DRAFT LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Draft Letter of Offer ("**Draft Letter of Offer**"/"**DLOF**") is sent to you as a Public Shareholder (as defined below) of Crompton Greaves Consumer Electricals Limited. If you require any clarification about the action to be taken, you may consult your stock broker or investment consultant or the Managers (as defined below) / Registrar to the Open Offer (as defined below). In case you have recently sold your Equity Shares (as defined below), please hand over this DLOF and the accompanying Form of Acceptance-cum-Acknowledgement and Transfer Deed to the member of stock exchange through whom the said sale was effected.

AMALFIACO LIMITED
A private company limited by shares, incorporated and registered under the laws of Cyprus
Registered office: 3rd floor, Globe House, 23 Kennedy Avenue, 1075 Nicosia, Cyprus
(Tel: +357 2202 9420)
(hereinafter referred to as "**Amalfiaco**" / "**Acquirer 1**")

AND

MACRITCHIE INVESTMENTS PTE. LTD.
A private company limited by shares, incorporated and registered under the laws of Singapore
Registered office: 60B, Orchard Road, #06-18, The Atrium@Orchard Singapore 238891
(Tel: +65 6828 6828, Fax: +65 6821 1188)
(hereinafter referred to as "**MIPL**" / "**Acquirer 2**")

ALONGWITH

NIRSINIA LIMITED
A private company limited by shares, incorporated and registered under the laws of Cyprus
Registered office: 3rd floor, Globe House, 23 Kennedy Avenue, 1075 Nicosia, Cyprus
(Tel: +357 2202 9420)
(hereinafter referred to as "**Nirsinia**" / "**PAC 1**")

AND

AI GLOBAL INVESTMENTS (CYPRUS) PCC LTD
A private company limited by shares, incorporated in Guernsey, and registered under the laws of Cyprus
Registered office: 3rd floor, Globe House, 23 Kennedy Avenue, 1075 Nicosia, Cyprus
(Tel: +357 2202 9420)
(hereinafter referred to as "**AI Global**" / "**PAC 2**")

MAKE A CASH OFFER OF INR 104 (RUPEES ONE HUNDRED AND FOUR ONLY) PER FULLY PAID UP EQUITY SHARE OF FACE VALUE OF INR 2 (RUPEES TWO ONLY) EACH, TO ACQUIRE UP TO 162,953,997 (ONE HUNDRED AND SIXTY TWO MILLION NINE HUNDRED AND FIFTY THREE THOUSAND NINE HUNDRED AND NINETY SEVEN) EQUITY SHARES REPRESENTING 26.00% (TWENTY SIX PERCENT) OF THE VOTING SHARE CAPITAL (AS DEFINED BELOW), UNDER THE SEBI (SAST) REGULATIONS (AS DEFINED BELOW) FROM THE PUBLIC SHAREHOLDERS OF:

CROMPTON GREAVES CONSUMER ELECTRICALS LIMITED
A public limited company incorporated under the Companies Act, 2013
Registered office: 6th floor, CG House, Dr Annie Besant Road, Worli, Mumbai – 400 030
Tel: +91 22 2423 7777, Fax: +91 22 2423 7788. CIN: U31900MH2015PLC262254
Corporate Office: Equinox Business Park, 1st Floor, Tower 3, LBS Marg, Kurla (W), Mumbai – 400070
Tel: +91 22 6167 8499, Fax: +91 22 6167 8383
(hereinafter referred to as "**CGCEL**" / "**Target Company**" / "**Target**")

1. This Open Offer (as defined below) is made pursuant to and in compliance with the provisions of Regulation 3(1), Regulation 4 and other applicable provisions of the SEBI (SAST) Regulations in relation to Acquirer 1 and PAC 1 for the acquisition of shares, voting rights and control over the Target Company and Regulation 3(1) and other applicable provisions of the SEBI (SAST) Regulations in relation to Acquirer 2 for the acquisition of shares and voting rights of the Target Company.
2. This Open Offer is not a conditional offer in terms of Regulation 19 of the SEBI (SAST) Regulations and is not subject to any minimum level of acceptance.
3. This Open Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
4. The acquisition of the Offer Shares (as defined below) from NRIs (as defined below) and erstwhile OCBs (as defined below) is subject to approval or exemption from the RBI (as defined below). The Acquirers and the PAC will submit an application to the RBI seeking its approval for the acquisition of the Offer Shares from NRIs and OCBs, as may be required, under the FEMA (as defined below). Notwithstanding the RBI approval sought by the Acquirers, any NRI and OCB may also choose to apply for all requisite approvals required to tender their respective Offer Shares and submit such approvals along with the Form of Acceptance-cum-Acknowledgement and other documents required to accept this Open Offer.
5. Where any statutory approval or exemption extends to some but not all of the Public Shareholders, the Acquirers and the PAC shall have the option to make payment to such Public Shareholders in respect of whom no statutory approvals or exemptions are required in order to complete this Open Offer.
6. In the event that the number of Equity Shares validly tendered by the Public Shareholders under this Open Offer is more than the number of Offer Shares, the Acquirers and the PACs shall accept those Equity Shares validly tendered by the Public Shareholders on a proportionate basis in consultation with the Managers, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that acquisition of Equity Shares from a Public Shareholder shall not be less than the minimum marketable lot, or the entire holding if it is less than the marketable lot.
7. The Acquirers and the PAC have received approvals dated 26 June 2015 from the RBI and an approval letter dated 17 June 2015 from the CCI in relation to the Underlying Transactions. To the best of the knowledge of the Acquirers and the PAC, there are no statutory or other approvals required to complete the acquisition of the Sale Shares under the SPA (details of which are set out in *Part II B (Background to the Open Offer)*) and/or acquire the Offer Shares that are validly tendered pursuant to the Open Offer or to complete this Open Offer other than as indicated in *Part VII C (Statutory and Other Approvals)*. However, in case any statutory approvals are required by the Acquirers and the PAC at a later date before the closure of the Tendering Period, this Open Offer shall be subject to such further approvals being obtained**.**
8. The Acquirers alongwith the PAC may withdraw the Open Offer in accordance with the terms and conditions specified in *Part II C (Details of the Open Offer)* of this DLOF. In the event of a withdrawal of the Open Offer, the Acquirers and the PAC (through the Managers) shall, within 2 (Two) Working Days (as defined below) of such withdrawal, make a public announcement of such withdrawal, in the same newspapers in which the Detailed Public Statement (as defined below) had appeared, stating the grounds for the withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations.
9. The Offer Price (as defined below) may be subject to revision pursuant to the SEBI (SAST) Regulations or at the discretion of the Acquirers and the PAC at

any time prior to the commencement of the last 3 (Three) Working Days before the commencement of the Tendering Period (as defined below) in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. Where the Acquirers and / or the PAC have acquired any Equity Shares during the offer period at a price higher than the Offer Price, the Offer Price shall stand revised to the highest price paid for such acquisition in accordance with Regulation 8(8) of the SEBI (SAST) Regulations. However, the Acquirers and / or the PAC shall not acquire any Equity Shares during the period commencing 3 (Three) Working Days prior to the commencement of the Tendering Period and ending on the expiry of the Tendering Period. In the event of such revision, the Acquirers and the PAC shall (i) make corresponding increases to the amount kept in the Escrow Account in accordance with Regulation 17(2) of the SEBI (SAST) Regulations; (ii) make a public announcement in the same newspapers in which the Detailed Public Statement was published; and (iii) simultaneously with the issue of such announcement, inform SEBI (as defined below), the Stock Exchanges (as defined below) and the Target Company at its registered office of such revision. Such revised Offer Price would be payable for all the Equity Shares validly tendered during the Tendering Period of the Open Offer.

10. **There has been no competing offer as of the date of this DLOF.**
11. A copy of the Public Announcement (as defined below), the Detailed Public Statement and the DLOF (including the Form of Acceptance-cum-Acknowledgement) is also available on the website of SEBI (www.sebi.gov.in).

MANAGERS TO THE OPEN OFFER		REGISTRAR TO THE OPEN OFFER
HSBC	BARCLAYS	KARVY Computershare
HSBC Securities and Capital Markets (India) Private Limited 52 / 60, MG Road, Fort, Mumbai, 400 001 Tel: +91 22 6628 3848 / 22 2268 1255 Fax: +91 22 6653 6207 Email: cgcel.open.offer@hsbc.co.in Contact Person: Ms. Archa Jain / Mr. Rishabh Rajesh Garg SEBI Registration Number: INM000010353	**Barclays Bank PLC** 801 / 808 Ceejay House, Shivsagar Estate, Dr. A. Besant Road, Worli, Mumbai 400 018, India Tel: +91 22 6719 6265 Fax: +91 22 6719 6187 Email: cgcelopenoffer@barclays.com Contact Person: Mr. Hetul Sumra SEBI Registration Number: INM000002129	**Karvy Computershare Private Limited** Karvy Selenimum Tower B, Plot Number 31 and 32 Financial District, Gachibowli, Hyderabad, 500 032 Tel: +91 40 6716 2222 Fax: +91 40 2343 1551 Email: murali.m@karvy.com Website: www.karvycomputershare.com Contact Person: M. Murali Krishna / Williams R SEBI Registration No.: INR000000221

The schedule of activities under the Offer is as follows:

Activity	Schedule of activities Date & Day
PA	Friday, 13 May 2016
Publication of DPS	Thursday, 19 May 2016
Filing of DLOF with SEBI	Thursday, 26 May 2016
Last date for public announcement for competing offer(s)	Thursday, 9 June 2016
Last date for receipt of SEBI observations on the draft letter of offer (in the event SEBI has not sought clarifications or additional information from the Managers to the Open Offer)	Thursday, 16 June 2016
Identified Date#	Monday, 20 June 2016
Last date by which the letter of offer ("**Letter of Offer**") is to be dispatched to the Public Shareholders whose name appears on the register of members on the Identified Date	Monday, 27 June 2016
Last date for upward revision of the Offer Price / the size of the Open Offer	Wednesday, 29 June 2016
Date by which the committee of the independent directors of the Target Company shall give its recommendation to the Public Shareholders for this Open Offer	Thursday, 30 June 2016
Date of publication of opening of Open Offer public announcement in the newspapers in which the DPS has been published	Friday, 01 July 2016
Date of commencement of the Tendering Period ("**Offer Opening Date**")	Monday, 04 July 2016
Date of closure of the Tendering Period ("**Offer Closing Date**")	Monday, 18 July 2016
Last date of communicating the rejection/ acceptance and completion of payment of consideration or refund of Equity Shares to the Public Shareholders	Monday, 01 August 2016

Last date for publication of post-Open Offer public announcement in the newspapers in which the DPS has been published	Monday, 08 August 2016

#The Identified Date is only for the purpose of determining the Public Shareholders as on such date to whom the Letter of Offer would be posted. It is clarified that, all the Public Shareholders (registered or unregistered) of the Target Company are eligible to participate in the Open Offer at any time prior to the expiry of the Tendering Period.

RISK FACTORS

Risk factors relating to the Underlying Transactions:

1. The Underlying Transactions are subject to the terms of the SPA (as defined below). In accordance with the terms of the SPA, (i) upon the occurrence of any Refund Events (as defined below), the Seller (as defined below) will be required to repay the SPA Advance Amount (as defined below) to the Acquirers together with interest; or (ii) if the Seller fails to transfer 215,442,496 (Two hundred and fifteen million four hundred and forty two thousand four hundred and ninety six) Sale Shares free and clear of all encumbrances (other than any encumbrance created by way of Refund Security (as defined below)) to the Acquirers, (all of which are outside the reasonable control of the Acquirers and the PAC), the Underlying Transactions shall stand rescinded and the Acquirers and the PAC shall have the right to withdraw the Open Offer in accordance with Regulation 23(1) of the SEBI (SAST) Regulations.

2. Pursuant to the SPA, on acquisition of the Sale Shares, (i) Acquirer 1 and PAC 1 shall acquire control of the Target Company; (ii) the Seller nominee directors will resign from the Board and all committees of the Board; and (iii) the Acquirer 1 will appoint its nominee directors on the Board and the committees of the Board, which will result in a change in control and management of the Target Company, which may have a significant effect on the business, financial condition and the results of operations of the Target Company. It is clarified that Acquirer 2 shall be entitled to appoint only 1 (One) nominee on the Board.

Risk factors relating to the Open Offer:

1. The Acquirers and the PAC may withdraw the Open Offer in accordance with the conditions specified in *Part II B (Background to the Open Offer)* and *Part II C (Details of the Open Offer)* of this DLOF. In the event of a withdrawal of the Open Offer, the Acquirer (through the Managers) shall, within 2 (Two) Working Days of such withdrawal, make a public announcement of such withdrawal, in the same newspapers in which the DPS had appeared, stating the grounds for the withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations.

2. In the event that either: (a) regulatory or statutory approvals, if any required, are not received in time; (b) there is any order of a governmental authority or litigation leading to a stay/injunction on the Open Offer or that restricts/restrains the Acquirers along with the PAC from performing its obligations hereunder; or (c) SEBI instructing the Acquirers and the PAC not to proceed with the Open Offer, then the Open Offer process may be delayed beyond the schedule of activities indicated in this DLOF. In case the delay is due to non-receipt of statutory approval(s), then in accordance with Regulation 18(11) of the SEBI (SAST) Regulations, SEBI may, if satisfied that non-receipt of approvals was not due to any wilful default or negligence on the part of the Acquirers and / or the PAC, grant an extension for the purpose of completion of the Open Offer subject to the Acquirers and the PAC agreeing to pay interest to the validly tendering shareholders at such rate as may be specified by SEBI. Provided where the statutory approvals extend to some but not all the shareholders, the Acquirers along with the PAC will have the option to make payment of the consideration to such shareholders in respect of whom no statutory approvals are required in order to complete this Open Offer.

3. The acquisition of the Offer Shares from NRIs and erstwhile OCBs is subject to the approval or exemption from the RBI. Where any such statutory approval or exemption extends to some but not all the Public Shareholders, the Acquirers and the PAC shall have the option to make payment to such Public Shareholders in respect of whom no statutory approvals or exemptions are required in order to complete this Open Offer. Notwithstanding the RBI approval sought by the Acquirers and the PAC, any NRIs and OCBs may also choose to apply for all requisite approvals required to tender their respective Offer Shares and submit such approvals along with the Form of Acceptance-cum-Acknowledgement and other documents required to accept this Open Offer.

4. In the event that the number of Equity Shares validly tendered by the Public Shareholders under this Open Offer is more than the number of Offer Shares, the Acquirers shall accept those Equity Shares validly tendered by the Public Shareholders on a proportionate basis as detailed in paragraph 9 of *Part VIII (Procedure for Acceptance and Settlement of the Open Offer)* below. Therefore, there is no certainty that all the Equity Shares tendered in the Open Offer will be accepted. The unaccepted Equity Shares will be returned to the respective Public Shareholders in accordance with the schedule of activities for the Open Offer.

5. The tendered Equity Shares will be held in trust by the Registrar to the Open Offer (as defined below) until the completion of the Open Offer formalities. During such period, there may be fluctuations in the market price of the Equity Shares and the Public Shareholders will not be able to trade in such Equity Shares held in trust by the Registrar to the Open Offer, which may adversely impact the Public Shareholders who have tendered their Equity Shares in this Open Offer.

6. Public shareholders who tender the Equity Shares in acceptance of the Open Offer shall not be entitled to withdraw such acceptances during the Tendering Period, even if the acceptance of the Equity Shares in this Open Offer and dispatch of consideration are delayed.

7. The Acquirers, the PAC and the Managers to the Open Offer accept no responsibility for statements made otherwise than in the PA or DPS or this DLOF; anyone placing reliance on any other sources of information (not released by the Acquirers and the PAC) would be doing so at his / her / its own risk.

8. Public Shareholders are advised to consult their respective stockbroker, legal, financial, tax, investment or other advisors and consultants of their choosing, if any, for assessing further risks with respect to their participation in the Open Offer, and related transfer of Equity Shares of the Target Company to the Acquirers. The Acquirers and the Managers to the Open Offer do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in this DLOF, and all shareholders should independently consult their respective tax advisors.

Risks involved in associating with the Acquirers / PAC

1. The Acquirers 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.

2. The Acquirers and the PAC make no assurance with respect to its investment / divestment decisions relating to its proposed shareholding in the Target Company.

3. The Acquirers and the PAC make no assurance with respect to the market price of the Equity Shares of the Target Company before, during or after the Open Offer and expressly disclaims any responsibility or obligation of any kind (except as required by applicable law) with respect to any decision by any Public Shareholder on whether to participate or not to participate in the Open Offer.

4. The information pertaining to the Target Company and / or the Seller contained in the PA or DPS or this DLOF or any other advertisement / publications made in connection with the Open Offer has been compiled from information published or provided by the Target Company or Seller, as the case may be, or publicly available sources. The Acquirers and the PAC do not accept any responsibility with respect to any misstatement by the Target Company and/or the Seller in relation to such information.

The risk factors set forth above pertain to the Underlying Transactions and this Open Offer and are not in relation to the present or future business or operations of the Target Company or any other matters being neither exhaustive nor intended to constitute a complete or comprehensive analysis of the risks involved in or associated with the participation or otherwise by any shareholder in the Open

Offer, but are only indicative.

CURRENCY OF PRESENTATION AND PRESENTATION OF FINANCIAL INFORMATION

In this DLOF, all references to "Rs."/"INR"/ "Indian Rupees" are to Indian Rupee(s), the official currency of Republic of India.

All references to "USD"/"US$"/"US Dollar", "EUR" and "SGD" are to United States Dollars (the official currency of the United States of America), Euro (the official currency of the European Union) and Singapore Dollars (the official currency of the Republic of Singapore), respectively.

In this DLOF, any discrepancy in any table between the total and sums of the amount listed are due to rounding off and/or regrouping. All the data presented in USD, EUR and SGD in this DLOF have been converted into INR for the purpose of convenience of translation. The conversion has been assumed at the following rate as on the date of the PA (i.e. 13 May 2016) (unless otherwise stated in this DLOF):

EUR 1 = INR 75.7202 (Source: Reserve Bank of India **-** http://www.rbi.org.in)
USD 1 = INR 66.7609 (Source: Reserve Bank of India **-** http://www.rbi.org.in)
SGD 1 = INR 48.7317 (Source: Bloomberg)

In this DLOF, with respect to the financial information, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off.

