL. MIIPL is a subsidiary of Monsanto.*

 # The acquisition of the Equity Shares of the Target Company will be done by the Acquirer and the PAC. Pursuant to the Offer, the PAC shall acquire up to 1,350,000 (one million, three hundred and fifty thousand) Equity Shares amounting to 7.82% (seven point eight two percent) of the Voting Share Capital of the Target Company, validly tendered in the Offer, and the balance Equity Shares tendered in the Offer shall be acquired by the Acquirer. As of the date of this Letter of Offer, the PAC does not hold any shares in the Target Company.

6 OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1 Justification of Offer Price

6.1.1 The Equity Shares are listed on the BSE (Scrip Code: 524084) and the NSE (symbol: MONSANTO).

6.1.2 The trading turnover of the Equity Shares, based on the trading volume in the Equity Shares of the Target Company on the BSE and the NSE during the period from September 1, 2015 to August 31, 2016 (i.e. 12 (twelve) calendar months preceding the month in which the PA is issued), is as set out below:

Stock Exchange	Total traded volumes during the 12 calendar months preceding the calendar month of the PA ("A")	Total Number of listed Equity Shares during this period ("B")	Annualized Trading turnover % (A/B)
NSE	13,872,198	17,262,748	80.36%
BSE	2,827,935	17,262,748	16.38%

(Source: www.bseindia.com and www.nseindia.com)

Note: *The Merger Agreement was entered into on September 14, 2016. The PA in respect of the Merger Agreement ought to have been issued within 4 (four) Working Days from September 14, 2016. The PA was made on September 19, 2016 in accordance with Regulation 13(2)(e) of the SEBI (SAST) Regulations. For the purposes of determining whether or not the Equity Shares are frequently traded, share trading data for the 12 (twelve) month period prior to the month in which the Public Announcement (to the extent available) has been used for BSE and NSE.*

6.1.3 Therefore, in terms of Regulation 2(1)(j) of the SEBI (SAST) Regulations, the Equity Shares are frequently traded on BSE and NSE.

6.1.4 The offer price of INR 2,491.97 (Rupees two thousand, four hundred and ninety one and ninety seven paise only) per Equity Share, is justified in terms of Regulation 8(3) of the SEBI (SAST) Regulations, read together with Regulation 8(12) of the SEBI (SAST) Regulations, in view of the following*:*

S.No.	Particulars of Regulation 8(3)	Price
(a)	Highest negotiated price per share, if any, of the Target Company for any acquisition under the Merger Agreement.	NA
(b)	The volume-weighted average price paid or payable for any acquisition, whether by the Acquirer or by the PAC or by any other person acting in concert with the Acquirer/PAC, during the 52 (fifty-two) weeks immediately preceding September 14, 2016 (being the earlier of the date on which the Primary Transaction was contracted, and the date on which the intention or the decision to enter into the Primary Transaction was announced in the public domain).	NA
(c)	Highest price paid or payable for any acquisition, whether by the Acquirer or by the PAC or by any other person acting in concert with the Acquirer/PAC, during the 26 (twenty-six) weeks immediately preceding September 14, 2016, (being the earlier of the date on which the Primary Transaction was contracted, and the date on which the intention or the decision to enter into the Primary Transaction was announced in the public domain).	NA
(d)	Highest price paid or payable for any acquisition, whether by the Acquirer or by the PAC or by any other person acting in concert with the Acquirer/PAC, between September 14, 2016 (being the earlier of the date on which the Primary Transaction was contracted, and the date on	NA

	which the intention or the decision to enter into the Primary Transaction was announced in the public domain) and the date of the PA.	
(e)	Volume-weighted average market price of the Equity Shares for a period of 60 (Sixty) trading days immediately preceding September 14, 2016, (being the earlier of the date on which the Primary Transaction was contracted, and the date on which the intention or the decision to enter into the Primary Transaction was announced in the public domain) as traded on the NSE.	2,491.97#
(f)	Per Equity Share value, as computed under Regulation 8(5) of the SEBI (SAST) Regulations	N A

***Note**: In terms of Regulation 8(12) of the SEBI (SAST) Regulations, in case of an indirect acquisition other than an indirect acquisition referred in Regulation 5(2) of SEBI (SAST) Regulations, the offer price is required to be enhanced by an interest payable at the rate of 10% (ten percent) per annum of the offer price set out above which is INR 434.90 (Rupees four hundred and thirty four and ninety paise only) per Equity Share for the period between September 14, 2016, to June 13, 2018, provided that such period is more than 5 (five) Working Days.*

 # Bansi S. Mehta & Co., Chartered Accountants (Registration Number: 100991W), has undertaken an independent valuation exercise to determine the volume-weighted average market price of the Equity Shares for a period of 60 (sixty) trading days immediately preceding September 14, 2016, (being the earlier of the date on which the Primary Transaction was contracted, and the date on which the intention or the decision to enter into the Primary Transaction was announced in the public domain) as traded on the NSE, and has issued a report dated June 11, 2018. The price determined by them is INR 2,491.97 (Rupees two thousand, four hundred and ninety one and ninety seven paise only) per Equity Share and there is an upward revision in the offer price as compared to INR 2,481.60 (Rupees two thousand, four hundred and eighty one and sixty paise only) per Equity Share which was disclosed in the PA.

6.1.5 The Merger Agreement was executed on September 14, 2016 and the first announcement with respect to the Merger Agreement was made on the same day. The Primary Transaction contemplated in the Merger Agreement was closed on June 7, 2018. Thus, as per Regulation 8(12) of the SEBI (SAST) Regulations, the offer price of INR 2,491.97 (Rupees two thousand, four hundred and ninety one and ninety seven paise only) per Equity Share, calculated in accordance with Regulation 8(3) of the SEBI (SAST) Regulations, has been enhanced by an interest payable at a rate of 10% (ten percent) per annum on the price set out above, calculated for the period from September 14, 2016 to June 13, 2018, being the date of publication of the DPS, which works out to INR 434.90 (Rupees four hundred and thirty four and ninety paise only) per Equity Share ("**Enhancement Amount**").

6.1.6 Bansi S. Mehta & Co., Chartered Accountants (Registration Number: 100991W), has undertaken an independent valuation exercise to determine the volume-weighted average market price of the Equity Shares for a period of 60 (sixty) trading days immediately preceding September 14, 2016, (being the earlier of the date on which the Primary Transaction was contracted, and the date on which the intention or the decision to enter into the Primary Transaction was announced in the public domain) as traded on the NSE, and has issued a report dated June 11, 2018. The price determined by them is INR 2,491.97 (Rupees two thousand, four hundred and ninety one and ninety seven paise only) per Equity Share and there is an upward revision in the offer price as compared to INR 2,481.60 (Rupees two thousand, four hundred and eighty one and sixty paise only) per Equity Share which was disclosed in the PA.

6.1.7 Accordingly, the Offer Price amounts to INR 2,926.87 (Rupees two thousand, nine hundred and twenty six and eighty seven paise only) per Equity Share, after considering the offer price of INR 2,491.97 (Rupees two thousand four hundred and ninety one and ninety seven paise only) per Equity Share, calculated in accordance with Regulation 8(3) of the SEBI (SAST) Regulations, along with the Enhancement Amount of INR 434.90 (Rupees four hundred and thirty four and ninety paise only) per Equity Share. Therefore, the Offer Price of INR 2,926.87 (Rupees two thousand, nine hundred and twenty six and eighty seven paise only) per Equity Share has been determined in accordance with the terms of Regulations 8(3) and 8(12) of the SEBI (SAST) Regulations.

6.1.8 There have been no corporate actions by the Target Company warranting adjustment of any of the relevant price parameters under Regulation 8(9) of the SEBI (SAST) Regulations.

6.1.9 Further, in terms of Regulation 8(5) of the SEBI (SAST) Regulations, if any of the parameters set out therein are met, the Acquirer and the PACs are required to disclose a per Equity Share value of the Target Company taken into account for the Primary Transaction. Since, the threshold as set out under Regulation 8(5) of the SEBI (SAST) Regulations is not met in the instant case, the Acquirer and the PAC are not required to compute and disclose the per Equity Share value of the Target Company.

6.1.10 The Offer Price may be further adjusted in the event of any corporate actions like bonus, rights, split, consolidation, dividend, demergers, and reduction etc. where the record date for effecting such corporate actions falls between the date of the DPS up to 3 (three) Working Days prior to the commencement of the Tendering Period, in accordance with Regulation 8(9) of the SEBI (SAST) Regulations.

6.1.11 In the event of the acquisition of Equity Shares by the Acquirer and/or the PAC during the Offer Period, whether by subscription or purchase, at a price higher than the Offer Price, the Offer Price will be revised upwards to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8) of the SEBI (SAST) Regulations. However, the Acquirer and the PAC shall not acquire any Equity Shares after the 3rd (third) Working Day prior to the commencement of the Tendering Period and until the expiry of the Tendering Period. An upward revision to the Offer Price or to the Offer Size, if any, on account of competing offers or otherwise, will be done at any time prior to the commencement of the last 3 (three) Working Days before the commencement of the Tendering Period in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. In the event of such revision, the Acquirer and the PAC shall: (i) make a public announcement in the Newspapers; and (ii) simultaneously with the issue of such announcement, inform the Stock Exchanges, the SEBI and the Target Company at its registered office of such revision.