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DEFINITIONS / ABBREVIATIONS

Particulars	Details / Definition
Account	Has the meaning ascribed to it in paragraph 10 of *Part V B (Details of the Firm Financial Arrangements)*
Acquirer 1 or Amalfiaco	Amalfiaco Limited
Acquirer 2 or MIPL	MacRitchie Investments Pte. Ltd.
Acquirers	Acquirer 1 and Acquirer 2 are collectively known as the Acquirers
Acquirers Nominee Directors	Has the meaning ascribed to it in paragraph 3(j) of *Part II B (Background to the Open Offer)*
Agreed Proportion	Has the meaning ascribed to it in paragraph 6(a) of *Part II B (Background to the Open Offer)*
AIC	Has the meaning ascribed to it in paragraph 5 of *Part III A (Details of Amalfiaco Limited ("Amalfiaco" or "Acquirer 1"))*
AI Cool	Has the meaning ascribed to it in paragraph 4 of *Part III A (Details of Amalfiaco Limited ("Amalfiaco" or "Acquirer 1"))*
AI Global – Cool Cell	Has the meaning ascribed to it in paragraph 4 of *Part III A (Details of Amalfiaco Limited ("Amalfiaco" or "Acquirer 1"))*
Allotment Date	Has the meaning ascribed to it in paragraph 2 of *Part II A (Background to the transaction ("Underlying Transactions"))*
Appointed Date	Has the meaning ascribed to it in paragraph 1 of *Part II A (Background to the transaction ("Underlying Transactions"))*
BSE	BSE Limited
Board or Board of Directors	Has the meaning ascribed to it in paragraph 3(j) of *Part II B (Background to the Open Offer)*
Brand Transfer Agreement	Has the meaning ascribed to it in paragraph 3(g) of *Part II B (Background to the Open Offer)*
Brands	Has the meaning ascribed to it in paragraph 3(g) of *Part II B (Background to the Open Offer)*
Cell shares	Has the meaning ascribed to it in paragraph 9 of *Part III D (Details of AI Global Investments (Cyprus) PCC Ltd. ("AI Global" or "PAC 2"))*
CCI	Competition Commission of India
CDSL	Central Depository Services (India) Limited
Completion	Has the meaning ascribed to it under paragraph 7 of *Part II A (Background to the transaction – ("Underlying Transactions"))*
Completion Date	1 (One) Working Day after the completion of the 21 (Twenty one) Working Days after the filing of the DPS i.e. 20 June 2016, or such other day as may be mutually decided between the Acquirers and the Seller in accordance with the terms of the SPA, not be later than 2 (Two) business days prior to the expiry of a period of 26 (Twenty six) weeks from the expiry of the offer period under the SEBI (SAST) Regulations
Core shares	Has the meaning ascribed to it in paragraph 9 of *Part III D (Details of AI Global Investments (Cyprus) PCC Ltd. ("AI Global" or "PAC 2"))*
Depositories	CDSL and NSDL
Depository Participant or	Karvy Stock Broking Limited, with which the Registrar to the Open Offer

Particulars	Details / Definition
DP	has opened the Open Offer Escrow Demat Account for receiving Equity Shares tendered during the Open Offer
Designated DP Account	Has the meaning ascribed to it in paragraph 3(d) of *Part II B (Background to the Open Offer)*
Detailed Public Statement / DPS	The detailed public statement in connection with the Open Offer, published on behalf of the Acquirers and the PAC on 19 May 2016
Draft Letter of Offer / DLOF	The Draft Letter of Offer dated 26 May 2016 filed with the SEBI pursuant to Regulation 16(1) of the SEBI (SAST) Regulations
DTAA	Double Taxation Avoidance Agreement
Escrow Agent	Has the meaning ascribed to it in paragraph 3 of *Part V B (Details of the Firm Financial Arrangements)*
Escrow Agreement	Has the meaning ascribed to it in paragraph 3 of *Part V B (Details of the Firm Financial Arrangements)*
Equity Shares(s)	Fully paid up equity shares of INR 2 (Rupees two each) of the Target Company
EUR	Euro, the official currency of the European Union
Exclusivity Fees	Has the meaning ascribed to it in paragraph 8 of *Part II A (Background to the transaction ("Underlying Transactions"))*
Facility	Has the meaning ascribed to it in paragraph 10 of *Part II A (Background to the transaction ("Underlying Transactions"))*
FEMA	Foreign Exchange Management Act, 1999, as amended, together with the rules and regulations notified thereunder
FPI	Foreign Portfolio Investors
Identified Date	The date falling on the 10^{th} (Tenth) Working Day prior to the commencement of the Tendering Period
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
Income Tax Act	Income Tax Act, 1961, as amended
INR / Rs. / Indian Rupees	Indian Rupees, the official currency of Republic of India
Inter-se Agreement	Has the meaning ascribed to it in paragraph 4 of *Part II A (Background to the transaction ("Underlying Transactions"))*
Investor and collectively Investors	Has the meaning ascribed to it in paragraph 8 of *Part V B (Details of the Firm Financial Arrangements)*
Letter of Offer	The letter of offer incorporating comments received from SEBI (if any) pursuant to Regulation 16 of the SEBI (SAST) Regulations and which will be dispatched to the Public Shareholders in accordance with Regulation 18(2) of the SEBI (SAST) Regulations
Listing Agreement	The listing agreement entered into by the Target Company with the Stock Exchanges
LODR Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subsequent amendments thereto
Managers / Managers to the Open Offer	HSBC Securities and Capital Markets (India) Private Limited and Barclays Bank PLC, together known as the Managers
MICR	Magnetic Ink Character Recognition

Particulars	Details / Definition
NDU Shares	Has the meaning ascribed to it in paragraph 3(d) of *Part II B (Background to the Open Offer)*
NECS	National Electronic Clearing Services
NEFT	National Electronic Funds Transfer
NOC	No-objection certificate
Notice	Has the meaning ascribed to it in paragraph 3(m)(iii) of *Part II B (Background to the Open Offer)*
Notice Period	Has the meaning ascribed to it in paragraph 3(m)(iii) of *Part II B (Background to the Open Offer)*
NRIs	Non-resident Indians
NRI/ OCB Documentation	Has the meaning ascribed to it in paragraph 7 of *Part VIII (Procedure for Acceptance and Settlement of the Open Offer)*
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCBs	Overseas Corporate Bodies
Offer Closing Date	Monday, 18 July 2016
Offer Consideration	Has the meaning ascribed to it in paragraph 2 of *Part II C (Details of the Open Offer)*
Offer Opening Date	Monday, 04 July 2016
Offer Price	Has the meaning ascribed to it in paragraph 2 of *Part II C (Details of the Open Offer)*
Offer Shares	Has the meaning ascribed to it in paragraph 2 of *Part II C (Details of the Open Offer)*
Offer Size	162,953,997 (One hundred and sixty two million nine hundred and fifty three thousand nine hundred and ninety seven) Equity Shares, representing 26.00% (Twenty six percent) of the Voting Share Capital
Open Offer	Open offer for acquisition of up to 162,953,997 (One hundred and sixty two million nine hundred and fifty three thousand nine hundred and ninety seven) Equity Shares from the Public Shareholders by the Acquirers together with the PAC in their capacity as persons acting in concert with the Acquirers
Open Offer Escrow Demat Account	The special depository account opened by the Registrar to the Open Offer with NSDL for receiving Equity Shares tendered during the Open Offer – ***KCPL Escrow Account – CGCEL Open Offer***
Overseas Tax	Tax payable in accordance with the tax laws applicable in the overseas jurisdiction in which the non-resident Public Shareholder is a resident for tax purposes
PAC 1 or Nirsinia	Nirsinia Limited
PAC 2 or AI Global	AI Global Investments (Cyprus) PCC Ltd
PAC	PAC 1 and PAC 2 are collectively known as the PAC
PAN	Permanent Account Number
ParentCo or CGL	Crompton Greaves Limited
Partial Release Date	Has the meaning ascribed to it in paragraph 3(d) of *Part II B (Background to the Open Offer)*

Particulars	Details / Definition
Payment Date	Has the meaning ascribed to it in paragraph 3(l)(i) of *Part II B (Background to the Open Offer)*
PCC	Has the meaning ascribed to it in paragraph 5 of *Part III A (Details of Amalfiaco Limited ("Amalfiaco" or "Acquirer 1"))*
Pledge	Has the meaning ascribed to it under paragraph 6 of *Part II A (Background to the transaction – ("Underlying Transactions"))*
Pledged Shares	Has the meaning ascribed to it under paragraph 6 of *Part II A (Background to the transaction – ("Underlying Transactions"))*
Promoter	Promoter of the Target Company and shall have the meaning ascribed to the term under the SEBI (SAST) Regulations
Promoter Group	Promoter Group of the Target Company and shall have the meaning ascribed to the term under the SEBI (SAST) Regulations
Public Announcement / PA	The public announcement in connection with the Open Offer dated 13 May 2016 issued by the Managers on behalf of the Acquirers and the PAC
Public Shareholder(s)	All the public shareholders of the Target Company as on the Identified Date excluding (i) the existing Promoters including the Seller, (ii) the Acquirers and the PAC, and (iii) persons deemed to be acting in concert with them
RBI	Reserve Bank of India
RBI Approval	Has the meaning ascribed to it in paragraph 5 of *Part II B (Background to the Open Offer)*
Record Date	Has the meaning ascribed to it under paragraph 2 of *Part II A (Background to the transaction – ("Underlying Transactions"))*
Refund Amount	Has the meaning ascribed to it in paragraph 3(n)(i) of *Part II B (Background to the Open Offer)*
Refund Events	Has the meaning ascribed to it in paragraph 3(k) of *Part II B (Background to the Open Offer)*
Refund Event Notice	Has the meaning ascribed to it in paragraph 3(n)(i) of *Part II B (Background to the Open Offer)*
Refund Security	Has the meaning ascribed to it in paragraph 3(b) of *Part II B (Background to the Open Offer)*
Refund Security Bank Account	Has the meaning ascribed to it in paragraph 3(b) of *Part II B (Background to the Open Offer)*
Refund Security DP Account	Has the meaning ascribed to it in paragraph 3(b) of *Part II B (Background to the Open Offer)*
Refund Security Valuation	Has the meaning ascribed to it in paragraph 3(l)(iii) of *Part II B (Background to the Open Offer)*
Registrar to the Open Offer	Karvy Computershare Private Limited
RTGS	Real Time Gross Settlement
Sale Consideration	Has the meaning ascribed to it under paragraph 4 of *Part II A (Background to the transaction – ("Underlying Transactions"))*
Sale Shares	Has the meaning ascribed to it under paragraph 3 of *Part II A (Background to the transaction – ("Underlying Transactions"))*
Scheme	Has the meaning ascribed to it under paragraph 1 of *Part II A (Background to the transaction – ("Underlying Transactions"))*

Particulars	Details / Definition
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, 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
Security Trustee	Has the meaning ascribed to it in paragraph 3(b) of *Part II B (Background to the Open Offer)*
Seller	Avantha Holdings Limited
SGD	Singapore Dollars, the official currency of the Republic of Singapore
SPA	Has the meaning ascribed to it under paragraph 4 of *Part II A (Background to the transaction – (“Underlying Transactions”))*
SPA Advance Amount	Has the meaning ascribed to it under paragraph 6 of *Part II A (Background to the transaction – (“Underlying Transactions”))*
SSRE	Singapore Standard on Review Engagements
Stock Exchanges	Collectively means BSE and NSE
Target / Target Company / CGCEL	Crompton Greaves Consumer Electricals Limited
Tax Deduction Certificate / TDC	Certificate for deduction of tax at nil / lower rate obtained from the income tax authorities under Section 195(3) or Section 197 of the Income Tax, as applicable
Temasek	Has the meaning ascribed to it in paragraph 8 of *Part III B (Details of MacRitchie Investments Pte. Ltd. (“MIPL” or “Acquirer 2”))*
Temasek Holdings	Has the meaning ascribed to it in paragraph 3 of *Part III B (Details of MacRitchie Investments Pte. Ltd. (“MIPL” or “Acquirer 2”))*
Tendering Period	Period commencing from Monday, 04 July 2016 and closing on Monday, 18 July 2016, both days inclusive
Transaction Documents	Has the meaning ascribed to it under paragraph 4 of *Part II A (Background to the transaction – (“Underlying Transactions”))*
TRC	Tax Residency Certificate
USD / US$ / US Dollar	United States Dollars, the official currency of the United States of America
Underlying Transactions	Demerger of the consumer products business of CGL into the Target Company and the subsequent sale of 215,442,496 (Two hundred and fifteen million four hundred and forty two thousand four hundred and ninety six) Equity Shares, constituting 34.37% (Thirty four point three seven percent) of the total issued share capital of the Target Company, by the Seller to the Acquirers under the SPA
Valuation Intervals	Has the meaning ascribed to it in paragraph 3(l)(iii) of *Part II B (Background to the Open Offer)*
Voting Share Capital	Has the meaning ascribed to it under paragraph 2 of *Part II C (Details of the Open Offer)*
Working Day(s)	Shall have the same meaning ascribed to it in the SEBI (SAST) Regulations

I. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE 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 (SAST) REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF CROMPTON GREAVES CONSUMER ELECTRICALS LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OPEN OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF THE ACQUIRERS, 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 DRAFT LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ACQUIRERS AND THE PAC ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT LETTER OF OFFER, THE MERCHANT BANKERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRERS DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKERS (MANAGERS TO THE OPEN OFFER), HSBC SECURITIES AND CAPITAL MARKETS (INDIA) PRIVATE LIMITED AND BARCLAYS BANK PLC, HAVE SUBMITTED A DUE DILIGENCE CERTIFICATE DATED 26 MAY 2016 TO SEBI IN ACCORDANCE WITH THE SEBI (SAST) REGULATIONS. THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS AND THE PAC FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OPEN OFFER.

II. DETAILS OF THE OPEN OFFER

A. Background to the transaction ("Underlying Transactions").

1. Crompton Greaves Limited ("**CGL**" or "**ParentCo**") is a company incorporated in India with its shares listed on the Stock Exchanges. CGL conducted its business under three divisions – power systems, industrial systems and consumer products. CGL by its letter dated 9 March 2015 filed a scheme of arrangement ("**Scheme**") with the Stock Exchanges to demerge its consumer products division into its wholly owned subsidiary, CGCEL. The appointed date under the Scheme for the purpose of the demerger is 1 October 2015 ("**Appointed Date**"). The Scheme received all necessary regulatory approvals including approvals from the Hon'ble High Court of Bombay, SEBI and the relevant stock exchanges and consequently, on 1 January 2016 i.e. the effective date of the completion of the demerger under the Scheme, the consumer products division of CGL was transferred to CGCEL, the Target Company.

2. All the shareholders of the ParentCo, who were shareholders of the ParentCo as of 16 March 2016 ("**Record Date**"), have been allotted Equity Shares of the Target Company on 22 March 2016 ("**Allotment Date**") in the same proportion as their shareholding in the ParentCo on the basis of 1 (One) Equity Share for every equity share of CGL held by them.

3. Avantha Holdings Limited, a company incorporated in India under the provisions of the Companies Act, 1956, having its registered office at Thapar House, 124, Janpath, New Delhi 110001 and the promoter of CGL ("**Seller**") held 215,442,496 (Two hundred and fifteen million four hundred and forty two thousand four hundred and ninety six) equity shares of CGL constituting 34.37% (Thirty four point three seven percent) of the issued and fully paid up equity shareholding of CGL as of the Record Date. Consequently, the Seller was allotted 215,442,496 (Two hundred and fifteen million four hundred and forty two thousand four hundred and ninety six) Equity Shares constituting 34.37% (Thirty four point three seven percent) of the total issued share capital of the Target Company on a fully diluted basis on the Allotment Date ("**Sale Shares**").

4. Pending approval of the Scheme by the relevant authorities, on 23 April 2015, the Acquirers and the Seller entered into a share purchase agreement as amended ("**SPA**"), whereby, (i) Acquirer 1 agreed to acquire 140,037,623 (One hundred and forty million thirty seven thousand six hundred and twenty three) Equity Shares from the Seller, which in the aggregate constitute 22.34% (Twenty two point three four percent) of the total share capital of the Target Company on a fully diluted basis, along with the acquisition of control of the Target Company, and (ii) Acquirer 2 has agreed to acquire 75,404,873 (Seventy five million four hundred and four thousand eight hundred and seventy three) Equity Shares from the Seller, which in the aggregate constitute 12.03% (Twelve point zero three percent) of the total share capital of the Target Company on a fully diluted basis. In addition to the SPA, the Acquirers and PAC 1 have amongst themselves also executed an inter-se agreement dated 23 April 2015 ("**Inter-se Agreement**"), which *inter alia* includes certain inter- se rights and obligations amongst the Acquirer 1 and PAC 1 on one hand and Acquirer 2 on another vis-à-vis their shareholding in the Target Company as further detailed in *paragraph 6 of Part II B (Background to the Open Offer)* below. The SPA, the Inter-se Agreement and other ancillary documents such as security trustee agreement, share pledge agreement, refund security escrow agreement entered into *inter alia* between the Acquirers and the Seller for the purpose of the Underlying Transactions shall be hereinafter referred to as the "**Transaction Documents**". The aggregate consideration payable by the Acquirers to the Seller under the SPA is INR 20,000,000,000 (Rupees twenty billion only) ("**Sale Consideration**").

5. Further, in relation to the Scheme, the ParentCo and the Target Company have entered into certain agreements such as transition services agreement, brand transfer agreement and non-compete agreement.

6. Pending acquisition of the Sale Shares, the Acquirers have, pursuant to the SPA, an approval dated 26 June 2015 received from the RBI and an approval letter dated 17 June 2015 received from the CCI, paid an advance amount of INR 20,000,000,000 (Rupees twenty billion only) to the Seller on 23 July 2015 ("**SPA Advance Amount**"). The SPA Advance Amount paid by the Acquirers to the Seller has been secured by a first ranking and exclusive pledge over 134,152,405 (One hundred and thirty four million one hundred and fifty two thousand four hundred and five) equity shares of the ParentCo ("**Pledged Shares**") held by the Seller ("**Pledge**"). Further, after the allotment of the Sale Shares by the Target Company to the Seller pursuant to the demerger under the Scheme, there has been an automatic creation of pledge on 134,152,405 (One hundred and thirty four million one hundred and fifty two thousand four hundred and five) Sale Shares in favour of the Security Trustee (as defined below) for the benefit of the Acquirers, which are equivalent to the number of Pledged Shares, due to the filing of the auto corporate action form by the Target Company with the depositories pursuant to the demerger under the Scheme. If certain event(s) (as further detailed in paragraph 3(m) *Part II B (Background to the Open Offer)* below) occur(s) prior to the transfer of the Sale Shares, the SPA Advance Amount would be required to be refunded by the Seller to the Acquirers together with interest, in which event the SPA shall be terminated and this Open Offer shall stand withdrawn.

7. Upon completion of the Underlying Transactions, after the completion of the demerger under the Scheme and the listing of the Equity Shares on the Stock Exchanges, the Acquirers have agreed to acquire the Sale Shares from the Seller free from all encumbrances (other than any encumbrance created by way of the Refund Security (as defined below)). It was agreed that at the time of completion under the SPA i.e. the Working Day falling immediately after the expiry of 21 (Twenty one) Working Days from the date of the DPS or such other date that is mutually agreed between the Acquirers and the Seller, not be later than 2 (Two) business days prior to the expiry of a period of 26 (Twenty six) weeks from the expiry of the offer period under the SEBI (SAST) Regulations ("**Completion**"), the SPA Advance Amount shall be appropriated towards the Sale Consideration and the Acquirers shall not be required to pay any additional amount to the Seller for the Sale Shares.

8. In addition, pursuant to a letter dated 15 July 2015, the Acquirers agreed to pay an aggregate fees of INR 158,500,000 (Rupees one hundred and fifty eight million five hundred thousand only) to the Seller as exclusivity fees for the transactions proposed in the SPA ("**Exclusivity Fees**"). Of this amount, INR 103,025,000 (Rupees one hundred and three million twenty five thousand only) was paid by Acquirer 1 and INR 55,475,000 (Rupees fifty five million four hundred seventy five thousand only) was paid by Acquirer 2 in the proportion of 65:35. The Exclusivity Fees was paid by the Acquirers to the Seller at the time of payment of the SPA Advance Amount. It was agreed between the Seller and the Acquirers that the Exclusivity Fees shall be included in the 'negotiated price' for this Open Offer under Regulation 8(2)(a) of the SEBI (SAST) Regulations, since it is a contemporaneous payment under Regulation 8(7) of the SEBI (SAST) Regulations.

9. There is no separate non-compete fee in the Underlying Transactions.

10. Acquirer 1 has fully drawn a term loan facility of USD 36,000,000 (US Dollars thirty six million only) (the "**Facility**"). The Facility has been advanced by Standard Chartered Bank, Singapore branch, Siemens Financial Services, Inc. and CTC Bank Co. Ltd., Singapore, *inter alia*, for the purposes of making payment of part of the SPA Advance Amount. The obligations arising under the Facility are *inter alia* secured by share pledges granted by the respective holding companies of Acquirer 1 and PAC 1 over the shares in Acquirer 1 and PAC 1 and charges granted by each of Acquirer 1 and PAC 1 over their assets. The security granted by Acquirer 1 and PAC 1 however, expressly excludes any interest in the shares of CGL or the Target Company that is or will be held by Acquirer 1 and PAC 1.

11. This Open Offer is being made as a consequence of the execution of the SPA by the Acquirers and the Seller in compliance with Regulation 13(1) of the SEBI (SAST) Regulations and upon the listing of

the Equity Shares on the Stock Exchanges following the completion of the demerger in accordance with the Scheme.

B. Background to the Open Offer

1. The Open Offer is being made by the Acquirers and the PAC to the Public Shareholders in accordance with Regulations 3(1) and 4 of the SEBI (SAST) Regulations *vis-à-vis* Acquirer 1 and PAC 1 pursuant to the substantial acquisition of shares, voting rights and control of and over the Target Company and in compliance with Regulation 3(1) of the SEBI (SAST) Regulations *vis-à-vis* Acquirer 2 pursuant to the substantial acquisition of shares and voting rights of the Target Company. Acquirer 1 and the PAC belong to the same group and their cumulative post Open Offer shareholding (including the Offer Shares and the Equity Shares acquired under the Underlying Transactions) assuming full acceptance of the Open Offer will be 245,957,721 (Two hundred forty five million nine hundred and fifty seven thousand seven hundred and twenty one) Equity Shares constituting 39.24% (Thirty nine point two four percent) of the Voting Share Capital. Acquirer 2 belongs to a different group and its cumulative post Open Offer shareholding (including the Offer Shares and the Equity Shares acquired under the Underlying Transactions) assuming full acceptance of the Open Offer will be 132,438,772 (One hundred and thirty two million four hundred thirty eight thousand seven hundred and seventy two) Equity Shares constituting 21.13% (Twenty one point one three percent) of the Voting Share Capital. Acquirer 1 and Acquirer 2 do not belong to the same group and are persons acting in concert only for the purpose of the Open Offer and should not be deemed to be "person acting in concert" for any other purpose or other transaction. After the consummation of the SPA (including the completion of the Open Offer formalities) Acquirer 1, who shall have control over the Target Company, shall be designated and disclosed as the promoter of the Target Company.

2. The Acquirers and the Seller have entered into the SPA pursuant to which Acquirer 1 has agreed to acquire 140,037,623 (One hundred and forty million thirty seven thousand six hundred and twenty three) Equity Shares, which in the aggregate constitute 22.34% (Twenty two point three four percent) of the Equity Shares along with the acquisition of control of the Target Company, and (ii) Acquirer 2 has agreed to acquire 75,404,873 (Seventy five million four hundred and four thousand eight hundred and seventy three) Equity Shares, which in the aggregate constitute 12.03% (Twelve point zero three percent) of the Target Company. The details of the shares being sold under the SPA is:

Seller	Number of shares	Percentage of issued and paid up share capital of the Target Company
Avantha Holdings Limited	215,442,496	34.37%
Total	**215,442,496**	**34.37%**

3. In addition to the features of the SPA provided in *Part II A "Background to the transaction ("Underlying Transactions")"* above, please note the following:

   (a) As provided in *Part II A "Background to the transaction ("Underlying Transactions")"* above, the Acquirers have entered into the SPA with the Seller to acquire the Sale Shares.

   (b) It was agreed between the Acquirers and the Seller that the SPA Advance Amount shall be secured by the creation of the pledge on such number of existing shares of CGL along with related rights held by the Seller as would cover at least 1.25 (One point two five) times the SPA Advance Amount ("**Refund Security**") by the Seller in favour of the security trustee appointed by the Acquirers ("**Security Trustee**"). Accordingly, it has been agreed that the Seller would open a non-lien bank account into which the SPA Advance Amount shall be deposited by the Acquirers ("**Refund Security Bank Account**"). Similarly, a new non-lien depository participant account was opened by the Seller for the purpose of the creation of the Refund Security ("**Refund Security DP Account**"). The withdrawal of the SPA Advance Amount from the Refund Security Bank Account could take place in one or more tranches subject to the Seller procuring Refund Security to the extent of at least 1.25 (One point two five) times amount withdrawn from the Refund Security Bank Account. The Seller created a Pledge over Pledged Shares towards Refund Security amounting to approximately 1.26 (One point two six) times the SPA Advance Amount and has accordingly withdrawn the SPA Advance Amount from the Refund Security Bank Account.

(c) Further, after the allotment of the Sale Shares by the Target Company to the Seller pursuant to the demerger under the Scheme, there has been an automatic creation of pledge on 134,152,405 (One hundred and thirty four million one hundred and fifty two thousand four hundred and five) Sale Shares in favour of the Security Trustee for the benefit of the Acquirers, which are equivalent to the number of Pledged Shares, due to the filing of the auto corporate action form by the Target Company with the depositories pursuant to the demerger under the Scheme.

(d) The SPA further provides that within 10 (Ten) business days from the issue and allotment of the Sale Shares by the Target Company to the Seller, the Seller may, at its option, ensure that the Sale Shares that are not already pledged to the Security Trustee for the benefit of the Acquirers ("**NDU Shares**") are kept in a separate dematerialized securities account ("**Designated DP Account**") and the Seller shall issue an irrevocable power of attorney in favour of a person nominated by the Acquirers for the sole operation of such account. Upon allotment of Sale Shares under the Scheme, creation of a pledge in favour of the Acquirers over such Sale Shares equivalent to the number of shares of CGL constituting the Refund Security and the deposit of the NDU Shares in the Designated DP Account (in a manner that is to the sole satisfaction of Acquirer 1, acting reasonably) in the manner provided above, the Acquirers have agreed to release such portion of the Refund Security, such that the portion of the Sale Shares pledged and the remaining Refund Security amount to 1 (One) times the SPA Advance Amount in value ("**Partial Release Date**"). The remaining portion of the Refund Security is to be released upon the Completion date or date of repayment of the SPA Advance Amount together with interest to the Acquirers (as provided in paragraph (n) below). After the Partial Release Date, the Seller shall ensure that the NDU Shares are not disposed or alienated in any manner by the Seller other than by transferring the NDU Shares to the Acquirers on Completion. The Partial Release Date has not occurred till the date of this DLOF and the aforementioned period of 10 (Ten) business days from the date of issuance of the Sale Shares by the Target Company to the Seller has expired.

(e) Subject to the compliance of the provisions of the SPA, the Completion of the transaction under the SPA will take place on the Working Day falling immediately after the expiry of the 21 (Twenty one) Working Days from the date of the DPS or such other date as may be mutually decided between the Acquirers and the Seller not be later than 2 (Two) business days prior to the expiry of a period of 26 (Twenty six) weeks from the expiry of the offer period under the SEBI (SAST) Regulations. In terms of Regulation 17 read with Regulations 18(5) and 22(2) of the SEBI (SAST) Regulations, the Acquirers have agreed jointly and severally to deposit 100.00% (One hundred percent) of the consideration payable under the Open Offer assuming full acceptance in an escrow account.

(f) The Seller has agreed to comply with certain standstill provisions relating to the consumer products business till the earlier of the Completion date or the date of repayment of the SPA Advance Amount together with interest to the Acquirers (as provided in paragraph (n) below).

(g) CGL was required to transfer the brands "*Crompton*" and "*Crompton Greaves*" ("**Brands**") registered under the Trade Marks Act, 1999 and the rules framed thereunder; as well as outside India (other than in relation to transmission and distribution, power systems and transformers, automation and industrial goods to the extent not a part of the consumer products business), to the Target Company with effect from the date of effectiveness of the Scheme, free and clear of all encumbrances (other than the encumbrance created on the Brands in favour of Axis Bank Limited for a loan of Rs. 7,000,000,000 (Rupees seven billion only)). CGL and the Target Company have executed a brand transfer agreement ("**Brand Transfer Agreement**") in this regard. The SPA requires that the Target Company shall not, at any time (i) assign or transfer the Brands to any person, provided that a sale of interest in the Target Company by the Acquirers whether in whole or in part shall not constitute a transfer of the Brands; (ii) use the Brands at any time in respect of any of the businesses/products in which Avantha Group is engaged in, as set out in the SPA; and (iii) use the Brands for a period of 3 (Three) years from the date of assignment and transfer of the Brands to the Target Company for any products / purposes other than in relation to the consumer products business.

(h) The obligation of the Acquirers and the Seller to consummate the transaction under the SPA is subject to each party having complied with certain conditions precedent (or such conditions precedent having been waived), which are customary to a transaction of this nature on or 2 (Two) days prior to the Completion date.

(i) *Transfer Restrictions* - The Seller has agreed to not acquire itself or through any 'persons acting in concert' or deemed to be acting in concert with it any shares or any interest in the shares, or any voting rights in relation to the Target Company, after allotment of Sale Shares by the Target Company pursuant to the demerger and during the term of the SPA, without the prior written consent of the Acquirers. The Seller has also agreed not to sell any shares of CGL or the Target Company, except in accordance with the SPA and any such purported sale or attempt to sell in violation of the SPA shall be null and void *ab initio*. Notwithstanding anything contained in the SPA or any other Transaction Document, the Seller is not entitled to create an encumbrance on the Sale Shares, other than (i) the lock-in obligations imposed by the Stock Exchanges on the Sale Shares pursuant to the demerger until the receipt of listing and trading approval by the Target Company, (ii) as contemplated under the Transaction Documents, or (iii) as created automatically under the depository system, including as security for any loans or other financing facilities availed by the Seller, without the prior written consent of the Acquirers.

(j) *Board composition* - On the Completion date the Acquirers shall nominate such number of people as may be required to replace the existing nominee directors of the Seller on the board of the Target Company ("**Board**") and on all committees of the Board (the "**Acquirers Nominee Directors**"). Provided however that Acquirer 2 is entitled to nominate no more than 1 (One) nominee director on the Board.

(k) Under the SPA, the SPA Advance Amount together with interest (as provided in paragraph (n) below) is refundable upon the occurrence of certain situations *inter alia* set out in paragraph (m) below ("**Refund Events**").

(l) *Refund Security* - The Seller has agreed to ensure that the Acquirers have security to secure the refund of the Refund Amount as provided below:

   (i) The Seller is required to pledge, in one or more tranches, in the manner provided in the Transaction Documents, on such number of unencumbered equity shares of CGL along with related rights owned by the Seller, the value of which, on the date of payment of the SPA Advance Amount ("**Payment Date**") is at least equal to the Refund Security. The value of the Refund Security is based on the volume weighted average price of the shares of CGL appearing on NSE for the 15 (Fifteen) days preceding the Payment Date.

(ii) The Seller has created a first ranking and exclusive pledge over 134,152,405 (One hundred and thirty four million one hundred and fifty two thousand four hundred and five) equity shares of CGL held by the Seller towards Refund Security. Further, there has been an automatic creation of pledge on 134,152,405 (One hundred and thirty four million one hundred and fifty two thousand four hundred and five) Equity Shares in favour of the Security Trustee for the benefit of the Acquirers, due to the filing of the auto corporate action form by the Target Company with the depositories pursuant to the demerger under the Scheme.

(iii) The Acquirers have a right to conduct a valuation of the Refund Security in accordance with the share pledge agreement ("**Refund Security Valuation**") at periodic intervals ("**Valuation Intervals**"). If the value of the Refund Security (on any date on which a valuation is required to be undertaken) is less than 1.25 (One point two five) times the SPA Advance Amount until the occurrence of the Partial Release Date or less than 1 (One) time the SPA Advance Amount after the occurrence of the Partial Release Date, then the Seller is required to provide or procure the provision of additional security in the form and manner such that the value of the Refund Security (together with the additional security provided by the Seller) is not less than 1.25 (One point two five) times or 1 (One) time, as the case may be, of the SPA Advance Amount.

(m) *Refund Events* - The parties have agreed and acknowledged that unless otherwise agreed in writing, the occurrence of *inter alia* any of the following events will constitute a Refund Event as referred to in sub- paragraph (k) above:

(i) Any alteration or revocation or breach by CGL of the agreement assigning the Brands entered into between CGL and the Target Company.

(ii) Any change in the composition of the Board including any change of the independent directors on the Board of the Target Company, which is contrary to the SPA, except with the prior written consent of the Acquirers. Provided that a change in composition of the Board due to fraud by such persons, permanent disability of such persons, resignation by such persons or death of such persons shall not be a Refund Event provided a substitute (to the satisfaction of the Acquirers) of such person is appointed by the Target Company within 60 (Sixty) days of such change.

(iii) If the value of the Refund Security pursuant to any Refund Security Valuation is less than 1.1 (One point one) times the SPA Advance Amount and the same has not been remedied in accordance with sub-paragraph (l) (iii) above by the Seller within 10 (Ten) business days (or such other extended time period as may be agreed between the Acquirers and the Seller in writing) of the Acquirers having notified the same to the Seller. Acquirer 1 has vide its letter dated 30 March 2016 ("**Notice**"), notified the Seller that upon the expiry of 7 (Seven) months from the date of creation of the last tranche of the Refund Security, the Refund Security Valuation was less than 1.1 (One point one) times the SPA Advance Amount and accordingly the Seller should remedy the same within 10 (Ten) business days from the date of the Notice ("**Notice Period**"). As on the date of this DLOF, the Seller has not remedied its default under the Notice and the Acquirers are entitled to send a Refund Event Notice (as defined below) which, if sent, will lead to a re-payment of the SPA Advance Amount together with interest by the Seller to the Acquirers and withdrawal of this Open Offer.

(iv) If the Seller *inter alia* fails to comply with the following obligations under Clauses 3.2.3 (II), 3.2.3 (III), 3.2.3 (IV) and 3.2.4 of the SPA in respect of the Target Company after the demerger i.e. (1) either prior approval of Acquirer 1 is not obtained before the exercise of voting rights or bringing, *inter alia*, the following matters on the agenda either at a meeting of the board of the Target Company (by the directors appointed by the Seller) or at a meeting of the shareholders of the Target Company by the Seller; or (2) the directors appointed by the Seller on the board of the Target Company in case of a board meeting or the Seller itself in case of a shareholders meeting, have not abstained from voting on, *inter alia*, the following matters, when requested by Acquirer 1:

(A) any action resulting in negative net worth of the Target Company after the completion of the demerger;

(B) any action for the winding up or dissolution or composition, or other similar or related actions in relation to the Target Company after the completion of the demerger;

(C) any amendment to the charter documents of the Target Company after the completion of the demerger, in a manner which may adversely affect (1) the rights of the Acquirers under the Transaction Documents; or (2) the obligations of the Seller under the Transaction Documents;

(D) any related party transactions proposed to be entered into by the Target Company after the completion of the demerger, in relation to the consumer products business in excess of INR 25,000,000 (Rupees twenty five million only), other than in the ordinary course of its business or on arm's length basis;

(E) any capital expenditure by the Target Company after the completion of the demerger in excess of INR 100,000,000 (Rupees one hundred million only);

(F) termination, alteration or breach of the terms of the employment agreements entered into by the interim consultants, chief operating officer, chief executive officer and the chief finance officer of the Target Company, except with the prior written consent of Acquirer 1 (other than due to fraud by such persons, permanent disability of such persons, resignation by such persons or death of such persons), provided an appointment letter is issued to a substitute (to the satisfaction of Acquirer 1) of such person by the ParentCo within 60 (Sixty) days from the date of such termination;

(G) any (1) mergers or acquisitions; or (2) sale of assets in excess of INR 10,000,000 (Rupees ten million only), which relate to or will impact the Target Company, after the completion of the demerger;

(H) any issue of equity or change of equity capital structure of the Target Company, if such change is in excess of INR 10,000,000 (Rupees ten million only), other than any issuance by the Target Company pursuant to the Scheme; and

(I) any debt or change of debt structure of the Target Company, after the completion of the demerger, once the aggregate debt of the Target Company, after the completion of the demerger is above INR 7,000,000,000 (Rupees seven billion only) including the term loan of INR 7,000,000,000 (Rupees seven billion only) availed from Axis Bank Limited pursuant to a facility agreement dated 18 February 2015.

(v) If the Seller fails to create, perfect and maintain the Refund Security in accordance with the SPA.

(vi) Any legal proceedings in relation to bankruptcy, dissolution, insolvency, liquidation or winding up of the Seller is filed and admitted in a court of competent jurisdiction, (a) where the Seller has admitted its inability to pay its debts; or (b) where the Seller has not admitted its inability to pay its debts but such proceeding (excluding a voluntary winding-up petition) is not dismissed or stayed within 90 (Ninety) days of the date of commencement of the same.

(vii) Any alteration or revocation or breach by CGL of the transition services agreement(s) entered into between CGL and the Target Company in accordance with the SPA, which results in an increase in the cost payable by the Target Company for the transition services.

(viii) Breach of any transfer restrictions (in paragraph 3(i) above) without the prior written approval of the Acquirers.

(ix) Breach of any of seller warranties provided in Paragraph 4 (a) of Part A (only to the extent it refers to the Sale Shares) and Paragraph 2(e) of Part B of Annexure 7, of the SPA.

(x) If it is or becomes unlawful for the Seller to perform any of its material obligations under any of the Transaction Documents.

(xi) Occurrence of any material adverse effect in relation to the Seller which has not been remedied by the Seller within 30 (Thirty) days of the Acquirers having notified the same to the Seller.

(xii) Any material litigation against the Seller or the Seller fails to comply with or pay any sum due from it, arising from a non-appealable final order of a relevant court pursuant to which the Seller is required to make payment in excess of INR 500,000,000 (Rupees five hundred million only).

(xiii) Seller suspends or ceases to carry on or disposes of (or threatens to suspend or cease to carry on or to dispose of) all or a material part of its business.

(xiv) Any material contract entered into by the Seller being terminated or materially amended, such that the ability of the Seller to fulfill its obligations under the transaction documents is adversely affected.

(xv) The Seller ceases to be directly or indirectly controlled by Mr. Gautam Thapar.