6.1.12 The Acquirer and the PAC shall disclose during the Tendering Period every acquisition made by them of any Equity Shares of the Target Company to the Stock Exchanges and to the Target Company at its registered office within 24 (twenty four) hours of such acquisition in accordance with Regulation 18(6) of the SEBI (SAST) Regulations.

6.2 **Financial Arrangements**

6.2.1 The total funding requirement for the Offer, assuming full acceptance, i.e. for the acquisition of 4,488,315 (four million, four hundred and eighty eight thousand, and three hundred and fifteen) Equity Shares, at the Offer Price of INR 2,926.87 (Rupees two thousand, nine hundred and twenty six and eighty seven paise) per Equity Share is INR 13,136,714,525 (Rupees thirteen billion, one hundred and thirty six million, seven hundred and fourteen thousand, and five hundred and twenty five only) ("**Maximum Consideration**").

6.2.2 In accordance with Regulation 17(3) of the SEBI (SAST) Regulations, the Acquirer has provided an unconditional and irrevocable bank guarantee from Barclays Bank PLC, a company incorporated under the laws of England, and a banking company within the meaning of the Banking Regulation Act, 1949, having its registered office at No. 1 Churchill Place, Canary Wharf, London, E14, 5HP and acting through its branch office at Eros Corporate Towers, New Delhi- 110019, India in favour of the Managers to the Offer ("**Bank Guarantee**"). The Bank Guarantee amount is INR 2,064,500,000 (Rupees two billion, sixty four million, and five hundred thousand only) which is equal to or more than the prescribed amount of 25% (twenty five percent) for the first INR 5,000,000,000 (Rupees five billion only) of the Maximum Consideration and 10% (ten percent) thereafter on the balance consideration. The Bank Guarantee is valid up to November 30, 2018. The Acquirer undertakes that in case the Offer is not completed by November 30, 2018, then the Bank Guarantee will be further extended at least up to 30 (thirty) days from or the end of the Offer Period as required under Regulation 17(6) of the SEBI (SAST) Regulations, or an alternate bank guarantee will be provided by the Acquirer and/or the PAC. The Guarantor is neither an affiliate of, nor falls within the same group as that of the Acquirer, the PAC or the Target Company.

6.2.3 In accordance with Regulation 17(3) of the SEBI (SAST) Regulations, the Acquirer, the PAC, Barclays Bank PLC, a company incorporated under the laws of England, and a banking company within the meaning of the Banking Regulation Act, 1949, having its registered office at No. 1 Churchill Place, Canary Wharf, London, E14, 5HP and acting through its branch office at Eros Corporate Towers, New Delhi- 110019, India ("**Escrow Agent**"), and the Managers to the Offer have entered into an escrow agreement on June 8, 2018 ("**Offer Escrow Agreement**"). Pursuant to the Offer Escrow Agreement, the Acquirer and the PAC have jointly opened a cash escrow account bearing number 041233596715 (the "**Escrow Account**") with the Escrow Agent, and the PAC has deposited a sum of INR 131,500,000 (Rupees one hundred and thirty one million, and five hundred thousand only) in the Escrow Account, which is equal to or more than the amount required under Regulation 17(4) of the SEBI (SAST) Regulations (i.e. 1% (one percent) of the Maximum Consideration). The Managers to the Offer have been irrevocably and unconditionally authorized by the Acquirer and the PAC to operate and realize the monies lying to the credit of the Escrow Account, to the exclusion of all other persons including the Acquirer and the PAC, in terms of the SEBI (SAST) Regulations. In case of any upward revision in the Offer Price and / or Offer Size, the Acquirer and/ or the PAC shall deposit additional funds in the Escrow Account as required under the SEBI (SAST) Regulations, such that the amounts lying to the credit of the Escrow Account at all times shall not be less than 1% (one percent) of the revised consideration.

6.2.4 Further, in order to ensure that the funds that are payable to the Public Shareholders who tender their Equity Shares in the Offer are managed more efficiently, the Acquirer and the PAC have agreed to open a non-interest bearing account, bearing number 041233596716 with the Escrow Agent ("**Special Escrow Account**") under the Offer Escrow Agreement, pursuant to Regulation 21(1) of the SEBI (SAST) Regulations. The Managers to the Offer have been irrevocably and unconditionally authorized by the Acquirer and the PAC to operate and realize the monies lying to the credit of the Special Escrow Account, to the exclusion of all other persons including the Acquirer and the PAC, in accordance with the SEBI (SAST) Regulations.

6.2.5 In case of any upward revision in the Offer Price and/or the Offer Size, the cash in the Escrow Account shall be enhanced as per the revised consideration calculated at such revised offer price by the Acquirer and/or the PAC, prior to effecting such revision, in terms of Regulation 17(2) of the SEBI (SAST) Regulations, such that the amounts lying to the credit of the Escrow Account at all times shall not be less than 1% (one percent) of the revised consideration.

6.2.6 The Acquirer and the PAC have made firm financial arrangements for fulfilling the payment obligations under this Offer, in terms of Regulation 25(1) of the SEBI (SAST) Regulations, and the Acquirer and the PAC are able to implement this Offer. The

Equity Shares validly tendered and accepted under the Offer shall be acquired by the Acquirer and/or the PAC.

6.2.7 The source of funds to meet the obligations of the Acquirer and the PAC under the Offer has been met from funds made available by both the Acquirer and the PAC.

6.2.8 Milind Joshi & Associates, chartered accountants (Registration Number 119315W), has confirmed, by way of certificates dated August 8, 2018 ("**CA Certificate**"), that the Acquirer and the PAC have adequate financial resources through verifiable means available for meeting their payment obligations under the Offer.

6.2.9 On the basis of the aforesaid financial arrangements made by the Acquirer and the PAC, and the CA Certificate, the Managers to the Offer are satisfied about the ability of the Acquirer and the PAC to implement this Offer in accordance with the SEBI (SAST) Regulations, and confirm that adequate funds are available with the Acquirer and the PAC through verifiable means to implement this Offer.

7 TERMS AND CONDITIONS OF THIS OFFER

7.1 This Offer is being made by the Acquirer and the PAC to (i) all the Public Shareholders, whose names appear in the register of members of the Target Company as of the close of business on the Identified Date; (ii) the beneficial owners of the Equity Shares whose names appear as beneficiaries on the records of the respective Depositories, as of the close of business on the Identified Date; and (iii) those persons who acquire the Equity Shares any time prior to the date of the Closure of the Tendering Period for this Offer.

7.2 This Offer is being made by the Acquirer and the PAC to all the Public Shareholders, to acquire up to 4,488,315 (four million, four hundred and eighty eight thousand, and three hundred and fifteen) Equity Shares of the Target Company, representing 26% (twenty six percent) of the Voting Share Capital, subject to the terms and conditions mentioned in the PA, the DPS and the Letter of Offer.

7.3 This Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of the SEBI (SAST) Regulations.

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

7.5 The Offer Price may be further adjusted in the event of any corporate actions like bonus, rights, split, consolidation, dividend, demergers, and reduction etc. where the record date for effecting such corporate actions falls between the date of the DPS up to 3 (three) Working Days prior to the commencement of the Tendering Period of the Offer, in accordance with Regulation 8(9) of the SEBI (SAST) Regulations. In the event of any acquisition of the Equity Shares by the Acquirer and / or the PAC during the Offer Period, whether by subscription or purchase, at a price higher than the Offer Price, then the Offer Price will be revised upwards to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8) of the SEBI (SAST) Regulations. However, the Acquirer and the PAC shall not acquire any Equity Shares after the 3rd (third) Working Day prior to the commencement of the Tendering Period and until the expiry of the Tendering Period.

7.6 An upward revision of the Offer Price or the Offer Size, if any, on account of competing offers or otherwise, will be done no later than 3 (three) Working Days prior to the commencement of the Tendering Period in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. In the event of such revision, the Acquirer and the PAC shall: (i) make a public announcement in the Newspapers; and (ii) simultaneously with the issue of such announcement, inform the Stock Exchanges, SEBI and the Target Company at its registered office.

7.7 The Tendering period will commence from August 24, 2018 and will close on September 6, 2018.

7.8 The instructions, authorizations and provisions contained in the Form of Acceptance-cum-Acknowledgment constitute an integral part of the terms of this Offer. The Public Shareholders can write to the Registrar to the Offer / Managers to the Offer requesting for the Letter of Offer along with the Form of Acceptance-cum-Acknowledgement and fill up the same in accordance with the instructions given therein, so as to reach the Registrar to the Offer, on or before the date of the Closure of the Tendering Period. Alternatively, the Letter of Offer along with the Form of Acceptance–cum-Acknowledgement will also be available at SEBI's website, www.sebi.gov.in, and the Public Shareholders can also apply by downloading such forms from the website.

7.9 Accidental omission to send the Letter of Offer to any Public Shareholder to whom this Offer has been made or non-receipt of the Letter of Offer by any such shareholder shall not invalidate this Offer in any way.