(n) *Consequences of Refund Events:*

(i) Upon the occurrence of any Refund Event (if the same is not resolved mutually within a 15 (Fifteen) day discussion period between the parties), the Acquirers shall have a right to notify the Seller by a written notice of the Refund Event ("**Refund Event Notice**") and the Seller shall within 7 (Seven) days of the Refund Event Notice be required to repay the Advance Amount to the Acquirers together with interest at the rate of 18.00% (Eighteen percent) per annum from the Payment Date until 15 March 2016 and after that at the rate of 20.00% (Twenty percent) per annum till the entire amount accrued is recovered or paid in full ("**Refund Amount**"). In the event the Seller fails to pay the Refund Amount within 7 (Seven) days of the Refund Event Notice, the Acquirers shall have the right to enforce the Refund Security to recover the Refund Amount and charge additional interest at the rate of 2.00% (Two percent) per annum from the completion of 7 (Seven) days from the date of issuance of the Refund Event Notice till the entire amount accrued is paid in full or recovered by the Acquirers.

(ii) In the event the Seller fails to pay the complete Refund Amount to the Acquirers within 7 (Seven) days of the issuance of the Refund Event Notice and the Refund Security has not been enforced by the Acquirers to receive the entire Refund Amount and the value of the Refund Security falls below the Advance Amount, then the Seller has agreed to certain standstill provisions in relation to CGL to prevent the devaluation of the Refund Security.

(o) The Seller has given certain representations, warranties and indemnities customary to a transaction of this nature to the Acquirers relating to the Seller, the Target Company and the consumer products business. Similarly, the Acquirers too have provided certain customary representations and warranties to the Seller.

(p) The SPA is subject to the laws of India and all disputes are subject to arbitration in accordance with rules prescribed by the Singapore International Arbitration Centre. The venue and seat of arbitration shall be Singapore and the arbitration shall be conducted by an arbitral tribunal comprising a sole arbitrator. An award passed by the arbitral tribunal shall be final and binding. However, in the event recourse to courts is necessary, courts in New Delhi shall have exclusive jurisdiction.

(q) The Seller has undertaken an obligation to not use or disclose any confidential information relating to the Target Company or the consumer products business for a period of 3 (Three) years from Completion. Further, the Seller has also undertaken to ensure the Seller itself, Varun Prakashan Private Limited, Avantha Realty Limited do not, and shall, to the extent of its voting rights in its capacity as a shareholder of the ParentCo or to the extent of the voting rights of the directors nominated by the Seller on the board of directors of ParentCo (subject to the legal and fiduciary duties of such directors), the ParentCo does not *inter alia* compete with the Target Company or the consumer products business for a period of 3 (Three) years from Completion, other than where the ParentCo its affiliates makes any passive investment in any business competing with the consumer products business or the Target Company to the extent of 5.00% (Five percent) (without acquiring control or management rights).

(r) All actions and rights under the SPA that are to be exercised by the Acquirers under the SPA shall be exercised by Acquirer 1, to the exclusion of Acquirer 2. Acquirer 2 has authorized Acquirer 1 to act as its exclusive representative and agent in the exercise of powers, privileges and rights under the SPA granted to the Acquirers, to the exclusion of Acquirer 2.

(s) The SPA shall terminate on the earlier of (i) non-receipt of the approval of the RBI or non-receipt of the approval of the CCI on or prior to 22 July 2015, i.e. the payment longstop date provided for in the SPA; (ii) if the Acquirers send a Refund Event Notice to the Seller and the Seller pays them the Refund Amount in full; (iii) completion of sale and purchase of Sale

Shares; or (iv) as mutually decided between the parties.

(t) There have been 6 (Six) amendments to the SPA for (i) extensions of the payment longstop date; (ii) reduction of the period of non-compete from 5 (Five) years to 3 (Three) years; and (iii) revising the condition for the appointment of independent directors on the board of the Target Company to reflect the issuance of appointment letters and passing the necessary board resolutions for the appointment of independent directors on the board of the Target Company and to require the actual appointment of these independent directors within 30 (Thirty) business days from the date of the payment of the SPA Advance Amount. Unless such appointment is made in breach of provisions of the SPA, the SPA does not require these independent directors to be appointed with the consent of the Acquirers.

4. The transaction proposed under the SPA was approved by the CCI vide its approval letter dated 17 June 2015.

5. The approval of the RBI ("**RBI Approval**") *inter alia* approving the receipt of the Advance Amount from the Acquirers, refund of the Refund Amount upon occurrence of certain circumstances as provided in the SPA and creation of Refund Security was received on 26 June 2015. The RBI Approval was however, *inter alia*, subject to (i) the Scheme being approved by the High Court of Bombay; and (ii) the SPA and the payment of Advance Amount not being a temporary accommodation.

6. The salient features of the Inter-se Agreement are as follows:

(a) The parties have agreed that Acquirer 1 shall acquire 65.00% (Sixty five percent) of the Sale Shares and Acquirer 2 shall acquire 35.00% (Thirty five percent) of the Sale Shares under the SPA. For the Offer Shares, (i) Acquirer 1 and PAC 1 shall first acquire 3.67% (Three point six seven percent) of the share capital of the Target Company tendered in the Open Offer; (ii) thereafter Acquirer 2 shall acquire 1.98% (One point nine eight percent) of the share capital of the Target Company tendered in the Open Offer; and (iii) after these acquisitions, the remaining Equity Shares tendered in the Open Offer shall be acquired by Acquirer 1 and PAC 1 on one hand and Acquirer 2 on another in the ratio of 65:35 (rounded off to the nearest whole number) ("**Agreed Proportion**").

(b) Acquirer 1 is required to take all actions under the SPA, including all exercise of rights after consultation with Acquirer 2 and after having taken into account or having given due consideration to the concerns and requirements of Acquirer 2, except while taking any decision in respect of Clauses 2.4.1(a), 2.4.1(b), 3.2.3 and 3.2.4 of the SPA.

(c) Acquirer 1 and PAC 1 on one hand and Acquirer 2 on another have customary pro-rata tag along rights for any transfer of the Equity Shares acquired under the transactions to any third party. Further, Acquirer 1 and PAC 1 have the customary drag along right against Acquirer 2 for any transfer of Equity Shares acquired under the transactions to any third party. Acquirer 2 also has certain transfer restrictions, which *inter alia* restricts Acquirer 2 from transferring certain shares held by it in the Target Company which have been acquired by it under the Underlying Transactions or the Open Offer.

(d) Acquirer 1 and PAC 1 on one hand and Acquirer 2 on another have agreed that as they will be considered 'persons acting in concert' under the SEBI (SAST) Regulations, they shall not without the prior written consent of the other party, acquire Equity Shares in any given financial year in the proportion that Acquirer 1 and PAC 1 shall be entitled to acquire only up to 3.24% (Three point two four percent) of the voting rights in the Target Company and Acquirer 2 shall be entitled to acquire 1.74% (One point seven four percent) of the voting rights in the Target Company.

(e) Acquirer 2 shall be entitled to only nominate 1 (One) director on the Board, committees of the Board and on the board of all material subsidiaries of the Target Company.

(f) The parties have certain customary information rights vis-à-vis the Target Company. Further, the parties have given mutual representations and warranties and indemnities to each other, which are customary to a transaction of this nature.

(g) Acquirer 1 and PAC 1 on one hand and Acquirer 2 on another have agreed that Acquirer 2 shall exercise its voting rights in relation to any matter concerning the declaration of dividend by the Target Company at any shareholders meeting as per the instructions of Acquirer 1 and PAC 1.

(h) Acquirer 2 shall not be classified as a 'promoter' of the Target Company as it is not acquiring control of the Target Company and Acquirer 1, PAC 1 and their affiliates or 'persons acting in concert' with them shall not make any statement or declaration to that effect. However, Acquirer 2 shall be disclosed as a 'person acting in concert' of Acquirer 1 and PAC 1 in their disclosures relating to voting rights/ shareholding in the Target Company of Acquirer 1 and PAC 1 and the disclosures of 'persons acting in concert' with Acquirer 1 and PAC 1.

(i) This Inter-se Agreement may be terminated in the event of (i) termination of SPA prior to Completion; (ii) at the election of a party if the other party breaches the Inter-se Agreement and does not remedy the breach within 15 (Fifteen) business days; (iii) mutually by all parties; (iv) if either party together with its affiliates holds less than 5.00% (Five percent) of the share capital of the Target Company; (v) prohibition of the transactions by any governmental authority; or (vi) liquidation, bankruptcy, insolvency etc. of any party.

(j) This Inter-se Agreement is subject to the laws of India and all disputes are subject to arbitration by a sole arbitrator in accordance with LCIA Arbitration Rules, with the seat of arbitration being London.

7. The Offer Price will be payable in cash by the Acquirers and the PAC, in accordance with the provisions of Regulation 9(1)(a) of the SEBI (SAST) Regulations.

8. None of Acquirers or the PAC or their respective directors have been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act.

9. The Acquirers reserve the right to seek reconstitution of the Board of Directors (as detailed in paragraph 3(j) of *Part II B (Background to the Open Offer)*) during the pendency of the Open Offer, in accordance with the Transaction Documents and provisions contained in the Companies Act, 2013 and in compliance with SEBI (SAST) Regulations. However, as of the date of this DLOF, the Acquirers have not made any decision on the reconstitution of the Board and no persons have been identified for such nomination.

10. As per Regulations 26(6) and 26(7) of SEBI (SAST) Regulations, the Board of the Target Company is required, upon the receipt of the DPS, to constitute a committee of Independent Directors, to provide its written reasoned recommendation on the Open Offer to the shareholders of the Target Company and such recommendations shall be published at least 2 (Two) Working Days before the commencement of the Tendering Period in the same newspapers where the DPS of the Open Offer was published. A copy whereof shall be sent to SEBI, Stock Exchanges and Managers to the Open Offer.

C. Details of the Open Offer

1. This Open Offer is a mandatory offer in compliance with Regulations 3(1) and 4 of the SEBI (SAST) Regulations in relation to Acquirer 1 and PAC, pursuant to the substantial acquisition of shares and voting rights and control of and over the Target Company and Regulation 3(1) of the SEBI (SAST) Regulations in relation to Acquirer 2, pursuant to the substantial acquisition of shares and voting rights of the Target Company.

2. The Acquirers and the PAC are making this Open Offer to acquire up to 162,953,997 (One hundred and sixty two million nine hundred and fifty three thousand nine hundred and ninety seven) Equity Shares ("**Offer Shares**"), constituting 26.00% (Twenty six percent) of the total share capital of the Target Company on a fully diluted voting equity share capital basis, as of the 10th (Tenth) working day from the closure of the Tendering Period ("**Voting Share Capital**") at an offer price of INR 104.00 (Rupees one hundred and four only) per Offer Share (the **Offer Price**), which is higher than the price determined in accordance with Regulation 8(2) of the SEBI (SAST) Regulations i.e. INR 96.00 (Rupees ninety six only), aggregating to a maximum consideration of INR 16,947,215,688 (Rupees sixteen billion nine hundred and forty seven million two hundred and fifteen thousand six hundred and eighty eight only), assuming full acceptance of the Open Offer ("**Offer Consideration**"). If the number of Equity Shares validly tendered by the Public Shareholders under this Open Offer are more than the size of the Open Offer, the Acquirers and the PAC shall proportionately accept the Equity Shares received from the Public Shareholders in the Agreed Proportion, as more specifically detailed in paragraph 6 of *Part II B (Background to the Open Offer).*

3. The PA announcing the Open Offer was made on Friday, 13 May 2016 to the Stock Exchanges and a copy thereof was also filed with SEBI and the Target Company.

4. The DPS in respect of the Open Offer was published on Thursday, 19 May 2016, in the following newspapers:

Particulars	Language	Editions
Financial Express	English	All editions
Jansatta	Hindi	All editions
Mumbai Tarun Bharat	Marathi	Mumbai edition

A copy of the PA and the DPS is available on the website of SEBI (www.sebi.gov.in).

5. As of the date of this DLOF, the Voting Share Capital is as follows:

Particulars	Number of shares	% of Voting Share Capital
Fully paid up Equity Shares	626,746,142	100.00%
Partly paid up Equity Shares	-	-
Voting Share Capital	**626,746,142**	**100.00%**

6. The Offer Price will be payable in cash by the Acquirers and the PAC, in accordance with the provisions of Regulation 9(1)(a) of the SEBI (SAST) Regulations.

7. The acquisition of the Offer Shares from NRIs and erstwhile OCBs is subject to approval or exemption from the RBI. The Acquirers and the PAC will submit an application to the RBI seeking its approval for the acquisition of the Offer Shares from NRIs and OCBs, as may be required, under the FEMA. Notwithstanding the RBI approval sought by the Acquirers and the PAC, any NRI and OCB may also choose to apply for all requisite approvals required to tender their respective Offer Shares and submit such approvals along with the Form of Acceptance-cum-Acknowledgement and other documents required to accept this Open Offer.

8. To the best of the knowledge of the Acquirers and the PAC, there are no statutory or other approvals required to complete the acquisition of the Sale Shares under the SPA (details of which are set out in *Part II B (Background to the Open Offer*) and/or acquire the Offer Shares that are validly tendered pursuant to the Open Offer or to complete this Open Offer other than as indicated in *Part VII C (Statutory and Other Approvals)* below. However, in case any statutory approvals are required by the Acquirers and the PAC at a later date before the closure of the Tendering Period, this Open Offer shall be subject to such further approvals being obtained.

9. Where any statutory or other approval extends to some but not all of the Public Shareholders, the Acquirers shall have the option to make payment to such Public Shareholders in respect of whom no statutory or other approvals are required in order to complete this Open Offer.

10. In terms of Regulation 23(1) of the SEBI (SAST) Regulations, in the event that (i) the approvals (whether in relation to the acquisition of Equity Shares under the SPA or in relation to the Offer Shares) specified in this DLOF as set out in *Part VII C (Statutory and Other Approvals*) below or those which become applicable prior to completion of the Open Offer are not received; or (ii) any Refund Event occurs, as set out in paragraph 3 (m) of *Part II B (Background to the Open Offer)*; or (iii) if the Seller fails to transfer 215,442,496 (Two hundred and fifteen million four hundred and forty two thousand four hundred and ninety six) Sale Shares free and clear of all encumbrances (other than any encumbrance created by way of Refund Security (as defined below)) to the Acquirers, (all of which are outside the reasonable control of the Acquirers and the PAC), then the Acquirers and the PAC shall have the right to withdraw the Open Offer. In the event of such a withdrawal of the Open Offer, the Acquirers and the PAC (through the Managers) shall, within 2 (Two) Working Days of such withdrawal, make an announcement of such withdrawal stating the grounds for the withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations.

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

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

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

14. The acquisition of the Offer Shares shall not result in the public shareholding in the Target Company falling below the minimum public shareholding required in accordance with Rule 19 and Rule 19A of the Securities Contract (Regulation) Rules, 1957 read with SEBI LODR Regulations.

15. The Managers to the Open Offer shall not deal, on their own account, in the Equity Shares during the offer period.

16. The Acquirers and the PAC have not acquired any Equity Shares from the date of the PA to the date of this DLOF.

D. Objects of the Open Offer

1. CGCEL operates in several fast growing product categories, has a strong brand name, and extensive distribution capabilities. Following the completion of the Open Offer, Acquirer 1 and the PAC intend to work with management and the employees of the Target Company to grow the business of the Target Company.

2. In terms of Regulation 25(2) of the SEBI (SAST) Regulations, the Acquirers and the PAC have no intention to restructure or alienate, whether by way of sale, lease, encumbrance or otherwise, any material assets of the Target Company during the period of 2 (Two) years following the completion of the Open Offer except in the ordinary course of business; or as provided in the PA, the DPS or the Letter of Offer; or 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.

3. Other than as set out in paragraph 2 above, if the Acquirers and the PAC intend to alienate any material asset of the Target Company or its subsidiaries, within a period of 2 (Two) years from completion of the Open Offer, the Target Company shall seek the approval of its shareholders as required under the proviso to Regulation 25(2) of the SEBI (SAST) Regulations.

III. BACKGROUND OF THE ACQUIRERS AND THE PAC

A. Details of Amalfiaco Limited (“Amalfiaco” or “Acquirer 1”)

1. Amalfiaco is a private company limited by shares. It was incorporated on 26 January 2015 under the laws of Cyprus (company registration number: 340143). There has been no change in the name of Acquirer 1 since its incorporation.

2. The registered office of Acquirer 1 is located at 3rd Floor, Globe House, 23 Kennedy Avenue, 1075 Nicosia, Cyprus. Tel: +357 2202 9420. The current company secretary of Acquirer 1 is Omniserve Limited located at 2 Diagorou, ERA House, 7-12 floor, 1097 Nicosia, Cyprus. However, the current company secretary is in the process of being changed and the new company secretary that will be appointed after the completion of the appointment and registration process is CCY Services Limited located at 3rd floor, office 401, 10, Diomidous Street, Alphamega Akropolis Building, 2024 Nicosia, Cyprus.

3. The principal activity of Amalfiaco is to carry on the business of an investment company and to undertake all kinds of investment business.

4. Amalfiaco is a wholly owned subsidiary of AI Cool Midco 1, a company incorporated in Cyprus, which is in turn a wholly owned subsidiary of AI Cool Limited incorporated in Cyprus (“**AI Cool**”). AI Cool is wholly owned by AI Global Investments (Cyprus) PCC Limited – Cool Cell (”**AI Global – Cool Cell**”).

5. AI Global – Cool Cell is one of the cells of AI Global Investments (Cyprus) PCC Limited (PAC 2) which is a protected cell company (“**PCC**”) registered in Cyprus as an overseas company on 8 September 2010 under Section 347 of the Cyprus Companies Law, Cap. 113. PAC 2 is the investment hub for Asia and Eastern Europe regions for certain funds managed by Advent International Corporation (“**AIC**”).

6. A PCC is one which legally segregates the assets and liabilities of different classes of shares from each other. A PCC may create one or more cells, the assets and liabilities of each cell being segregated from the non-cellular assets of the PCC (known as the core) and from the assets and liabilities of other cells. Accordingly, PAC 2 consists of more than one cell, each of which is owned by different entities which are ultimately owned by certain funds managed by AIC.

7. AI Global - Cool Cell is one such cell of PAC 2 which has been incorporated for the purpose of the Underlying Transactions and the Open Offer. The shares of AI Global – Cool Cell are owned by AI Cool (Cayman) Limited which is incorporated in Cayman Islands and is controlled and 100.00% (One hundred percent) owned by certain funds managed by AIC.

8. The non-cellular core assets of PAC 2 are wholly owned by AI Global Investments & CY S.C.A., which is incorporated in Luxemburg. AI Global Investments & CY S.C.A. is controlled and 100.00% (One hundred percent) owned by certain funds managed by AIC.

9. Acquirer 1 is therefore ultimately controlled and 100.00% (One hundred percent) owned by certain funds managed by AIC.

10. Acquirer 1 and PAC 1 are wholly owned by AI Global – Cool Cell. Acquirer 1 and Acquirer 2 have agreed to acquire the Equity Shares of the Target Company pursuant to the SPA more specifically detailed in paragraph 2 of *Part II B (Background to the Open Offer).*

11. The issued and paid up capital of Amalfiaco is USD 1,795,153 (US Dollars one million seven hundred and ninety five thousand one hundred and fifty three only) comprising 1,602,815 (One million six hundred and two thousand eight hundred and fifteen) ordinary shares of USD 1.12 (US Dollar one point one two only) each.