7.10 Each Public Shareholder to whom this Offer is being made is free to offer the Equity Shares in whole or in part while accepting this Offer.

7.11 The Public Shareholders who tender their Equity Shares in this Offer shall ensure that the Equity Shares are free and clear from all liens, charges and encumbrances. The Acquirer and / or the PAC shall acquire the Equity Shares that are validly tendered and accepted in this Offer, together with all rights attached thereto, including the rights to dividends, bonuses and rights offers declared thereof in accordance with the applicable law and the terms set out in the PA, the DPS and the Letter of Offer.

7.12 Incomplete Forms of Acceptance-cum-Acknowledgement, if applicable, including non-submissions of the necessary enclosures, if any, are liable to be rejected. Further, in case the documents / forms submitted are incomplete and/or if they have any defect or modifications, the Equity Shares tendered are liable to be rejected.

7.13 The share certificates or other documents should not be sent to the Acquirer or the PAC or the Target Company.

7.14 The acceptance of this Offer is entirely at the discretion of the Public Shareholders. The Acquirer and the PAC will not be responsible for any loss of share certificate(s) and the Offer acceptance documents during transit, and the Public Shareholders are advised to adequately safeguard their interests in this regard.

7.15 The acceptance of this Offer must be unconditional, absolute and unqualified and should be sent with the attached Form of Acceptance-cum-Acknowledgement (where required) duly filled in, signed by the applicant shareholder(s), which should be received by the Registrar to the Offer at the address mentioned below on or before September 6, 2018, i.e. Closure of the Tendering Period. If any change or modification is made to the Form of Acceptance-cum-Acknowledgement or if any condition is inserted therein by any Public Shareholder, the Managers to the Offer, the Acquirer and the PAC reserve the right to reject the acceptance of this Offer by such Public Shareholder.

7.16 The Public Shareholders who have accepted this Offer by tendering their Equity Shares and requisite documents in terms of the PA, the DPS and this Letter of Offer, are not entitled to withdraw such acceptance during the Tendering Period for this Offer.

7.17 The personal information of the Public Shareholders will be held and processed by the Managers to the Offer, Registrar to the Offer, Escrow Agent and their respective affiliates, subcontractors, agents and representatives pursuant to this Offer. Such information may be disclosed, as required under applicable law.

7.18 The Managers to the Offer shall submit a final report to SEBI within 15 (fifteen) Working Days from the Closure of the Tendering Period in accordance with Regulation 27(7) of the SEBI (SAST) Regulations confirming the status of completion of various Offer requirements.

7.19 Each Public Shareholder participating in the Offer, with respect to itself only, shall, as on the date of tendering of the Equity Shares by him/her/it, be deemed to be representing and warranting to the Acquirer, the PAC and the Managers to the Offer that his/her/its participation in the Offer is in compliance with the terms of the Offer set out in the PA, the DPS and the Letter of Offer.

7.20 Any Equity Shares that are subject matter of litigation or are held in abeyance due to pending court cases/attachment or orders/restriction from other statutory authorities wherein the Public Shareholder may be precluded from transferring the Equity Shares during the pendency of the said litigation, are liable to be rejected if directions/orders are passed regarding the free transferability of such Equity Shares tendered under the Open Offer prior to the date of Closure of the Tendering Period.

8 STATUTORY AND OTHER APPROVALS

8.1 In order to complete this Offer, the Acquirer was required to obtain an approval from the Competition Commission of India ("**CCI**"). The Acquirer *vide* its letter dated August 7, 2017 had applied to the CCI for this approval. CCI vide its letter dated May 22, 2018 has granted its approval to the Acquirer.

8.2 As of the date of this Letter of Offer, to the best of the knowledge of the Acquirer and/or the PAC, except the approval specified in Paragraph 8.1, there are no other statutory approvals required by the Acquirer and/or the PAC to complete this Offer. However, in case of any other statutory approvals being required by the Acquirer and/or the PAC at a later date, this Offer shall be subject to such approvals and the Acquirer and/or the PAC shall make the necessary applications for such approvals. The Acquirer and/or the PAC will have the right to not proceed with the Offer in accordance with Regulation 23 of the SEBI (SAST) Regulations by withdrawing the Offer in the manner prescribed in the event the statutory approvals are not obtained within the prescribed time or at all.

8.3 Non-resident and OCB holders of the Equity Shares, if any, must obtain all requisite approvals required to tender the Equity Shares held by them in this Offer (including, without limitation, the approval from the RBI, since the Equity Shares validly tendered in this Offer may be acquired by a non-resident entity along with the resident entity), and submit such approvals along with the Form of Acceptance-cum-Acknowledgement and other documents required to accept this Offer. In the event such approvals are not submitted, the Acquirer and/or the PAC reserve the right to reject such Equity Shares tendered in this Offer. Further, if the Public Shareholders, who are not persons resident in India (including NRIs, OCBs, FIIs and FPIs) had required any approvals (including from the RBI or any other regulatory authority/ body) at the time of the original investment in respect of the Equity Shares held by them currently, they will be required to submit such previous approvals that they would have obtained for acquiring/holding the Equity Shares, along with the other documents required to be tendered to accept this Offer. If such approvals are not submitted, the Acquirer and/or the PAC reserve the right to reject such Equity Shares tendered in this Offer.

8.4 In case of delay in receipt of any such statutory approvals which may be required by the Acquirer and/or the PAC at a later date, as per Regulation 18(11) of the SEBI (SAST) Regulations, SEBI may, if satisfied that the non-receipt of such approvals was not attributable to any willful default, failure or neglect on the part of the Acquirer and/or the PAC to diligently pursue such approvals, grant an extension of time for the purpose of completion of this Offer, subject to the Acquirer and/or the PAC agreeing to pay interest to the Public Shareholders for delay beyond 10 (ten) Working Days at such rate, as may be specified by SEBI from time to time. Provided where the statutory approvals extend to some but not all Public Shareholders, the Acquirer/ PAC will have the option to pay consideration to such Public Shareholders in respect of whom no statutory approvals are required in order to complete this Offer.

8.5 The Acquirer and/or the PAC have the right not to proceed with this Offer in accordance with Regulation 23 of the SEBI (SAST) Regulations, in the event that the statutory approvals indicated above are refused. In the event of withdrawal of this Offer, a public announcement will be made within 2 (two) Working Days of such withdrawal, in the same newspapers in which the DPS has been published and such public announcement will also be sent to the Stock Exchanges, the SEBI and the Target Company at its registered office.

9 PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THIS OFFER

9.1 All Public Shareholders, whether holding shares in physical form or dematerialized form, whether registered or unregistered, are eligible to participate in this Offer at any time before the Closure of the Tendering Period.

9.2 The Letter of Offer with the Form of Acceptance-cum-Acknowledgement will be sent to the Public Shareholders whose names appear on the register of members of the Target Company and to the beneficial owners of the Equity Shares whose names appear in the beneficial records of the respective Depositories, as of the close of business on the Identified Date.

9.3 The Public Announcement, the DPS, the Letter of Offer and the Form of Acceptance-cum-Acknowledgement will also be available on the SEBI website: www.sebi.gov.in. In case of non-receipt of the Letter of Offer, all Public Shareholders including those who have acquired Equity Shares of the Target Company after the Identified Date, if they so desire, may download the Letter of Offer or the Form of Acceptance-cum-Acknowledgement from SEBI's website for applying in the Offer.

9.4 The BSE shall be the designated stock exchange for the purpose of tendering shares in the Offer (**"Designated Stock Exchange**").

9.5 The Open Offer will be implemented by the Acquirer/PAC through the stock exchange mechanism made available by the Designated Stock Exchange in the form of a separate window ("**Acquisition Window**") as provided under the SEBI (SAST) Regulations and the SEBI circular CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015 issued by SEBI read with the SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, as amended from time to time, and notices / guidelines issued by BSE and the Clearing Corporation in relation to the mechanism / process for the acquisition of shares through the stock exchange pursuant to the tender offers under takeovers, buy back and delisting, as amended and updated from time to time.

9.6 All the Public Shareholders who desire to tender their Equity Shares under the Offer should consult with their depository participants and their respective stock brokers ("**Selling Broker**") well in advance to understand the process and methodology in relation to tendering of the Equity Shares through the Designated Stock Exchange.

9.7 Non-resident Public Shareholders who are holding shares in both physical as well as dematerialized form, as well as resident Public Shareholders who are holding shares in physical form are mandatorily required to fill the Form of Acceptance-cum-Acknowledgement and send the same to the Registrar to the Offer. Resident Public Shareholders holding shares in dematerialized form are not required to fill the Form of Acceptance-cum-Acknowledgement.

9.8 The Acquirer and the PAC have appointed DSP Merrill Lynch ("**Buying Broker**") as its broker for the Open Offer through whom the purchase and settlement of the Equity Shares tendered in the Open Offer will be made. The contact details of the Buying Broker are as mentioned below:

Name of Broker	DSP Merrill Lynch Limited
Address of Broker	One BKC, A Wing, Ground Floor, Bandra Kurla Complex, Mumbai, 400051, India
e-mail of Broker	jinendra.shah@baml.com
CIN	U74140MH1975PLC018618
Contact Person	Jinendra Shah
Contact Details	+91 22 6632 8585
SEBI Registration Details	BSE – INB011348134 NSE – INB231348138

9.9 A separate Acquisition Window will be provided by the Designated Stock Exchange to facilitate the placing of orders. The Selling Broker can enter orders for the dematerialized shares as well as for the physical shares. Before placing the bid, the concerned Public Shareholder/Selling Broker would be required to transfer the tendered Equity Shares to the special account of the Clearing Corporation by using the settlement number and the procedure prescribed by the Clearing Corporation.

9.10 During the Tendering Period, the tender of the Equity Shares (in dematerialized and in physical form) by the Public Shareholders in this Offer will be placed through their respective Selling Brokers during normal trading hours of the secondary market.

9.11 The cumulative quantity tendered shall be made available online to the market throughout the trading session at specific intervals by the stock exchanges during the

Tendering Period on the basis of the shares transferred to the special account of the Clearing Corporation.

9.12 Modification/ cancellation of orders will not be allowed during the Tendering Period of the Offer.

9.13 Public Shareholders can tender their Equity Shares only through their respective Selling Broker with whom such Public Shareholders are registered as a client (i.e. KYC compliant). The Public Shareholders are advised to consult their respective Selling Broker in relation to the documents required by them in this behalf.

9.14 In the event the Selling Broker(s) are not registered with the Designated Stock Exchange or if any Public Shareholder does not have any stock broker then such Public Shareholder may approach Karvy Stock Broking Limited, to place bids and tender Equity Shares in the Open Offer by using the quick unique client code ("**UCC**") facility. The Public Shareholders shall be required to submit the documents set out under Paragraph 9.16.1 below to complete the 'know your customer' requirements. The Managers to the Offer have entered into an arrangement to facilitate the tendering of the Equity Shares under the Open Offer by Public Shareholders who do not have any stock brokers or where their Selling Broker is not registered with the Designated Stock Exchange. Such Public Shareholders may visit www.karvyonline.com, for further details relating to the address and contact details of the nearest branch of Karvy Stock Broking Limited.

9.15 **<u>Procedure for tendering shares held in dematerialized form</u>**

9.15.1 Public Shareholders holding Equity Shares in dematerialized form who wish to tender their Equity Shares in this Offer would be required to approach their Selling Broker along with the Public Shareholders' dematerialized account details and the details of the Equity Shares held by them. Public Shareholders should tender their Equity Shares before market hours close on the last day of the Tendering Period.

9.15.2 The Public Shareholders who wish to tender the Equity Shares in the Offer are required, through their respective depositary participants, to transfer or earmark the Equity Shares intended to be tendered to the early pay-in account of the Clearing Corporation, or for the benefit of the Clearing Corporation as the case may be.

9.15.3 The Public Shareholders shall earmark / provide such early pay-in of the dematerialized Equity Shares to be tendered in the Offer (except for custodian participant orders) to the Clearing Corporation using the settlement number provided in the Offer opening circular which will be issued by the Stock Exchange/ Clearing Corporation before the opening of the Offer, before any orders/bids are placed on their behalf by their respective Selling Brokers.

9.15.4 In case of custodian participant orders, the Equity Shares should be tendered prior to confirmation of the order by the custodian participant. Any rejection or confirmation of the orders by the custodian participant should be not later than 5.00 PM on the last day of the Tendering Period. Any unconfirmed orders thereafter would be treated as rejections.

9.15.5 The duly filled in Delivery Instruction Slips ("**DIS**") specifying the appropriate market type in relation to the Open Offer, and execution date along with all other details should be submitted by the Public Shareholders to their respective depositary participant/ Selling Broker so as to ensure that the Equity Shares are tendered in the Offer.

9.15.6 Upon placing the bid, the Selling Broker(s) shall provide the Transaction Registration Slip ("**TRS**") generated by the bidding system of the Designated Stock Exchange to the Public Shareholders. The TRS shall contain details of the order including the bid identification number, depository participant identification, client identification number, number of Equity Shares tendered, etc.

9.15.7 The Public Shareholders holding shares in dematerialized form will have to ensure that they update their bank account details with their correct account number used in core banking and IFSC codes, keep their depository participant account active and unblocked to successfully facilitate the tendering of the Equity Shares and to receive credit in case of return of Equity Shares due to rejection.

9.15.8 Resident Public Shareholders holding Equity Shares in dematerialized form are not required to fill the Form of Acceptance-cum-Acknowledgement, but are advised to retain the acknowledged copies of the DIS and TRS with them until the expiry of the Offer Period.

9.15.9 The non-resident Public Shareholders holding Equity Shares in dematerialized form, directly or through their respective Selling Brokers, are required to send the Form of Acceptance-cum-Acknowledgement along with the required documents (including the documents and information identified in Sections 7 (*Terms and Conditions of this Offer*), 8 (*Statutory and Other Approvals*) and 10 (*Compliance with Tax Requirements*) above) to the Registrar to the Offer at its address given on the cover page of the Letter of Offer. The envelope should be super scribed as "**Monsanto India Limited Open Offer**". Detailed procedure for tendering the Equity Shares will be included in the Form of Acceptance-cum-Acknowledgment.

9.15.10 In case any person has submitted Equity Shares in physical form for dematerialisation, such Public Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Offer before the Closure of the Tendering Period.

9.16 **<u>Public Shareholders who are holding Equity Shares in physical form</u>**

9.16.1 The Public Shareholders who are holding the Equity Shares in physical form and who wish to tender their Equity Shares in this Offer will be required to duly complete, sign and send the requisite documents to the Selling Broker for the verification process to be carried out, which include the following:

(a) The Form of Acceptance-cum-Acknowledgment duly completed and signed in accordance with the instructions therein, and by the joint/ sole Public Shareholder(s) whose name(s) appear on the share certificate in the same order in which the Equity Shares are held and as per the specimen signatures registered with the Target Company;

(b) Original share certificates;

(c) Valid share transfer deed(s) duly filled and signed by the joint/ sole Public Shareholder(s) in the same order and as per the specimen signatures registered with the Target Company and duly witnessed;

(d) Self-attested PAN card copy (in case of joint holders, PAN card copy of all transferors);

(e) Any other relevant document such as Power of Attorney if any person other than the Public Shareholder has signed the Form of Acceptance-cum-Acknowledgment, corporate authorizations (including a board resolution and specimen signature), duly notarized copy of death certificate, succession certificate or probated will if the original shareholder has deceased;

(f) Self-attested copy of address proof such as valid Aadhar card, Voter ID, passport etc. if the address of the Public Shareholder has undergone a change from the address mentioned in the register of the Target Company.

9.16.2 The Selling Broker should place the order on the Acquisition Window of the Designated Stock Exchange with the relevant details mentioned in the share certificate. After placing the order, the Selling Broker would be provided with a TRS generated by the bidding system of the Designated Stock Exchange which should be given to the Public Shareholder. The TRS will contain details of the order such as bid identification number, folio number, certificate number, distinct numbers, number of equity shares etc.

9.16.3 Once the order has been placed, the Selling Broker/ Public Shareholder must ensure delivery of the Form of Acceptance-cum-Acknowledgment, the TRS, original share certificate(s), valid share transfer deed(s) and other required documents as mentioned in 9.16.1 either by registered post or courier or hand delivery to the Registrar to the

Offer (at the address mentioned on the cover page not later than 2 (two) days from the Closure of the Tendering Period (by 5.00 PM)). The envelope should be superscripted as "**Monsanto India Limited – Open Offer**". One copy of the TRS will be retained by the Registrar to the Offer, and it will provide acknowledgement of the same to the Selling Broker.

9.16.4 Public Shareholders holding physical Equity Shares should note that the Equity Shares tendered will not be accepted unless the complete set of documents is provided to the Registrar to the Offer. Acceptance of the order is subject to verification of the documents by the Registrar to the Offer. On receipt of the confirmation from the Registrar the bid will be accepted else rejected and accordingly the same will be depicted on the exchange platform.

9.16.5 No modification/cancellation of orders will be allowed during the period in which the Offer is open.

9.16.6 The cumulative trading shares will be made available on the website of the Designated Stock Exchange throughout the trading session and will be updated at specific intervals during the Tendering Period.

The resident Public Shareholders holding Equity Shares in dematerialized mode are not required to fill any Form of Acceptance-cum-Acknowledgement. All non-resident Public Shareholders, whether holding Equity Shares in physical mode or in dematerialized form, as well as all resident Public Shareholders holding Equity Shares in physical mode are required to provide the duly filled Form of Acceptance-cum-Acknowledgment, which will be sent along with the Letter of Offer. The detailed procedure for tendering such Equity Shares shall be included in the Form of Acceptance-cum-Acknowledgment.

9.17 **Procedure for tendering Equity Shares in case of non-receipt of Letter of Offer**

9.17.1 Persons who have acquired Equity Shares but whose names do not appear in the register of members of the Target Company 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.

9.17.2 Public Shareholders may participate in the Offer by approaching their Selling Broker and tender the Equity Shares in the Open Offer as per the procedure mentioned in this Letter of Offer or in the relevant Form of Acceptance-cum-Acknowledgment.