12. The equity shares of Amalfiaco are not listed on any stock exchange in India or abroad.

13. The details of the directors on the board of directors of Acquirer 1 are provided below:

Details	Qualification and Experience
Name: Christakis Klerides **DIN:** Not applicable **Date of appointment:** 31 March 2015 **Designation:** Director	Christakis Klerides, is a Fellow of the Chartered Association of Certified Accountants of the United Kingdom. He was a senior partner of KPMG Cyprus until he was appointed Minister of Finance of the Republic of Cyprus in 1999, a post he held until February 2003. During his tenure as Minister of Finance amongst others, he introduced a major tax reform to harmonize the Cyprus tax legislation with European Union. From 2003, he has been appointed as a non-executive director on the boards of many Cyprus and overseas companies, as well as, in corporate governance committees. His main interests are in banking, finance, insurance and shipping. He also serves on the Board of The Leukemia Research and Bone Marrow Donors Foundation as well as in various positions in the European Basketball Federation, having served before his ministerial duties as Chairman of the Cyprus Basketball Federation for 10 (Ten) years and a member of the Cyprus Olympic Committee.
Name: Justin Alexander Nuccio **DIN:** Not applicable **Date of appointment:**	Justin Nuccio is the European director of operations and finance at Advent International Plc. and is responsible for the management and oversight of human resources, risk management, business operations, fund administration, deal structuring and corporate accounting for the European region.

31 March 2015 **Designation:** Director	Prior to working at Advent International Plc, he co-led Deloitte's UK asset management consulting practice and was based in its London office for 4 (Four) years. Previously, he spent 10 (Ten) years with Deloitte in New York and Chicago, in its capital markets consulting practice, providing strategic, operational and technology services to private equity firms, hedge funds, real estate opportunity fund managers and global investment banks. He holds an MBA with distinction from New York University's Stern School of Business, a Master of Arts from Princeton University and a Bachelor of Arts from the University of Chicago.
Name: Viktor Papadopoulos **DIN:** Not applicable **Date of appointment:** 31 March 2015 **Designation:** Director	Viktor Papadopoulos is a consultant in international trade finance and syndicated loans and serves as a director of various international financial services and commercial companies. An experienced senior banking executive, founding member of the London Forfaiting Company PLC and previously Chief Executive of LFC Cyprus, he spearheads the group's trade finance and capital markets operations in Eastern Europe, India and the Far East. In more recent times, he has served on the boards of several international financial institutions as well as engineering and private equity groups. He hold a post graduate diploma in Tourism and Tourist Management from University of Surrey, United Kingdom and Bachelor of Arts in Economics from City University (formerly City of London Polytechnic) London.

14. None of the directors of Acquirer 1 are directors on the Board of the Target Company.

15. Other than the transactions detailed in *Part II A (Background to the transaction ("Underlying Transactions")) and Part II B (Background to the Open Offer)* above, which have triggered this Open Offer, pursuant to which Acquirer 1 shall acquire Equity Shares, as on the date of this DLOF, Acquirer 1, its directors, and its key managerial employees do not hold any ownership / interest / relationship / shares in the Target Company except the pledge on 134,152,405 (One hundred and thirty four million one hundred and fifty two thousand four hundred and five) Sale Shares (detailed explanation of which is provided above in Paragraph 6 of *Part II A "Background to the transaction ("Underlying Transactions").*

16. Acquirer 1 does not directly or indirectly hold any Equity Shares in the Target Company and hence the provisions of Chapter II of SEBI (SAST) Regulations, 1997 and Chapter V of SEBI (SAST) Regulations with respect to the Target Company are not applicable.

17. Amalfiaco has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act or under any other regulations made under the SEBI Act.

18. Amalfiaco was incorporated on 26 January 2015 and therefore there are no financial statements related to Amalfiaco for the financial years ended 31 March 2013, 31 March 2014 and 31 March 2015. For the purpose of this DLOF, financials extracted from the audited special purpose financial statements of Amalfiaco for the period from 26 January 2015 to 31 December 2015 are summarized below. The special purpose financial statements have been audited by KPMG in accordance with IFRS adopted by the European Union and the requirements of the Cyprus Companies Law, Cap 113.:

Income statement	As at and for the period from 26 January 2015 to ended 31 December 2015	
	(USD '000)	(INR '000)
Administrative expenses	(3,179)	(212,210)
Operating loss	**(3,179)**	**(212,210)**
Net finance expenses	(1,245)	(83,104)
Loss before tax	**(4,423)**	**(295,313)**
Tax	-	-
Loss for the period	**(4,423)**	**(295,313)**
Other comprehensive income	-	-
Total comprehensive expense for the period	**(4,423)**	**(295,313)**

Balance Sheet	As at and for the period from 26 January 2015 to ended 31 December 2015	
	(USD '000)	(INR '000)
Property, plant and equipment	2	121
Intangible assets	**6**	419
Total non-current assets	**8**	**540**
Other receivables	16	1,047
Advance payment for acquisition of investment	205,937	13,748,510
Cash at bank	4,494	300,007
Total current assets	**210,446**	**14,049,565**
Total assets	**210,454**	**14,050,104**
Share capital	1,795	119,846
Share premium	177,498	11,849,945
Reserves	(4,423)	(295,314)
Total equity	**174,870**	**11,674,478**
Loans and borrowings	33,708	2,250,399
Total non-current liabilities	**33,708**	**2,250,399**
Short term portion of long term liabilities	1,861	124,258
Other payables	15	970
Total current liabilities	**1,876**	**125,228**
Total equity and liabilities	**210,454**	**14,050,104**

Other financial data	As at and for the period from 26 January 2015 to ended 31 December 2015

	(USD)	(INR)
Dividend (%)	-	-
Earnings / (loss) per share	(2.76)	(184)

Note: Since the financial statements of Acquirer 1 are prepared in US Dollars ("USD"), the functional currency of Acquirer 1, they have been converted into INR for purpose of convenience of translation. INR to USD conversion has been assumed at a rate of 1 USD = INR 66.7609 *as on* 13 May 2016, *the date of the PA (Source: RBI reference rate).*

19. Acquirer 1 does not have any contingent liabilities as disclosed in financial statements for the period ended 31 December 2015.

20. Status of Corporate Governance: Acquirer 1 is an unlisted company managed and controlled by its board of directors.

21. Acquirer 1 is not required to appoint a compliance officer.

B. Details of MacRitchie Investments Pte. Ltd. ("MIPL" or "Acquirer 2")

1. MIPL is a private company limited by shares. It was incorporated on 30 May 2003 under the laws of Singapore (company registration number: 200304983Z). There has been no change in the name of Acquirer 2 since its incorporation.

2. The registered office of Acquirer 2 is located at 60B, Orchard Road, #06-18, The Atrium@Orchard, Singapore 238891. Tel: +65 6828 6828, Fax: +65 6821 1188. Company secretaries: Kang Mary, Chee Oi Phin and Chua Heng Neo Sharon.

3. The principal activity of MIPL is to act as an investment holding company. Its ultimate parent company is Temasek Holdings (Private) Limited ("**Temasek Holdings**").

4. Acquirer 2 is a 100.00% (One hundred percent) owned indirect subsidiary of Temasek Holdings. Temasek Holdings is 100.00% (One hundred percent) owned by the Minister for Finance (Incorporated) of Singapore.

5. Acquirer 1 and Acquirer 2 have agreed to acquire the Equity Shares of the Target Company pursuant to the SPA more specifically detailed in paragraph 2 of *Part II B (Background to the Open Offer).*

6. The issued and paid up capital of MIPL is SGD 2 (Singapore Dollars two only) comprising 2 (Two) ordinary shares.

7. The equity shares of MIPL are not listed on any stock exchange in India or abroad.

8. The details of the directors on the board of directors of Acquirer 2 are provided below:

Details	Qualification and Experience
Name: Cheong Kok Tim **DIN:** Not applicable	Mr. Cheong Kok Tim is currently Managing Director, Legal & Regulations in Temasek International Pte. Ltd. ("**Temasek**"). He joined Temasek in January 2005. Prior to joining Temasek, Kok Tim was a Senior Legal Manager with Singapore Technologies. Kok Tim was also part of the Singapore

Date of appointment: 23 October 2006 **Designation:** Director	Technologies Group since 1997 and has worked in SembCorp Industries Ltd as Assistant Legal Manager and Singapore Technologies Industrial Corporation as Legal Counsel. Kok Tim started his career with Hoh Law Corporation and his last held position there was as an Equity Partner. Kok Tim graduated from National University of Singapore with a degree in Bachelor of Laws.
Name: Rohit Sipahimalani **DIN:** 00904065 **Date of appointment:** 6 May 2016 **Designation:** Director	Mr. Rohit Sipahimalani is currently Joint Head of the Portfolio Strategy & Risk Group and Joint Head of India at Temasek. He joined Temasek in November 2008. Prior to joining Temasek, Rohit spent 11 years with Morgan Stanley where he served as Managing Director & Head of South East Asia Investment Banking in Singapore since 2007. During his time at Morgan Stanley, he has also held the positions of Managing Director & Co-Head of Asia Pacific Mergers & Acquisitions in Hong Kong and Vice President in Mumbai, where he started with Morgan Stanley in 1997. Rohit began his career with Citibank, Mumbai and also spent a portion of his career with McKinsey & Co. He graduated from St. Stephens College, Delhi University with a Bachelor of Arts (Economics) degree and holds a Post Graduate Diploma in Business Management from Indian Institute of Management, Ahmedabad.

9. None of the directors of Acquirer 2 are directors on the Board of the Target Company.

10. Other than the transactions detailed in *Part II A (Background to the transaction ("Underlying Transactions")) and Part II B (Background to the Open Offer)* above, which have triggered this Open Offer, pursuant to which Acquirer 2 shall acquire Equity Shares, as on the date of this DLOF, Acquirer 2, its directors, and its key managerial employees do not hold any ownership / interest / relationship / shares in the Target Company except the pledge on 134,152,405 (One hundred and thirty four million one hundred and fifty two thousand four hundred and five) Sale Shares (detailed explanation of which is provided above in paragraph 6 of *Part II A Background to the transaction ("Underlying Transactions")).*

11. Acquirer 2 does not directly or indirectly hold any Equity Shares in the Target Company and hence the provisions of Chapter II of SEBI (SAST) Regulations, 1997 and Chapter V of SEBI (SAST) Regulations with respect to the Target Company are not applicable.

12. MIPL has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act or under any other regulations made under the SEBI Act.

13. MIPL's key financial information based on its audited financial statements as of and for the financial years ended 31 March 2013, 31 March 2014 and 31 March 2015 audited by KPMG LLP, the auditors for MIPL, and its interim unaudited financial statements as of and for 9 (Nine) months ended 31 December 2015, which have been reviewed by KPMG LLP in accordance with the SSRE 2410,

Review of Interim Financial Information Performed by the Independent Auditor of the Entity, are as follows:

Income statement	As at and for the 12 month period ended 31 March 2013		As at and for the 12 month period ended 31 March 2014		As at and for the 12 month period ended 31 March 2015		As at and for the 9 months period ended 31 December 2015	
	(SGD m)	(INR m)	(SGD m)	(INR m)	(SGD m)	(INR m)	(SGD m)	(INR m)
Revenue	5	246	4	187	6	283	7	335
Other income	27	1,319	74	3,609	26	1,263	180	8,790
Administrative expenses	*	(6)	*	(6)	*	(6)	*	(6)
Other expenses	(524)	(25,517)	(28)	(1,357)	*	#	(199)	(9,674)
Profit before income tax	(492)	(23,958)	50	2,433	32	1,540	(12)	(555)
Income tax credit	(3)	(140)	3	140	-	-	-	-
Profit / (Loss) for the year	(495)	(24,098)	53	2,573	32	1,540	(12)	(555)

Balance sheet	As at and for the 12 month period ended 31 March 2013		As at and for the 12 month period ended 31 March 2014		As at and for the 12 month period ended 31 March 2015		As at and for the 9 months period ended 31 December 2015	
	(SGD m)	(INR m)	(SGD m)	(INR m)	(SGD m)	(INR m)	(SGD m)	(INR m)
Associated companies	3,014	146,897	3,014	146,897	3,405	165,954	2,808	136,849
Available for sale financial assets	1,287	62,713	939	45,725	1,187	57,839	1,022	49,779
Non-current assets	**4,301**	**209,610**	**3,953**	**192,622**	**4,592**	**223,793**	**3,830**	**186,628**
Trade & other receivables	*	#	-	-	-	-	173	8,413
Cash and bank balances	1	32	*	7	1	46	*	7
Current assets	1	32	*	7	1	46	173	8,420
Total assets	**4,302**	**209,642**	**3,953**	**192,629**	**4,593**	**223,839**	**4,003**	**195,048**
Share capital	*	#	*	#	*	#	*	#
Fair value reserve	*	#	7	317	234	11,423	55	2,676
Accumulated losses	(1,649)	(80,370)	(1,597)	(77,798)	(1,565)	(76,259)	(1,576)	(76,813)
Total equity	**(1,649)**	**(80,370)**	**(1,590)**	**(77,481)**	**(1,331)**	**(64,836)**	**(1,521)**	**(74,137)**
Loan from penultimate holding company	5,951	290,009	5,543	270,107	-	-	-	-
Non-current liability	**5,951**	**290,009**	**5,543**	**270,107**	**-**	**-**	**-**	**-**
Loan from penultimate holding company	-	-	-	-	5,924	288,674	5,524	269,183
Accrued operating expenses	*	2	*	2	*	#	*	1

Current tax liabilities	*	1	*	1	*	1	*	1
Current liabilities	*****	**3**	*****	**3**	**5,924**	**288,675**	**5,524**	**269,185**
Total liabilities	**5,951**	**290,012**	**5,543**	**270,110**	**5,924**	**288,675**	**5,524**	**269,185**
Total equity and liabilities	**4,302**	**209,642**	**3,953**	**192,629**	**4,593**	**223,839**	**4,003**	**195,048**

Other financial data	**As at and for the 12 month period ended 31 March 2013**		**As at and for the 12 month period ended 31 March 2014**		**As at and for the 12 month period ended 31 March 2015**		**As at and for the 9 months period ended 31 December 2015**	
	(SGD m)	**(INR m)**	**(SGD m)**	**(INR m)**	**(SGD m)**	**(INR m)**	**(SGD m)**	**(INR m)**
Dividend (%)	-	-	-	-	-	-	-	-
Earnings / (loss) per share	(248)	(12,049)	27	1,287	16	770	(6)	(278)

** denotes amount less than SGD 1 million*
 # denotes amount less than INR 1 million

Note: Since the financial statements of Acquirer 2 are prepared in Singapore Dollars *("SGD"), the functional currency of Acquirer 2, they have been converted into INR for purpose of convenience of translation. INR to SGD conversion has been assumed at a rate of 1 SGD = INR 48.7317 as on* 13 May 2016*, the date of the PA (Source: Bloomberg).*

14. Acquirer 2 does not have any contingent liabilities as disclosed in financial statements for the period ended 31 December 2015.

15. Status of Corporate Governance: Acquirer 2 is an unlisted company managed and controlled by its board of directors.

16. Acquirer 2 is not required to appoint a compliance officer.

C. Details of Nirsinia Limited ("Nirsinia" or "PAC 1")

1. Nirsinia is a private company limited by shares. It was incorporated on 26 January 2015 under the laws of Cyprus (company registration number: 340144). There has been no change in the name of PAC 1 since its incorporation.

2. The registered office of PAC 1 is located at 3rd Floor, Globe House, 23 Kennedy Avenue, 1075 Nicosia, Cyprus. Tel: +357 2202 9420. The current company secretary of Acquirer 2 is Omniserve Limited located at 2 Diagorou, ERA House, 7-12 floor, 1097 Nicosia, Cyprus. However, the current Company Secretary is in the process of being changed and the new company secretary that will be appointed after the completion of the appointment and registration process is CCY Services Limited located at 3rd floor, office 401, 10, Diomidous Street, Alphamega Akropolis Building, 2024 Nicosia, Cyprus.

3. The principal activity of Nirsinia is to carry on the business of an investment company and to undertake all kinds of investment business.

4. Nirsinia is a wholly owned subsidiary of AI Cool Midco 2, a company incorporated in Cyprus, which is in turn a wholly owned subsidiary of AI Cool. AI Cool is wholly owned by AI Global – Cool Cell.

5. AI Global – Cool Cell is one of the cells of AI Global Investments (Cyprus) PCC Limited (PAC 2) which is a PCC registered in Cyprus as an overseas company on 8 September 2010 under Section 347 of the Cyprus Companies Law, Cap. 113. PAC 2 is the investment hub for Asia and Eastern Europe regions for certain funds managed by AIC.

6. A PCC is one which legally segregates the assets and liabilities of different classes of shares from each other. A PCC may create one or more cells, the assets and liabilities of each cell being segregated from the non-cellular assets of the PCC (known as the core) and from the assets and liabilities of other cells. Accordingly, PAC 2 consists of more than one cell, each of which is owned by different entities which are ultimately owned by certain funds managed by AIC.

7. AI Global - Cool Cell is one such cell of PAC 2 which has been incorporated for the purpose of the Underlying Transactions and the Open Offer. The shares of AI Global – Cool Cell are owned by AI Cool (Cayman) Limited which is incorporated in Cayman Islands and is controlled and 100.00% (One hundred percent) owned by certain funds managed by AIC.

8. The non-cellular core assets of PAC 2 are wholly owned by AI Global Investments & CY S.C.A., which is incorporated in Luxemburg. AI Global Investments & CY S.C.A. is controlled and 100.00% (One hundred percent) owned by certain funds managed by AIC.

9. PAC 1 is therefore ultimately controlled and 100.00% (One hundred percent) owned by certain funds managed by AIC.

10. Acquirer 1 and PAC 1 are wholly owned by AI Global – Cool Cell. Acquirer 1 and Acquirer 2 have agreed to acquire the Equity Shares of the Target Company pursuant to the SPA more specifically detailed in paragraph 2 of *Part II B (Background to the Open Offer).*

11. The issued and paid up capital of Nirsinia is USD 125,001 (US Dollars one hundred and twenty five thousand and one only) comprising 111,608 (One hundred and eleven thousand six hundred and eight) ordinary shares of USD 1.12 (US Dollar one point one two only) each.

12. The equity shares of Nirsinia are not listed on any stock exchange in India or abroad.

13. The details of the directors on the board of directors of PAC 1 are provided below:

Details	Qualification and Experience
Name: Christakis Klerides **DIN:** Not applicable **Date of appointment:** 31 March 2015 **Designation:** Director	Christakis Klerides, is a Fellow of the Chartered Association of Certified Accountants of the United Kingdom. He was a senior partner of KPMG Cyprus until he was appointed Minister of Finance of the Republic of Cyprus in 1999, a post he held until February 2003. During his tenure as Minister of Finance amongst others, he introduced a major tax reform to harmonize the Cyprus tax legislation with European. From 2003, he has been appointed as a non-executive director on the boards of many Cyprus and overseas companies, as well as, in corporate governance committees.