9.17.3 In case of non-receipt of the Letter of Offer, such Public Shareholders of the Target Company may download the same from the SEBI website (www.sebi.gov.in) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity Shares.

9.17.4 Alternatively, in case of non-receipt of the Letter of Offer, the Public Shareholders holding the Equity Shares may participate in the Offer by providing their application in plain paper in writing signed by all shareholder(s), stating name, address, number of shares held, client identification number, DP name, DP identification number, number of shares tendered and other relevant documents as mentioned in paragraphs 9.14 and 9.15 above along with the share transfer deed (Form SH 4) (in case of Equity Shares being held in physical form). Such Public Shareholders have to ensure that their order is entered in the electronic platform to be made available by the Designated Stock Exchange before the Closure of the Tendering Period.

9.18 **<u>Acceptance of Equity Shares</u>**

9.18.1 The Registrar to the Offer shall provide details of order acceptance to the Clearing Corporation within specified timelines.

9.18.2 In the event that the number of Equity Shares (including dematerialized Equity Shares and physical Equity Shares) validly tendered by the Public Shareholders under this Offer is more than the number of Equity Shares agreed to be acquired in this Offer, the Acquirer and the PAC shall accept those Equity Shares validly tendered by such shareholders on a proportionate basis in consultation with the Managers to the Offer.

9.19 **<u>Settlement Process</u>**

9.19.1 On the Closure of the Tendering Period, reconciliation for acceptances shall be conducted by the Managers to the Offer and the Registrar to the Offer and the final list of accepted Equity Shares shall be provided to the Designated Stock Exchange to facilitate settlement on the basis of the Equity Shares transferred to the Clearing Corporation.

9.19.2 The Buying Broker will make the funds pay-in in the settlement account of the Clearing Corporation. For Equity Shares accepted under the Offer, the Public Shareholders will receive funds payout directly in their respective bank accounts (in case of Equity Shares held in dematerialized mode, in the bank accounts which are linked to the respective dematerialized accounts) / as per secondary market pay-out mechanism (in case of Equity Shares held in physical form). However, in the event that the pay-outs are rejected by the Public Shareholders' bank accounts due to any reason, or the bank accounts of the Public Shareholders are not available, or if the fund transfer instruction is rejected by the RBI due to any reason, the pay-out will be transferred to the respective Selling Broker's settlement accounts and the respective Selling Brokers will thereafter transfer the consideration to their respective Public Shareholders.

9.19.3 The Public Shareholders who intend to participate in the Offer should consult their Selling Brokers for any cost, applicable taxes charges and expenses (including brokerage) that may be levied by the Selling Broker upon the Public Shareholders for tendering Equity Shares in the Offer, and the Public Shareholders will be required to independently settle such costs, applicable taxes, charges and expenses or other charges (if any). The Acquirer, the PAC and the Managers to the Offer accept no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) which are to be incurred solely by the Public Shareholders.

9.19.4 The funds payout pertaining to the bids of non-resident Public Shareholders which are not settled through custodians will be transferred to the Selling Broker's settlement accounts, whereas funds payout pertaining to the bids of non-resident Public Shareholders which are settled through custodians will be transferred to the settlement bank account of the custodian, each in accordance with the applicable mechanism prescribed by the Designated Stock Exchange and the Clearing Corporation from time to time.

9.19.5 The direct credit of Equity Shares shall be given to the dematerialized account of Acquirer/PAC indicated by the Buying Broker.

9.19.6 Once the basis of acceptance is finalised, the Registrar to the Offer shall provide details of the order acceptance to the Clearing Corporation within specified timelines. The Clearing Corporation would facilitate the clearing and settlement of trades by transferring the required number of Equity Shares to the dematerialized account of Buying Broker who will in-turn transfer them to the dematerialized account of Acquirer/PAC.

9.19.7 In case of partial or non-acceptance of orders the balance dematerialized Equity Shares shall be returned directly to the dematerialized accounts of the Public Shareholders. However, in the event of any rejection of transfer to the dematerialized account of the Public Shareholder for any reason, the dematerialized Equity Shares shall be released to the securities pool account of their respective Selling Broker and the Selling Broker will thereafter transfer the balance Equity Shares to the respective Public Shareholders.

9.19.8 Any physical Equity Shares, to the extent tendered but not accepted, will be returned to the Public Shareholder(s) directly by the Registrar to the Offer. The Target Company is authorized to split the share certificate and issue new share certificates for the unaccepted Equity Shares, in case the Equity Shares accepted in the Offer are less than the Equity Shares tendered by the Public Shareholders holding the Equity Shares in physical form.

9.19.9 Selling Brokers should use the settlement number to be provided by the Clearing Corporation to transfer the Equity Shares in favor of Clearing Corporation.

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

9.19.11 The settlement of fund obligation for the dematerialized and physical Equity Shares shall be effected through the existing settlement accounts of Selling Broker.

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

9.19.13 In case of interest payments, if any, to be paid by the Acquirer/ PAC for delay in the payment of Offer Price or a part thereof, the same shall ascertained by the Managers to the Offer at a rate specified by SEBI, at such time, and subject to the terms of Section 10 (*Compliance with Tax Requirements*), and paid to the Public Shareholders via the Registrar to the Offer. Interest will be paid into the bank account as per the details taken from the record of the depository participant or specified in the Form of Acceptance-cum-Acknowledgement, as the case may be.

10 COMPLIANCE WITH TAX REQUIREMENTS

10.1 Given below is a broad summary of the applicable sections of the Income Tax Act, 1961 (‘**Income Tax Act’ or ‘ITA**’) relating to the treatment of income in case of the sale of listed Equity Shares on the stock exchange under the Open Offer, provided for guidance.

10.2 Classification of shares and shareholders

10.2.1 Shares held as investment: Income arising from transfer of shares held as investment is taxable under the head ‘Capital Gains’.

10.2.2 Shares held as stock-in –trade: Income arising from transfer of shares held as stock-in-trade is taxable under the head ‘Profits and Gains from Business or Profession’.

10.3 Capital gains tax

10.3.1 Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 (twelve) months (hereinafter referred to as Long term Capital Gains – LTCG) will be subject to capital gains tax in India at the rate of 10% (ten percent) if securities transaction tax has been paid on the transaction both on purchase and sale of shares (except in certain specific cases notified by CBDT) under section 112A of the ITA and if the aggregate LTCG during the financial year exceeds INR 0.1

million.

10.3.2 Such LTCG shall be computed without considering the indexation benefit. The cost of acquisition shall be also computed in accordance with the provisions of Section 55 read with Section 112A of the ITA.

10.3.3 Further, any gain realized on the sale of listed equity shares held for a period of 12 (twelve) months or less (hereinafter referred to as Short term Capital Gain – STCG), will be subject to short term capital gains tax @15% (fifteen percent) under section 111A of the ITA.

10.3.4 Taxability of capital gain arising to a non-resident in India from the sale of equity shares shall be determined under the provisions of the Income Tax Act or the DTAA entered into between India and the country of which the non-resident seller is resident, subject to the satisfaction of certain prescribed conditions and documentations.

Further the provisions of minimum alternate tax on the book profits as provided under Section 115JB of the ITA and alternate minimum tax provided under Section 115JC of the ITA also needs to be considered by the resident Public Shareholders.

10.4 **Business Profits**

10.4.1. Where the gains realized from the sale of listed equity shares are taxable as business profits, the same will be taxable at applicable tax rates to such Public Shareholders. Public shareholders are also required to refer to the CBDT Circular no. 6 of 2016 in this regard.

10.5 Under both Clause 10.3 and 10.4 above, in addition to the basic tax rate, surcharge, health and education cess are also leviable at the applicable rates in accordance with the provisions of ITA.

10.6 **Tax Deducted at Source**

Resident Public Shareholders

10.6.1. In the absence of any specific provisions in this regard, in case of resident Public Shareholders, the Acquirer/PAC shall not deduct tax on the consideration payable to such resident Public Shareholder pursuant to the Offer.

Non- Resident Public Shareholders

10.6.2. Each non- resident Public Shareholder shall confirm its status by selecting the appropriate box in the Form of Acceptance-cum-Acknowledgement.

10.6.3. Accordingly, in case of non-resident Public Shareholders (including FIIs / FPIs), the

Acquirer / PAC will not deduct income-tax at source on the consideration payable to such non-resident Public Shareholders as there is no ability for the Acquirer or the PAC to deduct taxes since the payment will be routed through the stock exchange, and there will be no direct payment by the Acquirer/PAC to the non-resident Public Shareholders. Additionally, there is no requirement to deduct TDS on the consideration payable to FIIs/ FPIs in accordance with provisions of Section 196D (2) of the ITA, which provides for specific exemption from withholding tax in case of capital gains arising in hands of FIIs / FPIs. Thus, no withholding of tax is required in case of consideration payable to FIIs / FPIs.

10.6.4. The responsibility to discharge tax due on the gains (if any) is on the non-resident Public Shareholder. It is therefore recommended that the non-resident Public Shareholders consult their custodians / authorized dealers / tax advisors appropriately.

Interest

10.6.5. However, in case of interest payments, if any, paid by the Acquirer/PAC to resident and non-resident Public Shareholders for a delay in the payment of the Offer Price or a part thereof (as referred to in Paragraphs 9.18.12 and 9.18.13 above), the Acquirer/PAC will deduct taxes at source ("**TDS**") at the applicable rates in accordance with the provisions of the ITA, so long as a PAN is submitted by the Public Shareholders. In case the PAN is not submitted or is invalid or does not belong to the Public Shareholder who submitted it, the Acquirer /PAC will arrange to deduct tax at the rate of 20% (twenty per cent) or at the rate in force or at the rate specified in the relevant provisions of the Income Tax Act, whichever is higher. The requirement of PAN shall not apply in respect of a non-resident Public Shareholder if such non-resident Public Shareholder provides the following information:

d. Name, e-mail id, contact number;

e. Address in the country of residence;

f. Tax Residency Certificate (if the law of the country of residence provides for such certificate); and

g. Tax Identification Number (TIN) in the country of residence. Where TIN is not available, a unique identification number is required to be furnished through which the said Public Shareholder is identified in the country of residence.

10.6.6. The TDS on interest payment mentioned above is subject to the following exemptions:

10.6.6.1. In case of resident Public Shareholders,

a. There will be no TDS on interest if interest payable does not exceed INR 5,000 (Rupees five thousand);

b. There will be no TDS in the case of a SEBI registered mutual fund as per Section 10(23D) of the Income Tax Act;

c. There will be no TDS for any entity which is exempted as such by any notification issued under Section 197A (1F) of the Income Tax Act

d. Nil or lower rate of TDS (as applicable) will be applied if the Public Shareholder furnishes a certificate from the Income Tax authorities under Section 197 of the Income Tax Act.

10.6.6.2. In case of non-resident Public Shareholders claiming benefit under a DTAA, such non-resident Public Shareholder should submit along with the TRC, Form 10F, self-declaration confirming 'No permanent establishment in India', and such other documentation required to substantiate their claim as per the relevant provisions of the DTAA. In the absence of the aforesaid documents, the taxes would be deducted in accordance with paragraph 10.6.5.

10.6.7. Notwithstanding any of the above, in case of ambiguity, incomplete or conflicting information or the information not being provided to the Acquirer/PAC, taxes shall be deducted at the maximum rate, as may be applicable to the relevant category to which the Public Shareholder belongs under the Income Tax Act, on the amount of interest payable to such Public Shareholders.

10.7 **Documents to be provided**

10.7.1. Resident Public Shareholders claiming that no tax is to be deducted or tax to be deducted at a lower rate on the interest amount, should submit a self-attested copy of the PAN card, and any of the following documents, as may be applicable:

a. Certificate under Section 197 of the Income Tax Act from the income-tax authorities indicating the amount of tax to be deducted by the Acquirer/ PAC;

b. SEBI registration certificate as a mutual fund;

c. Documentary evidence in support of the claim that the Public Shareholder is a bank or entity covered in Section 194A(3)(iii) of the Income Tax Act;

d. SEBI registration certificate issued as Category I or Category II Alternative Investment Fund if the shareholder claims exemption from tax deduction under Section 197A (1F) of the Income Tax Act.

10.7.2. Non- resident Public Shareholders claiming that no tax is to be deducted or tax to be deducted at a lower rate on the interest amount, should submit the following documents, as may be applicable:

a. Self-attested copy of PAN Card;

b. Tax Residency Certificate;

c. Form 10F;

d. Such other information and documentation as may be required depending upon the specific terms of the relevant DTAA, including but not limited to a declaration of not having a permanent establishment in India;

e. Certificate of lower or NIL withholding tax issued by income-tax authorities indicating the amount of tax to be deducted by the Acquirer / PAC in case of a non-resident Public Shareholder having a fixed base / permanent establishment in India.

10.8 **Issue of TDS Certificate**

10.7.1. The Acquirer /PAC will issue a certificate in the prescribed form to the Public Shareholders (resident and non-resident) who have been paid interest, if any, after deduction of tax on the same certifying the amount of tax deducted and other prescribed particulars.

PUBLIC SHAREHOLDERS ARE ADVISED TO CONSULT THEIR TAX ADVISORS FOR APPLICABLE TAX PROVISIONS INCLUDING THE TAX TREATMENT ARISING OUT OF THE OPEN OFFER AND APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE. THE ACQUIRER OR THE PAC DOES NOT ACCEPT NOR HOLDS ANY RESPONSIBILITY FOR ANY ACCURACY OF THE TAX PROVISIONS MENTIONED HEREIN OR FOR ANY TAX LIABILITY ARISING TO ANY PUBLIC SHAREHOLDER AS A REASON OF THIS OFFER

11 DOCUMENTS FOR INSPECTION

The following documents are available for inspection to the Public Shareholders at the offices of the Managers to the Offer at DSP Merrill Lynch, Ground Floor, A Wing, One BKC, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra, India and Credit Suisse, 9th Floor, Ceejay House, Plot F, Shivsagar Estate, Dr Annie Besant Road, Worli, Mumbai- 400018, Maharashtra, India between 10 AM and 4 PM on all Working Days (except Saturdays, Sundays and bank holidays) until September 6, 2018 i.e. the Closure of the Tendering Period:

11.1. Certified true copies of the certificates of incorporation and constitutional documents of the Acquirer and the PAC;

11.2. Certified true copies of the certificates of incorporation, memorandum and articles of association of the Target Company;

11.3. Certificates dated August 8, 2018, issued by Milind Joshi & Associates, chartered accountants (Registration no. 119315W), certifying the adequacy of financial resources of the Acquirer and the PAC to fulfill the Offer obligations;

11.4. Certified copy of the CCI approval dated May 22, 2018;

11.5. Certified copies of the annual reports of the Target Company for the financial years ended March 31, 2016, March 31, 2017 and March 31, 2018;

11.6. Certified copies of the audited annual reports of the Acquirer for the financial years ended December 31, 2015, December 31, 2016 and December 31, 2017 and limited reviewed financial statements for the 3 month period ended March 31, 2018;

11.7. Certified copies of the audited annual reports of the PAC for the financial years ended March 31, 2016, March 31, 2017 and March 31, 2018;

11.8. Letter dated June 8, 2018 issued by Escrow Agent confirming the amount kept in the Escrow Account;

11.9. Copy of the Merger Agreement dated September 14, 2016;

11.10. Copy of the PA and DPS, the public announcement announcing the issue opening and any corrigenda thereto;

11.11. Copy of the recommendation made by the Target Company's committee of independent directors, as issued under Regulation 26(7) of the SEBI (SAST) Regulations;

11.12. Copy of the observation letter from SEBI dated August 3, 2018 containing its comments on the Draft Letter of Offer;

11.13. Copy of the Offer Escrow Agreement;

12 DECLARATION BY THE ACQUIRER AND THE PAC

12.1 For the purpose of disclosures in this Letter of Offer relating to the Target Company, the Acquirer and the PACs have relied on the information provided by the Target Company or as available in the public domain and have not independently verified the accuracy of details of the Target Company. Subject to the aforesaid, the Acquirer and the PACs accept full responsibility for the information contained in this Letter of Offer in relation to them and the Offer, including the attached Form of Acceptance-cum-Acknowledgement (other than such information as has been obtained from public sources or provided or confirmed by the Target Company or entities controlled by the Target Company).

12.2 The Acquirer and the PAC shall be jointly and severally responsible for ensuring compliance with the provisions of the SEBI (SAST) Regulations and for their obligations laid down in the SEBI (SAST) Regulations.

12.3 The information contained in this Letter of Offer is as of the date of this Letter of Offer, unless expressly stated otherwise.

12.4 The person(s) signing this Letter of Offer on behalf of the Acquirer and the PAC has been duly and legally authorized by the Acquirer and the PAC, respectively, to sign this Letter of Offer.

For and on behalf of the Acquirer and PAC

For Bayer Aktiengesellschaft (Acquirer)

Sd/-

Ulrich Stefer
Authorised Signatory

Sd/-
Rajiv Wani
Authorised Signatory

Place: Thane

Date: August 08, 2018

For Bayer CropScience Ltd (PAC)

Sd/-

Richard van der Merwe
Authorised Signatory

Sd/-
Manorama Chivukula
Authorised Signatory

Place: Thane

Date : August 08, 2018

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THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT

MONSANTO INDIA LIMITED

*(All non-resident Public Shareholders (holding physical and/or demat shares) and resident Public Shareholders holding physical shares are mandatorily required to fill this form of acceptance-cum-acknowledgement ("**Form**"). The non-resident Public Shareholders holding demat shares are required to send this form with enclosures to the Registrar to the Offer at their address stated overleaf/in the LoF. The Public Shareholders holding physical shares (resident and non-resident) are required to send this Form along with the enclosures to their respective broker/Seller Member.)*

(Capitalized terms and expressions used herein but not defined shall have the same meaning as ascribed to them in the Letter of Offer)

(Please send this Form with TRS generated by broker/Seller Member and enclosures to the Registrar to the Offer - Link Intime India Private Limited, at their registered office address provided in the Letter of Offer)

To,

THE ACQUIRER AND THE PAC
C/o Link Intime India Private Limited
C-101, 247 Park, Lal Bahadur Shastri Marg,
Vikhroli (west), Mumbai – 400 083
Tel: + 91 22 49186200
Contact Person: Mr. Sumeet Deshpande
Email Id: monsanto.offer@linkintime.co.in

TENDERING PERIOD FOR THIS OFFER

OFFER OPENS ON	August 24, 2018
OFFER CLOSES ON	September 6, 2018

Dear Sir,

Sub: Open Offer ("Offer" / "Open Offer") for acquisition of up to 4,488,315 (Four Million Four Hundred and Eighty Eight Thousand and Three Hundred and Fifteen) fully paid-up equity shares of face value of INR 10/- (Rupees Ten) each (the "Offer Shares") representing 26.00% (Twenty Six percent) of the fully diluted voting equity share capital of Monsanto India Limited (the "Target Company") as of the 10th (tenth) working day from the date of Closure of the Tendering Period, by Bayer Aktiengesellschaft (the "Acquirer"), along with Bayer CropScience Ltd. (the "PAC") in its capacity as the person acting in concert with the Acquirer.