	His main interests are in banking, finance, insurance and shipping. He also serves on the Board of The Leukemia Research and Bone Marrow Donors Foundation as well as in various positions in the European Basketball Federation, having served before his ministerial duties as Chairman of the Cyprus Basketball Federation for 10 (Ten) years and a member of the Cyprus Olympic Committee.
Name: Justin Alexander Nuccio **DIN:** Not applicable **Date of appointment:** 31 March 2015 **Designation:** Director	Justin Nuccio is the European director of operations and finance at Advent International Plc and is responsible for the management and oversight of human resources, risk management, business operations, fund administration, deal structuring and corporate accounting for the European region. Prior to working at Advent International Plc, he co-led Deloitte's UK asset management consulting practice and was based in its London office for 4 (Four) years. Previously, he spent 10 (Ten) years with Deloitte in New York and Chicago, in its capital markets consulting practice, providing strategic, operational and technology services to private equity firms, hedge funds, real estate opportunity fund managers and global investment banks. He holds an MBA with distinction from New York University's Stern School of Business, a Master of Arts from Princeton University and a Bachelor of Arts from the University of Chicago.
Name: Viktor Papadopoulos **DIN:** Not applicable **Date of appointment:** 31 March 2015 **Designation:** Director	Viktor Papadopoulos is a consultant in international trade finance and syndicated loans and serves as a director of various international financial services and commercial companies. An experienced senior banking executive, founding member of the London Forfaiting Company PLC and previously Chief Executive of LFC Cyprus, he spearheads the group's trade finance and capital markets operations in Eastern Europe, India and the Far East. In more recent times he has served on the boards of several international financial institutions as well as engineering and private equity groups. He hold a Post Graduate diplomas in Tourism and Tourist Management from University of Surrey, United Kingdom and Bachelor of Arts in Economics from City University (formerly City of London Polytechnic) London.

14. None of the directors of PAC 1 are directors on the Board of the Target Company.

15. Other than the transactions detailed in *Part II A (Background to the transaction ("Underlying Transactions")) and Part II B (Background to the Open Offer)* above, which have triggered this Open Offer, pursuant to which PAC 1 shall acquire equity shares in the Target Company, as on the date of this DLOF, PAC 1, its directors, and its key managerial employees do not hold any ownership/ interest / relationship / shares in the Target Company.

16. PAC 1 does not directly or indirectly hold any Equity Shares in the Target Company and hence the provisions of Chapter II of SEBI (SAST) Regulations, 1997 and Chapter V of SEBI (SAST) Regulations with respect to the Target Company are not applicable.

17. Nirsinia has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act or under any other regulations made under the SEBI Act.

18. Nirsinia was incorporated on 26 January 2015 and therefore there are no financial statements related to Nirsinia for the financial years ended 31 March 2013, 31 March 2014 and 31 March 2015. For the purpose of this DLOF, financials extracted from the audited special purpose financial statements of Nirsinia for the period from 26 January 2015 to 31 December 2015 are summarized below. The special purpose financial statements have been audited by KPMG in accordance with IFRS adopted by the European Union and the requirements of the Cyprus Companies Law, Cap 113.:

Income statement	**As at and for the period from 26 January 2015 to ended 31 December 2015**	
	(USD '000)	**(INR '000)**
Administrative expenses	(59)	(3,970)
Operating loss	**(59)**	**(3,970)**
Finance income	1	56
Net finance expenses	(0)	(33)
Loss before tax	**(59)**	**(3,947)**
Tax	-	-
Loss for the period	**(59)**	**(3,947)**
Other comprehensive income	-	-
Total comprehensive expense for the period	**(59)**	**(3,947)**

Balance Sheet	**As at and for the period from 26 January 2015 to ended 31 December 2015**	
	(USD '000)	**(INR '000)**
Receivables from related entities	2	129
Cash at bank	71	4,764
Total current assets	**73**	**4,893**
Total assets	**73**	**4,893**
Share capital	125	8,345
Reserves	(59)	(3,947)
Total equity	**66**	**4,398**
Other payables	7	495
Total current liabilities	**7**	**495**
Total equity and liabilities	**73**	**4,893**

Other financial data	**As at and for the period from 26 January 2015 to ended 31 December 2015**

	(USD)	(INR)
Dividend (%)	-	-
Earnings / (loss) per share	(0.53)	(35)

Note: Since the financial statements of PAC 1 are prepared in USD, the functional currency of PAC 1, they have been converted into INR for purpose of convenience of translation. INR to USD conversion has been assumed at a rate of 1 USD = INR 66.7609 as on 13 May 2016*, the date of the PA (Source: RBI reference rate).*

19. PAC 1 does not have any contingent liabilities as disclosed in financial statements for the period ended 31 December 2015.

20. Status of Corporate Governance: PAC 1 is an unlisted company managed and controlled by its board of directors.

21. PAC 1 is not required to appoint a compliance officer.

D. Details of AI Global Investments (Cyprus) PCC Ltd ("AI Global" or "PAC 2")

1. AI Global is a private company limited by shares, incorporated in Guernsey on 28 May 2010 (company registration number (Guernsey): 51941). PAC 2 is a PCC registered in Cyprus as an overseas company on 8 September 2010 under section 347 of the Cyprus Companies Law, Cap. 113 (company registration number (Cyprus): AE2555). PAC 2 is the investment hub for Asia and Eastern Europe regions for certain funds managed by AIC.

2. A PCC is one which legally segregates the assets and liabilities of different classes of shares from each other. A PCC may create one or more cells, the assets and liabilities of each cell being segregated from the non-cellular assets of the PCC (known as the core) and from the assets and liabilities of other cells. Accordingly, PAC 2 consists of more than one cell, each of which is owned by different entities which are ultimately owned by certain funds managed by AIC.

3. AI Global - Cool Cell is one such cell of PAC 2 which has been incorporated for the purpose of the Underlying Transactions and the Open Offer. The shares of AI Global – Cool Cell are owned by AI Cool (Cayman) Limited which is incorporated in Cayman Islands and is controlled and 100.00% (One hundred percent) owned by certain funds managed by AIC.

4. The non-cellular core assets of PAC 2 are wholly owned by AI Global Investments & CY S.C.A., which is incorporated in Luxemburg. AI Global Investments & CY S.C.A. is controlled and 100.00% (One hundred percent) owned by certain funds managed by AIC.

5. PAC 2 is therefore ultimately controlled and 100.00% (One hundred percent) owned by certain funds managed by AIC.

6. The registered office of PAC 2 in Guernsey is located at 1st and 2nd Floors, Elizabeth House, Les Ruettes Brayes, St Peter Port, Guernsey, GY1 1EW 3 and the registered office of PAC 2 Cyprus branch is 3rd Floor, Globe House, 23 Kennedy Avenue, 1075 Nicosia, Cyprus. Tel: +357 2202 9420. Company secretary: Omniserve Limited, 2 Diagorou, ERA House, 7-12 floor, 1097 Nicosia, Cyprus.

7. The principal activity of AI Global is to carry on the business of an investment company and to undertake all kinds of investment business.

8. Acquirer 1 and PAC 1 are wholly owned subsidiaries of AI Global – Cool Cell. Acquirer 1 and Acquirer 2 have agreed to acquire the Equity Shares of the Target Company pursuant to the SPA more specifically detailed in paragraph 2 of *Part II B (Background to the Open Offer).*

9. AI Global has the right to issue unlimited number of shares of EUR 1.00 (Euro one only) each which can be designated as either shares of the core ("**Core shares**") or of the cells ("**Cell shares**"). The issued and paid up capital of AI Global core is EUR 1.00 (Euro one only) comprising of 1 (One) Core share. The issued and paid up capital of AI Global – Cool Cell is USD 1,803,051 (US Dollars one million eight hundred and three thousand and fifty one only) comprising 1,803,051 (One million eight hundred and three thousand and fifty one) ordinary shares of USD 1.00 (US Dollar one only) each**.**

10. The equity shares of AI Global are not listed on any stock exchange in India or abroad.

11. The details of the directors on the board of directors of PAC 2 are provided below:

Details	Qualification and Experience
Name: Christakis Klerides **DIN:** Not applicable **Date of appointment:** 31 March 2015 **Designation:** Director	Christakis Klerides, is a Fellow of the Chartered Association of Certified Accountants of the United Kingdom. He was a senior partner of KPMG Cyprus until he was appointed Minister of Finance of the Republic of Cyprus in 1999, a post he held until February 2003. During his tenure as Minister of Finance amongst others, he introduced a major tax reform to harmonize the Cyprus tax legislation with European Union. From 2003, he has been appointed as a non-executive director on the boards of many Cyprus and overseas companies as well as in corporate governance committees. His main interests are in banking, finance, insurance and shipping. He also serves on the Board of The Leukemia Research and Bone Marrow Donors Foundation as well as in various positions in the European Basketball Federation, having served before his ministerial duties as Chairman of the Cyprus Basketball Federation for 10 (Ten) years and a member of the Cyprus Olympic Committee.
Name: Justin Alexander Nuccio **DIN:** Not applicable **Date of appointment:** 31 March 2015 **Designation:** Director	Justin Nuccio is the European director of operations and finance at Advent International Plc and is responsible for the management and oversight of human resources, risk management, business operations, fund administration, deal structuring and corporate accounting for the European region. Prior to working at Advent International Plc, he co-led Deloitte's UK asset management consulting practice and was based in its London office for 4 (Four) years. Previously, he spent 10 (Ten) years with Deloitte in New York and Chicago, in its capital markets consulting practice, providing strategic, operational and technology services to private equity firms, hedge funds, real estate opportunity fund managers and global investment banks.

	He holds an MBA with distinction from New York University's Stern School of Business, a Master in Arts from Princeton University and a Bachelor in Arts from the University of Chicago.
Name: Viktor Papadopoulos **DIN:** Not applicable **Date of appointment:** 31 March 2015 **Designation:** Director	Viktor Papadopoulos is a consultant in international trade finance and syndicated loans and serves as a director of various international financial services and commercial companies An experienced senior banking executive, founding member of the London Forfaiting Company PLC and previously Chief Executive of LFC Cyprus, he spearheads the group's trade finance and capital markets operations in Eastern Europe, India and the Far East. In more recent times he has served on the boards of several international financial institutions as well as engineering and private equity groups. He hold a Post Graduate diplomas in Tourism and Tourist Management from University of Surrey, United Kingdom and Bachelor of Arts in Economics from City University (formerly City of London Polytechnic) London.

12. None of the directors of PAC 2 are directors on the Board of the Target Company.

13. Other than the transactions detailed in *Part II A (Background to the transaction ("Underlying Transactions")) and Part II B (Background to the Open Offer)* above, which have triggered this Open Offer, as on the date of this DLOF, PAC 2, its directors, and its key managerial employees do not hold any ownership / interest / relationship / shares in the Target Company.

14. PAC 2 does not directly or indirectly hold any Equity Shares in the Target Company and hence the provisions of Chapter II of SEBI (SAST) Regulations, 1997 and Chapter V of SEBI (SAST) Regulations with respect to the Target Company are not applicable.

15. AI Global has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act or under any other regulations made under the SEBI Act.

16. AI Global's key financial information based on its audited financial statements as of and for the financial year ended 31 December 2015 audited by KPMG Limited, the statutory auditor for AI Global, are summarized below. AI Global is not required to prepare annual financial statements as per local regulations in Cyprus and hence, the audited financials for years ending 31 December 2013 and 31 December 2014 are not available:

Income statement	**As at and for the year ended 31 December 2015**	
	(EUR '000)	**(INR '000)**
Other operating income	198	14,971
Administrative expenses	354	26,767
Other operating expenses	57,285	4,337,626
Operating loss	**(57,441)**	**(4,349,422)**
Finance income	227	17,199

Finance expenses	20,419	1,546,146
Net finance expenses	**(20,192)**	**(1,528,947)**
Loss before tax	**(77,633)**	**(5,878,369)**
Tax	0	2
Loss for the period	**(77,633)**	**(5,878,371)**
Other comprehensive income	-	-
Total comprehensive expense for the period	**(77,633)**	**(5,878,371)**

Balance Sheet	**As at and for the year ended 31 December 2015**	
	(EUR '000)	**(INR '000)**
Property, plant and equipment	34	2,606
Intangible assets	4	298
Investment in subsidiaries	348,027	26,352,650
Other investments	-	-
Total non current assets	**348,065**	**26,355,554**
Other receivables	166,377	12,598,081
Cash at bank	2,948	223,233
Total current assets	**169,325**	**12,821,314**
Total assets	**517,390**	**39,176,868**
Share capital	20,110	1,522,718
Share premium	461,090	34,913,841
Retained earnings / (accumulated losses)	35,892	2,717,768
Total equity	**517,092**	**39,154,327**
Loans and borrowings	200	15,144
Total non current liabilities	**200**	**15,144**
Other payables	98	7,397
Total current liabilities	**98**	**7,397**
Total equity and liabilities	**517,390**	**39,176,868**

Other financial data	**As at and for the year ended 31 December 2015**	
	(EUR '000)	**(INR '000)**
Dividend (%)	-	-
Earnings / (loss) per share	(3.82)	(289)

Note: Since the financial statements of PAC 2 are prepared in Euro ("EUR"), the functional currency of PAC 2, they have been converted into INR for purpose of convenience of translation. INR to EUR conversion has been assumed at a rate of 1 EUR = INR 75.7202 as on 13 May *2016, the date of the PA (Source: RBI reference rate).*

17. PAC 2 does not have any contingent liabilities as disclosed in financial statements for the period ended 31 December 2015.

18. Status of Corporate Governance: PAC 2 is an unlisted company managed and controlled by its board of directors.

19. PAC 2 is not required to appoint a compliance officer.

IV. BACKGROUND OF THE TARGET COMPANY

1. The Target Company is a public limited company, incorporated on 25 February 2015 in India under the provisions of the Companies Act, 2013 with corporate identification number U31900MH2015PLC262254. There has been no change in the name of the Target Company since its incorporation.

2. The Target Company has its registered office at 6th floor, CG House, Dr Annie Besant Road, Worli, Mumbai - 400030. Tel: +91 22 2423 7777, Fax: +91 22 2423 7788 and its corporate office at Equinox Business Park, 1st floor, Tower 3, LBS Marg, Kurla (W), Mumbai 400070, Tel +91 22 6167 8499, Fax: +91 22 6167 8383.

3. The Target Company is engaged in the business of manufacturing, distribution, marketing and selling consumer products such as fans, pumps, lighting and consumer appliances. The Target Company employs approximately 1,500 (One thousand five hundred) permanent employees and has 8 (Eight) manufacturing facilities.

4. As of the date of the DLOF, the authorized share capital of the Target Company is INR 1,300,000,000 (Rupees one billion three hundred million only) comprising 650,000,000 (Six hundred and fifty million) Equity Shares.

5. The subscribed and fully paid-up equity share capital of the Target Company is INR 1,253,492,284 (Rupees one billion two hundred and fifty three million four hundred ninety two thousand two hundred and eighty four only) comprising 626,746,142 (Six hundred twenty six million seven hundred forty six thousand one hundred and forty two) fully paid-up Equity Shares, which includes 882,329 (Eight hundred and eighty two thousand and three hundred and twenty nine) Equity Shares issued by the Target Company to BNY Mellon (the depository), on behalf of 882,329 (Eight hundred and eighty two thousand and three hundred and twenty nine) global depository receipt holders of the ParentCo.

Particulars	Number of shares	% of Voting Share Capital
Fully paid up Equity Shares as of the PA date	626,746,142	100.00%
Partly paid up Equity Shares as of the PA date	-	-
Total paid up Equity Shares as of the PA date	626,746,142	100.00%
Voting Share Capital	**626,746,142**	**100.00%**

6. The Equity Shares are listed on the BSE (Scrip ID: CROMPTON; Scrip Code: 539876) and NSE (Symbol: CROMPTON); ISIN: INE299U01018.

7. The Equity Shares of the Target Company were allotted on 22 March 2016 and received listing and trading approval from the Stock Exchanges on 11 May 2016. The Equity Shares started trading on the Stock Exchanges on 13 May 2016. As such, there is no trading history for the Target Company. Since the Equity Shares of the Target Company, during the twelve calendar months preceding the calendar month in which the PA was made, have trading turnover of less than 10.00% (Ten percent) of the total number of shares on the BSE or the NSE, the Equity Shares of the Target Company are not frequently traded in terms of Regulation 2(1)(j) of the SEBI (SAST) Regulations.

8. As on the date of this DLOF, the Target Company does not have any partly paid-up Equity Shares, convertible instruments, fully or partially convertible debentures, warrants or instruments convertible into Equity Shares.

9. The Target Company does not have any locked in equity shares as of the date of this DLOF.

10. Trading of Equity Shares is not currently suspended from the Stock Exchanges.

11. All the Equity Shares are currently listed on the Stock Exchanges and no Equity Shares are pending listing.

12. Since the Equity Shares started trading on the Stock Exchanges on 13 May 2016, the provisions of Chapter II and Chapter V of SEBI (SAST) Regulations have not become applicable as yet.

13. The board of directors of the Target Company as on date of this DLOF is as under:

S.No	Name of the Director	Date of appointment	Designation	DIN
1	D. Sundaram	18 September 2015	Independent Director	00016304
2	P M Murthy	18 September 2015	Independent Director	00011179
3	Shantanu Khosla	1 January 2016	Managing Director	00059877
4	Hemant Madhusudan Nerurkar	25 January 2016	Additional Independent Director	00265887
5	Sonia Niranjan Das	25 January 2016	Non-Executive Additional Director	03405569

Note: None of the above mentioned directors represent the Acquirers or the PAC.

14. **Merger, demerger and scheme of amalgamation / rearrangement (in the last 3 (Three) years):**

Scheme of arrangement between CGL and the Target Company and their respective shareholders and creditors:

Pursuant to the Scheme between CGL, the Target Company and their shareholders and creditors, the consumer products division of CGL has been transferred to and vested with the Target Company with effect from the Appointed Date in accordance with Sections 391 to 394 read with Section 78 (notified Section 52 of the Companies Act, 2013) and Sections 100 to 103 of the Companies Act, 1956. The Scheme was approved by the board of directors of CGL on 3 March 2015 and the shareholders of CGL in a court convened meeting on 13 August 2015. The Hon'ble High Court of Judicature at Bombay approved the Scheme on 20 November 2015. The Appointed Date of the Scheme is 1 October 2015 and the Effective Date of the Scheme is 1 January 2016.

15. The Target Company was incorporated on 25 February 2015. Hence, there are no financial statements related to the Target Company for the financial year ended 31 March 2014. Audited financial results of the Target Company for the financial year ended 31 March 2016 have been disclosed by the Target Company to the Stock Exchanges. For the purpose of this DLOF, financials extracted from the audited financial statements of the Target Company for the year ended 31 March 2015 and 31 March 2016 are summarized below:

Income statement	Year ended 31 March 2015 (INR in million)	Year ended 31 March 2016 (INR in million)
Net sales / Income from operations (Net of excise duty)	-	18,117
Other operating income	-	-
Total income from operations (net)	**-**	**18,117**
Cost of materials consumed	-	4,280
Purchases of stock-in-trade	-	8,799
Changes in inventories of finished goods, work-in-progress and stock-in-trade	-	(377)
Employee benefits expense	-	1,005
Depreciation and amortization expense	-	63
Other expenses	29	2,315
Total expenses	**29**	**16,085**
Profit from operations before other income, finance costs and exceptional items	**(29)**	**2,032**
Other income	-	2
Profit from ordinary activities before finance costs and exceptional items	**(29)**	**2,034**
Finance costs (net)	-	318
Profit from ordinary activities after finance costs but before exceptional items	**(29)**	**1,716**
Exceptional items	-	(139)
Profit from ordinary activities before tax	**(29)**	**1,577**
Tax Expense	**(10)**	525
Net Profit from ordinary activities for the year	**(19)**	**1,052**
Extraordinary items (net of tax)	-	-
Net profit for the year	**(19)**	**1,052**

Balance Sheet	As at 31 March 2015	As at 31 March 2016

	(INR in million)	(INR in million)
Share Capital	1	1,254
Reserves and Surplus	(19)	1,034
Total Shareholders' funds	**(18)**	**2,287**
Long-term borrowings	-	5,072
Other long term liabilities	-	1
Long-term provisions	-	145
Total Non-current liabilities	**-**	**5,218**
Short term borrowings	-	100
Trade payables	-	6,641
Other current liabilities	29	2,004
Short-term provisions	-	280
Total current liabilities	**29**	**9,026**
Total Equity and Liabilities	**10**	**16,531**
Fixed assets	-	8,581
Deferred tax assets	10	43
Long-term loans and advances	**-**	**178**
Total non-current assets	**10**	**8,802**
Inventories	-	2,100
Trade receivables	-	4,165
Cash and bank balances	1	900
Short-term loans and advances	-	556
Other current assets	-	7
Total Current Assets	**1**	**7,728**
Total Assets	**10**	**16,531**

Other financial data	Year ended 31 March 2015	Year ended 31 March 2016
	(INR)	(INR)
Dividend (%)	-	-
Earnings / (loss) per share	**(75)**	**3**

Note: Consumer products business of CGL was transferred to and vested with the Target Company as of the Appointed Date. Consequently, the financial results for the year ending 31 March 2016 represents the business performance for 6 (Six) months from 1 October 2015 to 31 March 2016.

16. Shareholding pattern of the Target Company pre and post Open Offer is provided below:

Shareholders' category	Shareholding & voting rights prior to agreement / acquisition and Open Offer (A)		Shareholding & voting rights to be acquired which triggered the SEBI (SAST) Regulations (B)		Shares / voting rights to be acquired / (sold) in the Open Offer (assuming full acceptance) (C)		Shareholding / voting rights after the acquisition and Open Offer	
	No.	*%*	*No.*	*%*	*No.*	*%*	*No.*	*%*
(I) Existing promoter group								
a) Avantha Holdings Limited (party to the SPA)*	215,442,496	*34.37%*	(215,442,496)	*(34.37%)*	-	-	-	-
b) Varun Prakashan Private Limited (not a party to the SPA)**	5,022	*0.00%*	-	-	-	-	5,022	*0.00%*
c) Avantha Realty Limited (not a party to the SPA)**	3,552	*0.00%*	-	-	-	-	3,552	*0.00%*
Total (I) (a+b+c)	**215,451,070**	**34.38%**	**(215,442,496)**	**(34.37%)**	-	-	**8,574**	***0.00%***
(II) Acquirers and PAC								
a) Amalfiaco (Acquirer 1) (party to the SPA)*	-	-	140,037,623	*22.34%*	-	-	140,037,623	*22.34%*
b) MIPL (Acquirer 2) (party to the SPA)*	-	-	75,404,873	*12.03%*	57,033,899	*9.10%*	132,438,772	*21.13%*
c) Nirsinia (PAC 1) (not a party to the SPA)***	-	-	-	-	105,920,098	*16.90%*	105,920,098	*16.90%*
d) AI Global (PAC 2) (not a party to the SPA)***	-	-	-	-	-	-	-	-
Total II (a+b+c+d)	-	-	**215,442,496**	***34.37%***	**162,953,997**	***26.00%***	**378,396,493**	***60.37%***
(III) Public shareholders								
a) Institutions#	267,843,261	*42.74%*	-	-	*Depends on offer response*			
b) Other shareholders#	143,451,811	*22.89%*	-	-	*Depends on offer response*			
Total III (a+b)	**411,295,072**	**65.62%**	-	-	**(162,953,997)**	***(26.00%)***	***248,341,075***	**39.62%**
Grand total (I+II)	**626,746,142**	**100.00%**	-	-	-	-	**626,746,142**	**100.00 %**

Note: The shareholding pattern above is based on the assumption that there will a 100.00% (One hundred percent) response to the Open Offer. Further, the Acquirers and the PAC have not acquired any Equity Shares from the date of the PA to the date of this DLOF. The shareholding pattern prior to the Open Offer has been taken from the Information Memorandum published by the Target Company on 6 May 2016.

#Note: Institutions include mutual funds, venture capital funds, alternate investment funds, foreign venture capital investors, FPIs, financial institutions / banks, insurance companies and provident funds / pension funds. All other Public Shareholders have been combined under the category of "other shareholders".

**Note: As provided in paragraph 4 of Part II A (Background to the transaction ("Underlying Transactions")), Avantha Holdings Limited i.e. the Seller, Acquirer 1 and Acquirer 2 have entered into the SPA, pursuant to which the Acquirer 1 and Acquirer 2 have collectively agreed to acquire the Sale Shares from the Seller.*

***Note: Varun Prakashan Limited and Avantha Realty Limited are Promoter Group entities that are not party to any of the Transaction Documents or part of the Underlying Transactions.*

****Note: PAC 1 is not a party to the SPA but is party to the Inter-se Agreement. As provided in paragraph 6(a) of Part II B (Background to the Open Offer) above, PAC 1 shall acquire the Offer Shares on its behalf and on behalf of Acquirer 1 and PAC 2. Acquirer 2 shall acquire the Offer Shares on its own behalf. PAC 1 and Acquirer 2 shall acquire the Offer Shares in the Agreed Proportion. PAC 2 is not a party to any of the Transaction Documents.*

V. OFFER PRICE AND FINANCIAL ARRANGEMENTS

A. Justification of Offer Price

1. The Offer Price is INR 104.00 (Rupees one hundred and four only) payable in cash in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations.

2. The Equity Shares of the Target Company are listed on the Stock Exchanges.

3. The Equity Shares of the Target Company were allotted on 22 March 2016 and received listing and trading approval from the Stock Exchanges on 11 May 2016. The Equity Shares started trading on the Stock Exchanges on 13 May 2016. As such, there is no trading history for the Target Company, as on the date of the PA. Since the Equity Shares of the Target Company, during the 12 (Twelve) calendar months preceding the calendar month in which the PA was made, have trading turnover of less than 10.00% (Ten percent) of total number of shares of the Target Company, the Equity Shares of the Target Company are not frequently traded in terms of Regulation 2(1)(j) of the SEBI (SAST) Regulations. Accordingly, the minimum offer price is calculated in terms of Regulation 8(2) of the SEBI (SAST) Regulations:

S.No	Particulars	INR / Equity Share
A	The highest negotiated price per Equity Share (including the Exclusivity Fees) for any acquisition under an agreement attracting the obligation to make a public announcement of an open offer i.e. the price per Equity Share under the Transaction Documents	93.57
B	The volume weighted average price paid or payable per Equity Share for acquisitions by the Acquirers during the 52 (Fifty Two) weeks immediately preceding the date of the PA	Not applicable

C	The highest price per Equity Share paid or payable for any acquisition by the Acquirers during the 26 (Twenty six) weeks immediately preceding the date of the PA	Not applicable
D	The volume weighted average market price per Equity Share for a period of 60 (Sixty) trading days immediately preceding the date of the PA as traded on the BSE, being the only stock exchange on which the Equity Shares were listed during such period and such shares being frequently traded	Not applicable as the Equity Shares are not frequently traded
E	Given the Equity Shares are not frequently traded in terms of Regulation 2(1)(j) of the SEBI (SAST) Regulations, the Acquirers and the PAC appointed 2 (Two) independent Chartered Accountant firms to undertake a valuation exercise under the provisions of Regulation 8(2)(e) of SEBI (SAST) Regulations	Bansi S. Mehta & Co.: 96.00 SSPA & Co.: 92.09 *Detailed valuation parameters are given below*

Bansi S. Mehta & Co., Chartered Accountants, (Firm Registration Number: 100991W) has undertaken an independent valuation exercise and issued a valuation report dated 12 May 2016 under the provisions of Regulation 8(2)(e) of SEBI (SAST) Regulations. They have used Earnings methods and Turnover multiple approaches to arrive at a fair value of INR 96.00 (Rupees ninety six only) per Equity Share of the Target Company.

SSPA & Co., Chartered Accountants, (Firm Registration Number: 128851W) has undertaken an independent valuation exercise and issued a valuation report dated 12 May 2016 under the provisions of Regulation 8(2)(e) of SEBI (SAST) Regulations. They have used Income approach to arrive at a fair value of INR 92.09 (Rupees ninety two and nine paise only) per Equity Share of the Target Company.

4. In view of the parameters considered and set forth presented in the table in paragraph 2 above, the minimum offer price under Regulation 8(2) of the SEBI (SAST) Regulations is the higher of item numbers A to E in paragraph 3 above i.e. INR 96.00 (Rupees ninety six only). The Offer Price of INR 104.00 (Rupees one hundred and four only) is justified as it is higher than the minimum offer price calculated under Regulation 8(2) of the SEBI (SAST) Regulations.

5. 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. As on the date of this DLOF, there is no revision in the Offer Price or size of the Open Offer. In case of any revision in the Offer Price or size of the Open Offer, the Acquirers and the PAC shall comply with Regulation 18 of the SEBI (SAST) Regulations and all the provisions of the SEBI (SAST) Regulations which are required to be fulfilled for the said revision in the Offer Price or size of the Open Offer.

7. The Offer Price is subject to revision, if any, pursuant to the SEBI (SAST) Regulations or at the discretion of the Acquirers and the PAC at any time prior to 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 Acquirers and the PAC are required to (i) make corresponding increases to the amount kept in the escrow account, as set out in paragraph 13 of *Part*

V B (Details of Firm Financial Arrangements) of this DLOF; (ii) make a public announcement in the newspapers where the DPS is published; and (iii) simultaneously with the issue of such public announcement, inform SEBI, the Stock Exchanges and the Target Company at its registered office of such revision.

B. Details of Firm Financial Arrangements

1. The total funding requirement for the Open Offer, assuming full acceptance, i.e. for the acquisition of 162,953,997 (One hundred and sixty two million nine hundred and fifty three thousand nine hundred and ninety seven) Equity Shares, at the Offer Price of INR 104.00 (Rupees one hundred and four only) is INR 16,947,215,688 (Rupees sixteen billion nine hundred and forty seven million two hundred and fifteen thousand six hundred and eighty eight only).

2. The Acquirers and the PAC have also agreed that Equity Shares tendered in the Open Offer shall be acquired by them such that Equity Shares representing the first 3.67% (Three point six seven percent) of the share capital of the Target Company tendered in the Open Offer shall be acquired by PAC 1, and subsequently shares representing 1.98% (One point nine eight percent) of the share capital of the Target Company tendered in the Open Offer shall be acquired by Acquirer 2 and thereafter the remaining shares tendered in the Open Offer shall be acquired by PAC 1 and Acquirer 2 in the Agreed Proportion i.e. 65.00% (Sixty five percent) of the balance tendered shares shall be acquired by PAC 1 and 35.00% (Thirty five percent) of the balance tendered shares shall be acquired by Acquirer 2.

3. In accordance with Regulation 17(4) of the SEBI (SAST) Regulations, Acquirer 2, PAC 1 and the Managers *inter alia* have entered into an escrow agreement with The Hongkong and Shanghai Banking Corporation Limited ("**Escrow Agent**") acting through its office at 11th Floor, Building 3, NESCO - IT Park, NESCO Complex, Western Express Highway, Goregaon (East), Mumbai 400063 on 13 May 2016 ("**Escrow Agreement**"). Pursuant to the Escrow Agreement, the Acquirers and the PAC have established an escrow account – **"Crompton Greaves Consumer Electricals Limited - HSBC – Open Offer Escrow Account**". The Acquirers and the PAC have also opened a special rupee account – "**Crompton Greaves Consumer Electricals Limited – HSBC Open Offer Special Rupee Account**" for the purpose of Regulation 21 of SEBI (SAST) Regulations.

4. The Acquirers have deposited INR 2,444,721,570 (Rupees two billion four hundred and forty four million seven hundred twenty one thousand and five hundred and seventy only) in Crompton Greaves Consumer Electricals Limited – HSBC – Open Offer Escrow Account. The amount deposited in the Escrow Account is in compliance with the requirements of deposit of escrow amount as per Regulation 17 of the SEBI (SAST) Regulations i.e. 25.00% (Twenty five percent) of the first INR 5,000,000,000 (Rupees five billion only) and 10.00% (Ten percent) thereafter. Acquirer 2 and PAC 1 have authorized the Managers under the Escrow Agreement to operate the Crompton Greaves Consumer Electricals Limited – HSBC – Open Offer Escrow Account in accordance with the SEBI (SAST) Regulations.

5. The Acquirers and the PAC have adequate financial resources to meet their respective portion of the Offer Consideration.

6. The source of funds for PAC 1 is foreign funds.

7. KPMG Limited, Chartered Accountant, 11, June 16th 1943 Street, 3022 Limassol, Cyprus, Tel no: +357 2586 9000, Fax no: +357 2536 3842, Registration Number 132822 has, vide its report dated 5 May 2016 reported that basis the equity commitment letter dated 25 April 2016 given by Investors (as defined in paragraph 8 below) to PAC 1 and the Managers to the Open Offer, the PAC 1 will have firm financial arrangements through verifiable means to meet its payment obligations under this Open Offer.

8. The equity commitment letter has been signed by Advent International GPE VII Limited Partnership, Advent International GPE VII-A Limited Partnership, Advent International GPE VII-B Limited Partnership, Advent International GPE VII-C Limited Partnership, Advent International GPE VII-D Limited Partnership, Advent International GPE VII-E Limited Partnership, Advent International GPE VII-F Limited Partnership, Advent International GPE VII-G Limited Partnership, Advent International GPE VII-H Limited Partnership, Advent Partners GPE VII Limited Partnership, Advent Partners GPE VII (Cayman) Limited Partnership, Advent Partners GPE VII - A Limited Partnership, Advent Partners GPE VII - A (Cayman) Limited Partnership, Advent Partners GPE VII - B (Cayman) Limited Partnership, Advent Partners GPE VII-A 2014 Limited Partnership, Advent Partners GPE VII-A 2014 Cayman Limited Partnership, Advent Partners GPE VII 2014 Cayman Limited Partnership, Advent Partners GPE VII 2014 Limited Partnership (each an "**Investor**" and collectively the "**Investors**) in favour of PAC 1 and the Managers to the Open Offer where each Investor has agreed to provide its respective equity commitment, which such equity commitments total USD 195,000,000 (US Dollars one hundred and ninety five million) in the aggregate to fund PAC 1's share of the Offer Consideration.

9. Source of funds for Acquirer 2 will be cash available in its bank account outside India with DBS Bank Ltd.

10. KPMG LLP, Public Accountants and Chartered Accountants, GST No: M90366973G, Reg. No. T08LL1267L, having its office at 16 Raffles Quay, #22-00, Hong Leong Building, Singapore 048581, Tel: + 65 6213 3388, Fax: +65 6225 0984 have, vide their letter dated 12 May 2016, confirmed that they have sighted the bank confirmation of MIPL for the bank account number 003-374864-04 with DBS Bank Ltd, Singapore Branch (the "**Account**") as at 12 May 2016 which shows SGD 135,000,000 (Singapore Dollars one hundred and thirty five million only) of cash deposits held and obtained management's representation that the cash deposits in the Account have been earmarked solely to pay for the proposed Offer Consideration payable under the Open Offer by MIPL to the Public Shareholders of CGCEL.

11. Acquirer 2 has undertaken, by letter dated 12 May 2016, that the cash deposit in the Account will be utilized solely towards fulfilling the obligations of the Acquirer 2 for the Open Offer under the SEBI (SAST) Regulations (including any interest payment obligations under the SEBI (SAST) Regulations) in the Agreed Proportion and that there are no circumstances which would prevent Acquirer 2 from doing so. In case of any upward revision in the Offer Price or the Offer Size or any additional consideration to be paid to the Public Shareholders under the SEBI (SAST) Regulations, the additional amounts required per the Agreed Proportion will be funded in the Account by Acquirer 2 prior to effecting such revision.

12. Based on the above, the Managers are satisfied as to the ability of the Acquirers and the PAC to implement the Open Offer in accordance with the SEBI (SAST) Regulations as firm arrangements for funds through verifiable means have been made by the Acquirers and the PAC to meet the payment obligations under the Open Offer.

13. In case of any upward revision in the Offer Price or the size of the Open Offer, the corresponding increase to the escrow amounts as mentioned above shall be made by the Acquirers and/or PAC in terms of Regulation 17(2) of the SEBI (SAST) Regulations, prior to effecting such revision.

VI. OTHER INFORMATION

1. In terms of the Inter-se Agreement, after the consummation of the SPA (including the completion of the Open Offer formalities) only Acquirer 1, who shall have control over the Target Company shall be disclosed as the promoter of the Target Company. Acquirer 2, who shall not have control over the Target Company, shall not form part of "promoter or promoter group" of the Target Company.

2. In terms of the SPA, Acquirer 1 shall take all steps as are necessary to declassify the Seller, Varun Prakashan Private Limited and Avantha Realty Limited as promoters of the Target Company. The Seller, Varun Prakashan Private Limited and Avantha Realty Limited are currently classified as the promoters of the Target Company holding 215,442,496 (Two hundred and fifteen million four hundred and forty two thousand four hundred and ninety six); 5,022 (Five thousand and twenty two) and 3,552 (Three thousand five hundred and fifty two) Equity Shares, respectively.

VII. TERMS AND CONDITIONS OF THE OPEN OFFER

A. Operational terms and conditions

1. In terms of schedule of activities, the Offer Opening Date is Monday, 04 July 2016 and the Offer Closing Date is Monday, 18 July 2016.

2. The Equity Shares tendered under the Open Offer shall be fully paid up, free from all liens, charges, equitable interests and encumbrances and shall be tendered together with all rights attached thereto, including all rights to dividends, bonuses and right offers, if any, declared hereafter, and the tendering Public Shareholders shall have obtained any necessary consents for it to sell the Equity Shares on the foregoing basis.

3. This is not a conditional Open Offer in terms of Regulation 19 of the SEBI (SAST) Regulations and there is no stipulation on any minimum level of acceptance.

4. The Identified Date for this Open Offer as per the schedule of activities is Monday, 20 June 2016.

5. The marketable lot for Equity Shares for the purpose of this Open Offer shall be 1 (One) Equity Share.

6. In terms of Regulation 18(9) of the SEBI (SAST) Regulations, the Public Shareholders who tender their Equity Shares in acceptance of this Open Offer shall not be entitled to withdraw such acceptance during the Tendering Period.