I / We refer to the Letter of Offer dated August 8, 2018 for acquiring the Equity Shares held by me / us in Monsanto India Limited.

I/We acknowledge and confirm that all the particulars/statements given herein are true and correct.

Name (in BLOCK LETTERS)	Holder	Name of the Shareholder(s)	Permanent Account Number (PAN)
(Please write names of the joint holders in the same order as	Sole / First		
	Second		

appearing in the Equity Share certificate(s) / demat account)	Third		
Contact Number(s) of the First Holder	**Tel No. (with STD Code):** **Fax No. (with STD Code):**		**Mobile No.:**
Full Address of the First Holder (with pin code)			
Email address of First Holder			
Date and Place of incorporation (if applicable)			

I / We, the undersigned, have read the Public Announcement, the Detailed Public Statement, and this Letter of Offer and understood its contents, terms and conditions, and unconditionally accept it.

FOR EQUITY SHARES HELD IN PHYSICAL MODE

I/We, confirm that our residential status under the Income Tax Act is (✓whichever is applicable)

☐ Resident
☐ Non-resident

I / We, holding Physical Shares, accept this Offer and enclose the original share certificate(s) and duly signed transfer deed(s) in respect of my / our Equity Shares as detailed below:

S. No.	Regd. Folio Number	Share Certificate Number	Distinctive Numbers		Number of Equity Shares
			From	To	
1.					
2.					
3.					
(In case the space provided is inadequate, please attach a separate sheet with the above details and authenticate the same)				**TOTAL**	

FOR ALL PUBLIC SHAREHOLDERS (HOLDING BOTH DEMAT SHARES AND PHYSICAL SHARES)

I / We confirm that the Equity Shares which are being tendered herewith by me / us under this Offer, are free from liens, charges, equitable interests and encumbrances and are being tendered together with all rights attached thereto, including all rights to dividends, bonuses and rights offers, if any, declared hereafter.

I/We declare that there are no restraints/injunctions or other order(s) of any nature which limits/restricts in any manner my/our right to tender Equity Shares in this Offer and that I/we am/are legally entitled to tender the Equity Shares in this Offer.

I/We declare that regulatory approvals, if applicable, for holding the Equity Shares and/or for tendering the Equity Shares in this Offer have been enclosed herewith.

I / We confirm that I / We are not persons acting in concert with the Acquirer or the PAC.

I / We also note and understand that the obligation on the Acquirer and the PAC to pay the purchase consideration (i.e. the Offer Price) arises only after verification of the certification, documents and signatures submitted along with this Form. I / We undertake to return to the Acquirer and the PAC any purchase consideration wrongfully received by me / us.

I / We give my/our consent to the Acquirer and the PAC to file any statutory documents on my/our behalf in relation to accepting the Equity Shares in this Offer. I / We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my/our tender/offer and agree to abide by any decision that may be taken by the Acquirer and the PAC to effectuate this Offer in accordance with the SEBI (SAST) Regulations.

I am/ We are /not debarred from dealing in Equity Shares.

I / We confirm that there are no taxes or other claims pending against us which may affect the legality of the transfer of Equity Shares under the Income Tax Act, 1961 including but not limited to section 281 of the Income Tax Act, 1961.

I / We note and understand that the Equity Shares/ original share certificate(s) and the transfer deed(s) will be held by the Registrar to the Offer/ Clearing Corporation in trust for me / us till the date the Acquirer and the PAC make payment of consideration as mentioned in the Letter of Offer or the date by which original share certificate(s), transfer deed(s) and other documents are dispatched to the Public Shareholders, as the case may be.

I / We confirm that in the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided / to be provided by me / us , or as a result of income tax (including any consequent interest and penalty) on the capital gains arising from tendering of the Equity Shares, I / we will indemnify the Acquirer and PAC for such income tax demand (including interest, penalty, etc.) and provide the Acquirer and the PAC with all information / documents that may be necessary and co-operate in any proceedings before any income tax / appellate authority.

I / We note and understand that the Equity Shares would lie with the Clearing Corporation until the time the Acquirer and the PAC make payment of purchase consideration as mentioned in the Letter of Offer. I / We authorise the Acquirer and the PAC to accept the Equity Shares so offered or such lesser number of Equity Shares which the Acquirer and the PAC may decide to accept in consultation with the Managers to the Offer and the Registrar to the Offer and in terms of the Letter of Offer. I / we further authorize the Acquirer and the PAC to return to me / us, share certificate(s) in respect of which this Offer is not found valid / not accepted without specifying the reasons thereof.

FOR NRIS/ OCBS/ FIIS AND SUB-ACCOUNTS/ OTHER NON-RESIDENT SHAREHOLDERS

I/We, confirm that my/ our status is (✓whichever is applicable)

☐ Individual	☐ Foreign Company	☐ FII/FPI - Corporate	☐ FII/FPI - Others	☐ FVCI
☐ Foreign Trust	☐ Private Equity Fund	☐ Pension/Provident Fund	☐ Sovereign Wealth Fund	☐ Partnership/ Proprietorship firm
☐ Financial Institution	☐ NRIs/PIOs - repatriable	☐ NRIs/PIOs - non-repatriable	☐ OCB	☐ QFI
☐ Others – please specify:				

I/We, confirm that my/ our investment status is (✓whichever is applicable)

☐ FDI Route
☐ PIS Route
☐ Any other – please specify ____

I/We, confirm that the Equity Shares tendered by me/us are held on (✓whichever is applicable)

☐ Repatriable basis
☐ Non-repatriable basis

I/We, confirm that (✓whichever is applicable)

☐ No RBI, FIPB or other regulatory approval was required by me for holding Equity Shares that have been tendered in this Offer and the Equity Shares are held under general permission of the RBI
☐ Copies of all approvals required by me for holding Equity Shares that have been tendered in this Offer are enclosed herewith
☐ Copy of RBI Registration letter taking on record the allotment of shares to me/us is enclosed herewith

I/We, confirm that (✓whichever is applicable)

☐ No RBI or other regulatory approval is required by me for tendering the Equity Shares in this Offer
☐ Copies of all approvals required by me for tendering Equity Shares in this Offer are enclosed herewith

BANK DETAILS

So as to avoid fraudulent encashment in transit, the Public Shareholder(s) holding Physical Shares should provide details of bank account of the first/sole shareholder and the consideration cheque or demand draft will be drawn accordingly.

Name of the Bank	
Branch	
Account Number	
IFSC code	
MICR code	
Savings/Current/(Others: please specify)	

In case of Public Shareholders holding Equity Shares in dematerialised form, the bank account details for the purpose of interest payment, if any, will be taken from the record of the depositories.

In case of interest payments, if any, by the Acquirer and the PAC for delay in payment of Offer consideration or a part thereof, the Acquirer and the PAC will deduct taxes at source at the applicable rates as per the Income Tax Act. For details please refer to instruction no. 19 given overleaf.

Yours faithfully,

Signed and Delivered:	**Full Name**	**PAN**	**Signature**
First / Sole Holder			
Joint Holder 1			
Joint Holder 2			
Joint Holder 3			

Note: In case of joint holdings, all must sign. In case of a body corporate, the common seal should be affixed and the necessary board resolutions should be attached.

Place: ___________________

Date: _______

INSTRUCTIONS

PLEASE NOTE THAT NO EQUITY SHARES / FORMS SHOULD BE SENT DIRECTLY TO THE ACQUIRER, PAC, THE TARGET COMPANY OR THE MANAGERS TO THE OFFER

1. This Form should be filled in English.
2. All queries pertaining to this Offer may be directed to the Registrar to the Offer.
3. In case of Equity Shares held in joint names, names should be filled in the same order in this Form and in the share transfer deed(s), as the order in which they hold the Equity Shares, and should be duly witnessed. This order cannot be changed or altered nor can any new name added for the purpose of accepting this Offer.
4. If the Equity Shares are rejected for any reason, the Equity Shares will be returned to the sole/first named Public Shareholder(s) along with all the documents received at the time of submission.

5. All Public Shareholders should provide all relevant documents, which are necessary to ensure transferability of the Equity Shares in respect of which the acceptance is being sent.
6. All documents/remittances sent by or to the Public Shareholders will be at their own risk. Public Shareholders are advised to adequately safeguard their interests in this regard.
7. The Public Shareholders who are holding the Equity Shares in physical form and who wish to tender their Equity Shares in this Offer shall approach the Selling Member and submit the following set of documents for verification procedure as mentioned below:
    a) Original share certificate(s)
    b) Valid share transfer deed(s) duly filled, stamped and signed by the transferor(s) (i.e. by all registered Public Shareholder(s) in the same order and as per specimen signatures registered with the Target Company), and duly witnessed at the appropriate place.
    c) Self-attested copy of the Public Shareholder's PAN Card (in case of joint holders, the PAN card copy of all transferors)
    d) This Form – for Public Shareholders holding Equity Shares in physical mode duly completed and signed in accordance with the instructions contained therein, by sole/joint shareholders whose name(s) appears on the share certificate(s) and in the same order and as per the specimen signature lodged with the Target Company;
    e) A self-attested copy of the address proof consisting of any one of the following documents: valid Aadhar card, voter identity card, passport or driving license
    f) Any other relevant document including (but not limited to) power of attorney, corporate authorization (including board resolution(s)/ specimen signature(s)), notorised copy/(ies) of death certificate(s) and succession certificate(s) or probated will(s), if the original shareholder is deceased, etc., as applicable. Public Shareholders holding Physical Shares should note that such Equity Shares will not be accepted unless the complete set of documents is submitted.
8. In case of unregistered owners of Equity Shares in physical mode, the Public Shareholder should provide: an additional valid share transfer deed(s) duly signed by the unregistered owner as transferor(s) by the sole/joint Public Shareholder(s) in the same order and duly witnessed at the appropriate place.
   The transfer deed should be left blank, except for the signatures and witness details. **PLEASE DO NOT FILL IN ANY OTHER DETAILS IN THE TRANSFER DEED**.
9. Attestation, where required (as indicated in the share transfer deed) (thumb impressions, signature difference, etc.) should be done by a Magistrate, Notary Public or Special Executive Magistrate or a similar authority holding a public office and authorized to issue the seal of his office or a member of a recognized stock exchange under their seal of office and membership number or manager of the transferor's bank.
10. In case the share certificate(s) and the transfer deed(s) are lodged with the Target Company/its transfer agents for transfer, then the acceptance shall be accompanied by the acknowledgement of lodgement with, or receipt by, the Target Company/its transfer agents, of the share certificate(s) and the transfer deed(s).
11. The Public Shareholder should ensure that the share certificate(s) and above documents reach the Registrar within 2 days of the Closure of the Tendering Period.
12. No indemnity regarding title is required from persons not registered as Public Shareholders.
13. The Seller Member(s) should place bids on the Exchange Platform with relevant details as mentioned on the physical share certificate(s). The Seller Member(s) shall print the Transaction Registration Slip (TRS) generated by the Exchange Bidding System. The TRS will contain the details of the order submitted including Folio No., Certificate No. Dist. Nos., number of Equity Shares, etc.

14. The Seller Member shall deliver the Equity Shares and requested documentation along with the TRS to the Registrar do as to reach them within 2 days of bidding by the Seller Member. On receipt of the confirmation from RTA the bid will be accepted or else rejected (as applicable) and accordingly the same will be depicted on the exchange platform.
15. In case any person has submitted Equity Shares in physical mode for dematerialisation, such Public Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Open Offer before Closure of the Tendering Period.
16. Procedure for tendering the Equity Shares in case of non-receipt of Letter of Offer:
    Public Shareholders may participate in the Offer by confirming their consent to participate in this Offer on the terms and conditions of this Offer as set out in the PA, the DPS and this Letter of Offer. They can participate by submitting an application on plain paper giving details regarding their shareholding and

relevant documents mentioned in paragraph 7 above. Public Shareholders must ensure that the application, along with the TRS and requisite documents (as mentioned in paragraph 7 above) should reach the Registrar of the Company within 2 days of the close of Tendering Period. If the signature(s) of the of the Public Shareholders provided in the plain paper application differs from the specimen signature(s) recorded with the Registrar of the Target Company or are not in the same order (although attested), such applications are liable to be rejected under this Offer.

Alternatively, such holders of Equity Shares may also apply on the Form in relation to this Offer, which may be obtained from the SEBI website (www.sebi.gov.in) or from Registrar to the Offer.

17. The Acceptance of Shares, Settlement Process, Settlement of Funds / Payment Consideration and the Note on Taxation have been mentioned in the Letter of Offer under Section VIII.
    The Letter of Offer along with this Form would also be available at SEBI's website, www.sebi.gov.in, and shareholders can also apply by downloading such forms from the said website.
    The Letter of Offer along with this Form will be dispatched to all the Public Shareholders as on the Identified Date. In case of non-receipt of the Letter of Offer, such shareholders holding physical shares of the Target Company may download the same from the SEBI website (www.sebi.gov.in) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity Shares.
18. In order to avail Electronic Clearing Service ("ECS") for receipt of consideration, the attached ECS mandate form needs to be duly filled in and signed by the sole/first shareholder and submitted with this Form before the closure of the Offer.
19. Interest payment, if any: In case of interest payments by the Acquirer and the PAC for delay in payment of Offer consideration or a part thereof, the Acquirer and the PAC will deduct taxes at source at the applicable rates as per the Income Tax Act.
20. If the resident and non-resident Public Shareholders require that no tax is to be deducted on the interest component or tax is to be deducted at a rate lower than the prescribed rate, in such cases the following documents are required to be submitted to the Registrar to the Offer.

    For resident Public Shareholders:

    - ☐ Self–attested copy of PAN card
    - ☐ Certificate from the income tax authorities under Section 197 of the Income Tax Act, wherever applicable, in relation to payment of interest, if any, for delay in payment of Offer Price (certificate for deduction of tax at lower rate)
    - ☐ For specified entities under Section 194A(3)(iii) of the Income Tax Act, self-attested copy of relevant registration or notification (applicable only for interest payment, if any)
    - ☐ SEBI registration certificate issued as Category I or Category II Alternative Investment Fund if the shareholder claims exemption from tax deduction under Section 197 (IF) of the Income Tax Act.

    For non-resident Public Shareholders:

    - ☐ Self–attested copy of PAN card
    - ☐ Form 10F
    - ☐ Certificate of lower or NIL withholding tax issued by the income tax authorities indicating the amount of tax to be deducted by the Acquirer or the PAC in case of a non-resident Public Shareholder having a fixed base/ permanent establishment in India.
    - ☐ Tax Residency Certificate and a no 'permanent establishment' / business connection declaration
    - ☐ Such other information and documentation as may be required depending upon the specific terms of the relevant DTAA.

In an event of non-submission of NOC or certificate for deduction of tax at nil/lower rate, tax will be deducted at the maximum marginal rate as may be applicable to the relevant category, to which the Public Shareholder belongs, by the Acquirer and the PAC.

FOR DETAILED PROCEDURE IN RESPECT OF TENDERING EQUITY SHARES IN THIS OFFER, PLEASE REFER TO THE LETTER OF OFFER

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MANDATE FORM
ELECTRONIC CLEARING SERVICE (CREDIT CLEARING)

The Acquirer and the PAC
C/o Link Intime India Private Limited
C-101, 247 Park, Lal Bahadur Shastri Marg,
Vikhroli (west), Mumbai – 400 083

Dear Sirs:

I am pleased to participate in the Electronic Clearing Services (ECS) introduced by Reserve Bank of India (RBI). The particulars of my bank account to which the payment of Offer consideration may be electronically credited are as follows:

1. Name of Sole/First Holder of Shares ______________________________________
2. Folio No. ______________________________________
3. Name of the Bank ______________________________________
4. Branch address of Bank to which consideration ______________________________________
   ____
   Amount to be credited
   ____
5. 9-digit MICR Code Number of the Bank and Branch appearing on the MICR cheque issued by your Bank. (This is mentioned on the MICR band next to the cheque number.) ______________________________________
   (Please attach blank "cancelled" cheque or a Xerox copy thereof).
6. Account Type (tick one) ☐ Savings ☐ Current ☐ Cash Credit
7. Ledger Folio of your Bank Account
   (If any, appearing on your cheque book) _____________________________________
8. Account No. (as appearing on your cheque book) _____________________________________

I hereby declare that the particulars given above are correct and complete. If the payment of Offer consideration is delayed or not effected at all for reasons of incomplete or incorrect information, I would not hold the Target Company responsible.

Date: …………………………………….
Signature of Sole/First Holder

In case the Public Shareholder is not in a position to give blank "cancelled" cheque or a Xerox copy thereof, a certificate of the Public Shareholder's bank may be furnished as under:

CERTIFICATE OF THE PUBLIC SHAREHOLDER'S BANK

(To be submitted only if blank "cancelled" cheque or a Xerox copy thereof is not enclosed)
Certified that the particulars furnished above are correct as per our records.

Bank's Stamp: ---
Date: **Signature of the Authorized Official of the Bank**

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