B. Eligibility for accepting the Open Offer

1. The Letter of Offer shall be sent to all Public Shareholders holding Equity Shares whose names appear in the register of members of the Target Company on the Identified Date.

2. This Open Offer is also open to persons who own Equity Shares in the Target Company but are not registered Public Shareholders as on the Identified Date.

3. All Public Shareholders, registered or unregistered, who own Equity Shares and are able to tender such Equity Shares in this Open Offer at any time before the closure of the Tendering Period are eligible (subject to paragraphs 5 and 6 of *Part VII C (Statutory and Other Approvals)* below) to participate in this Open Offer.

4. The PA, the DPS, the Letter of Offer and the Form of Acceptance-cum-Acknowledgement will also be available on SEBI's website (www.sebi.gov.in). In case of non-receipt of the Letter of Offer, Public Shareholders, including those who have acquired Equity Shares 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.

5. The acceptance of this Open Offer by Public Shareholders must be absolute and unqualified. Any acceptance of this Open Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever.

6. The acceptance of this Open Offer is entirely at the discretion of the Public Shareholder(s) of the Target Company.

7. None of the Acquirers, the PAC, the Managers or the Registrar to the Open Offer accept any responsibility for any loss of equity share certificates, Open Offer acceptance forms, share transfer forms etc. during transit and Public Shareholders are advised to adequately safeguard their interest in this regard.

8. The acceptance of Equity Shares tendered in the Open Offer will be made by the Acquirers and the PAC in consultation with the Managers.

9. The Acquirers and the PAC reserves the right to revise the Offer Price and/or the Offer Size upwards prior to the commencement of the last 3 (Three) Working Days prior to the commencement of the Tendering Period, i.e., up to Wednesday, 29 June 2016, in accordance with the SEBI (SAST) Regulations and the revision, if any, in the Offer Price and/or the Offer Size would be announced in the same newspapers where the DPS was published. The Acquirers and the PAC would pay such revised price for all the Equity Shares validly tendered at any time during the Open Offer and accepted under the Open Offer in accordance with the terms of the DPS and the DLOF.

10. The instructions, authorizations and provisions contained in the Form of Acceptance-cum-Acknowledgement constitute part of the terms of the Open Offer.

C. Statutory and other approvals

1. To the best of the knowledge of the Acquirers and the PAC, there are no statutory or other approvals required to complete the acquisition of the Equity Shares under the Transaction Documents and the Open Offer as on the date of this DLOF, except as set out below. If, however, any statutory or other approval becomes applicable prior to completion of such acquisitions, the Open Offer would also be subject to such other statutory or other approval(s) being obtained.

2. As provided in paragraph 6 of *Part II A ("Background to the transaction ("Underlying Transactions"))* and paragraph 4 of *Part II B (Background to the Open Offer)* above, the CCI approved the Underlying Transactions in its approval letter dated 17 June 2015.

3. The RBI Approval *inter alia* for the payment of the SPA Advance Payment to be applied towards the Sale Consideration as more specifically mentioned in paragraph 6 of *Part II A ("Background to the transaction ("Underlying Transactions"))* and paragraph 5 of *Part II B (Background to the Open Offer)* above, was received on 26 June 2015.

4. The Acquirers and the PAC do not require any approvals from financial institutions or banks for this Open Offer.

5. If the holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs and FPIs) require any approvals (including from RBI, the Foreign Investment Promotion Board or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender the Equity Shares held by them in this Open Offer, along with the other documents required to be tendered to accept this Open Offer. In the event such approvals are not submitted, the Acquirers and the PAC reserve the right to reject such Equity Shares tendered in this Open Offer.

6. The NRIs and OCBs holders of Equity Shares, if any, must obtain all requisite approvals required to tender the Equity Shares held by them pursuant to the Open Offer and submit such approvals along with the Form of Acceptance-cum-Acknowledgement and other documents required to accept the Open Offer. The Acquirers and the PAC will be making an application to the RBI seeking approval to purchase the Equity Shares tendered by the NRI and OCB Public Shareholders in the Open Offer. While the aforesaid application remains pending with the RBI, NRI and OCB shareholders may also approach the RBI independently to seek approval to tender the Equity Shares in the Open Offer.

7. Where any statutory or other approval extends to some but not all of the Public Shareholders, the Acquirers and the PAC shall have the option to make payment to such Public Shareholders in respect of whom no statutory or other approvals are required in order to complete this Open Offer.

8. The Open Offer is further subject to the receipt of the statutory approvals stated in this *Part VII C (Statutory and Other Approvals)* and non-occurrence of any Refund Events, as specified in paragraph 3 (m) of *Part II B (Background to the Open Offer)*, for the purpose of the acquisition of the Sale Shares.

9. In case of delay/non-receipt of any approval which may be required by the Acquirers and/or PAC at a later date, as per Regulation 18(1) of the SEBI (SAST) Regulations, SEBI may, if satisfied, that non receipt of the requisite statutory approval(s) was not attributable to any willful default, failure or neglect on the part of the Acquirers or the PAC to diligently pursue such approval(s), grant an extension of time for the purpose of completion of this Open Offer, subject to such terms and conditions as may be specified by SEBI, including payment of interest by the Acquirers and the PAC to the Public Shareholders at such rate, as may be prescribed by SEBI from time to time, in accordance with Regulation18(11) of the SEBI (SAST) Regulations. Provided, the statutory approvals extend to such holders of the Shares in respect of whom no statutory approvals are presently required in order to complete this Open Offer.

10. In terms of Regulation 23(1) of the SEBI (SAST) Regulations, in the event that (i) the approvals (whether in relation to the acquisition of Equity Shares under the SPA or in relation to the Offer Shares) specified in this DLOF as set out in *Part VII C (Statutory and Other Approvals*) above or those which become applicable prior to completion of the Open Offer are not received; or (ii) any Refund Event occurs, as set out in paragraph 3 (m) of *Part II B (Background to the Open Offer)*; or (iii) if the Seller fails to transfer all the Sale Shares to the Acquirers, free and clear of all encumbrances (other than any encumbrance created by way of Refund Security (as defined above)), (all of which are outside the reasonable control of the Acquirers and the PAC), then the Acquirers and the PAC shall have the right to withdraw the Open Offer. In the event of such a withdrawal of the Open Offer, the Acquirers and the PAC (through the Managers) shall, within 2 (Two) Working Days of such withdrawal, make an announcement of such withdrawal stating the grounds for the withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations.

VIII. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OPEN OFFER

1. For the purpose of the Open Offer, the Registrar to the Open Offer - Karvy Computershare Private Limited, opened a special depository escrow account with NSDL for receiving Equity Shares tendered during the Open Offer from Public Shareholders who hold Equity Shares in dematerialised form. The details of the Depository Escrow Account are mentioned below:

Name of the Depository Participant	Karvy Stock Broking Limited
DP ID	IN300394
Client ID	19352135

Account Name	KCPL Escrow Account – CGCEL Open Offer
Depository	NSDL
Mode of Instruction	Off-market

Note: Public Shareholders having their beneficiary account with CDSL *must use the inter-depository delivery instruction slip for the purpose of crediting their Equity Shares in favour of the Open Offer Escrow Demat Account.*

2. The Open Offer is made to the Public Shareholders as defined in this Letter of Offer. While the Letter of Offer shall be dispatched to the Public Shareholders whose name appears in the register of members as of the Identified Date, all Public Shareholders may (subject to paragraph 5 and 6 of *Part VII C (Statutory and Other Approvals)*) download the Letter of Offer from the SEBI website (www.sebi.gov.in) or obtain a copy of the same from the Registrar to the Open Offer on providing suitable documentary evidence of holding of the Equity Shares of the Target Company and tender their Equity Shares in the Open Offer. Accordingly, all Public Shareholders, whether holding Equity Shares in dematerialized form or physical form, registered or unregistered, are eligible to participate in this Open Offer at any time during the Tendering Period (subject to paragraph 5 and 6 of *Part VII C* (*Statutory and Other Approvals*) above). No indemnity is needed from unregistered Public Shareholders.

3. The Public Shareholders who qualify and who wish to participate in this Open Offer will have to deliver the relevant documents as mentioned below and such other documents as specified in the Letter of Offer at the Registrar to the Open Offer's office or at the following collection centres, either by hand delivery or by registered post or by courier between 10:00 a.m. and 4:00 p.m. IST on any Working Day during the Tendering Period, provided it is not a Saturday or a Sunday. The documents should not be sent to the Managers, the Acquirers, the PAC or the Target Company.

SL. No.	Collection Centre	Address of Collection Centre	Contact person	Phone No. / Fax No. and Email Id	Mode of delivery
1.	Mumbai	Karvy Computershare Pvt Ltd, 24-B, Rajabahudur Mansion, Gr Floor, 6 Ambalal Doshi Marg, Behind BSE Ltd, Fort, Mumbai - 400001	Ms.Nutan Shirke	Phone: 022 66235454 / 66235412/27 Fax: 022 66331135 Email: ircfort@karvy.com / nutan.shirke@karvy.com	Hand Delivery
2.	New Delhi	Karvy Computershare Pvt Ltd, 305, New Delhi House, 27, Barakhamba Road, Connaught Place, New Delhi- 110001	Mr. Rakesh Kr Jamwal / Mr. Vinod Singh Negi /Mr. John Mathew	Phone: 011 43681700 / 1798 Fax: 011 41036370 Email: rakesh.jamwal@karvy.com john.mathew@karvy.com Vinod.negi@karvy.com	Hand Delivery
3.	Ahmedabad	Karvy Computershare Pvt Ltd, 201-203, Shail, Opp: Madhusudhan House, Behind Girish Cold Drinks, Off C G Road Ahmedabad – 380006	Mr. Aditya Gupta / Ms. Jagruthi	Phone: 079 26400527 / 65150009 Fax: NA Email: ahmedabad@karvy.com	Hand Delivery
4.	Chennai	Karvy Computershare Pvt Ltd, No.F11 First Floor, Akshya Plaza, New no.108, Adhithanar Salai, Egmore, Chennai - 600002 (Landmark: Opp. Metropolitan court)	Mr. Karthikeyan / Mr. Ramakrishna	Phone: 044 28587781 / 42028513 Fax: NA Email: chennaiirc@karvy.com	Hand Delivery
5.	Hyderabad	Karvy Computershare Pvt Ltd Karvy Selenium Tower B, Plot number 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032	Mr.Bhakta Singh / Mr.Shyam	Phone: 040 3321 2222 / 6716 1500 Fax: 040 23431551 Email: ircmadhapur@karvy.com ; bhaktasingh.k@karvy.com	Hand Delivery/ Registered Post
6.	Kolkata	Karvy Computershare Pvt Ltd, 49, Jatin Das Road, Nr.Deshpriya Park, Kolkatta - 700029	Mr. Sujit Kundu / Mr. Debnath	Phone: 033 6619 2841 / 42 Fax: 033 24644866	Hand Delivery

SL. No.	Collection Centre	Address of Collection Centre	Contact person	Phone No. / Fax No. and Email Id	Mode of delivery
				Email: sujit.kundu@karvy.com / nilkanta.debnath@karvy.com	
7.	Bengaluru	Karvy Computershare Pvt Ltd, No.59, Skanda, Putana Road, Basavanagudi Bengaluru - 560004	Mr. S K Sharma/ Mr. Mahadev	Phone: 080 26621192 / 26606125 / 67453244 Fax: 080 26621169 Email: ircbangalore@karvy.com	Hand Delivery

4. Any person who has acquired Equity Shares of the Target Company (irrespective of the date of purchase) but whose name does not appear in the register of members of the Target Company on the Identified Date, or any Public Shareholder who has not received the Letter of Offer, may also participate in this Open Offer, subject to paragraph 5 and 6 of *Part VII C (Statutory and Other Approvals)* above, by submitting an application on plain paper giving details regarding their shareholding and confirming their agreement to participate in this Open Offer as per the terms and conditions of this Open Offer. Such application should be sent to the Registrar to the Open Offer together with the relevant share certificate(s) and transfer forms (if the Equity Shares are held in physical form) or a photocopy of the DP instruction slip duly acknowledged by the DP (in the case of Equity Shares held in dematerialized form) in "off-market" mode, the original contract note issued by a registered share broker of a recognized stock exchange through whom such Equity Shares were acquired and/or such other documents as specified in the Letter of Offer.

5. Public Shareholders holding Equity Shares in dematerialized form shall deliver the following documents:

    (i) Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein, as per the records of the depository.

    (ii) A photocopy of the delivery instruction slip in "off-market" mode or counterfoil of the delivery instruction slip in "off-market" mode, duly acknowledged by the relevant DP.

    (iii) For each delivery instruction, the beneficial owner should submit a separate Form of Acceptance-cum-Acknowledgement. The Public Shareholders having their beneficiary account in CDSL must use an inter-depository delivery instruction for the purpose of crediting their Equity Shares in favour of the escrow depository account with NSDL. The ISIN number allotted to Equity Shares of CGCEL is INE299U01018. The Public Shareholders who have sent their physical Equity Shares for dematerialization need to ensure that the dematerialization process is completed in sufficient time to ensure that the credit in the Open Offer Escrow Demat Account is received on or before closure of the Open Offer.

    (iv) A copy of the PAN card, power of attorney, corporate authorization (including board resolution / specimen signature) and no objection certificate / tax clearance certificate from income tax authorities, as applicable.

    (v) In case the aforesaid documents have not been tendered but the Equity Shares have been transferred to the Open Offer Escrow Demat Account, the Equity Shares shall be deemed to have been accepted for all resident Public Shareholders.

    (vi) Any additional documents as stated in paragraphs 9 and 10 of *Part IX F (Tax Provisions (Others))*.

6. Public Shareholders holding the Equity Shares in physical form shall deliver the following documents:

(i) Form of Acceptance-cum-Acknowledgement, duly completed and signed in accordance with the instructions contained therein by all Public Shareholders whose name appears on the share certificates.

(ii) Original share certificates.

(iii) Valid transfer forms duly signed by the transferors by all registered Public Shareholders in same order and as per the specimen signatures registered with and duly witnessed at the appropriate place.

(iv) A copy of the PAN card, power of attorney, corporate authorization (including board resolution / specimen signature) and no objection certificate / tax clearance certificate from income tax authorities, as applicable.

(v) In case the aforesaid documents have not been tendered but the original share certificates and valid transfer forms, duly signed, have been tendered, the Equity Shares shall be deemed to have been accepted for all resident Public Shareholders.

(vi) Any additional documents as stated in paragraphs 9 and 10 of *Part IX F (Tax Provisions (Others)).*

7. It is hereby expressly clarified that the Equity Shares tendered in the Open Offer by an NRI or erstwhile OCB shareholders of the Target Company will be accepted by the Acquirers and PAC, and any payment of consideration to such shareholders shall be made by the Escrow Agent in consultation with the Acquirers, the PAC, the Managers and the Registrar to the Open Offer, only if such NRI or OCB shareholders are in compliance with the conditions laid out in the RBI approval granted to permit such NRI or OCB shareholders to tender shares in the Open Offer (whether sought by the Acquirers and the PAC or the NRI/OCB shareholders themselves, as the case may be, or both) and provide all necessary documents as stipulated in the DLOF and as required by the Open Offer Escrow Agent following the closure of the Tendering Period (including but not limited to: (a) RBI approval sought by the NRI or OCB shareholder in its individual capacity to permit such NRI or OCB shareholder to tender Equity Shares in the Open Offer; (b) the NRI or OCB shareholder's bank's confirmation that the selling NRI or OCB shareholder is holding the Equity Shares in compliance with extant FEMA regulations; and (c) documents that the Open Offer Escrow Agent may require in its sole opinion (while acting in its capacity of Authorized Dealer Bank) (hereinafter collectively referred as "**NRI/OCB Documentation**"). Notwithstanding anything contained in this DLOF, the Acquirers, the PAC, the Managers, the Escrow Agent and the Registrar to the Open Offer shall not have any liability, loss claim, etc. (by whatever name called) in tort, breach of contract, breach of statutory duty or otherwise in the event the Acquirers and the PAC in consultation with the Managers, the Registrar to the Open Offer and the Escrow Agent do not accept the Equity Shares tendered and thereby does not make corresponding payment of such consideration for the want of requisite NRI/OCB Documentation being provided by the NRI or OCB shareholders. It is expressly clarified that the Acquirers, the PAC, the Managers, the Open Offer Escrow Agent and the Registrar to the Open Offer are in no manner responsible to procure such NRI/OCB Documentation from the NRI or OCB shareholders of the Target Company who have tendered their Equity Shares in the Open Offer.

8. The Target Company issued 882,329 (Eight hundred and eighty two thousand three hundred and twenty nine) Equity Shares to BNY Mellon (the depository), on behalf of holders of 882,329 (Eight hundred and eighty two thousand three hundred and twenty nine) global depository receipts of the ParentCo. A copy of the Letter of Offer will be submitted to BNY Mellon as required under Regulation 18(3) of the SEBI (SAST) Regulations.

9. In the event that the number of Equity Shares validly tendered by the Public Shareholders under this Open Offer are more than the number of Offer Shares, the Acquirers and the PAC shall accept those Equity Shares validly tendered by the Public Shareholders on a proportionate basis in consultation with the Managers, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that acquisition of Equity Shares from a Public Shareholder shall not be less than the minimum marketable lot, or the entire holding if it is less than the marketable lot.

10. When tendering their Equity Shares in the Open Offer, Public Shareholders may select an option to receive the payment of Offer Consideration through electronic means by indicating in the space provided in the Form of Acceptance-cum-Acknowledgement. The payment of Offer Consideration for Equity Shares accepted under the Open Offer, in such cases, may be made through NECS, direct credit, RTGS or NEFT, as applicable, at specified centers where clearing houses are managed by the RBI, wherever possible. In other cases, payment of consideration would be made through demand draft / pay order sent by Registered post / speed post. Public Shareholders who opt to receive consideration through electronic means are requested to give the authorization for electronic mode of transfer of funds in the Form of Acceptance-cum-Acknowledgement, provide the MICR / IFSC of their bank branch and enclose a cancelled cheque or a photocopy of a cheque associated with the particular bank account, along with the Form of Acceptance-cum-Acknowledgement. In case of joint holders/unregistered owners, payments will be made in the name of the first holder/ unregistered owner.

11. For the purposes of electronic transfer, in case of Public Shareholders opting for electronic payment of Offer Consideration and for the purposes of printing on the demand draft / pay-order for the other cases, the bank account details will be taken directly from the Depositories' database, wherever possible. A Public Shareholder tendering Equity Shares in the Open Offer is deemed to have given consent to obtain the bank account details from the Depositories for this purpose. Only if the required details cannot be obtained from the Depositories' database will the particulars provided by the Public Shareholders be used.

12. For Public Shareholders who do not opt for electronic mode of transfer and for those Public Shareholders whose payment consideration is rejected or not credited through NECS, direct credit, RTGS or NEFT (as applicable) due to any technical errors or incomplete/incorrect bank account details, payment of Offer Consideration will be dispatched through Speed Post / Registered Post. Such payment of Offer Consideration will be made by pay orders or demand drafts payable at par at places where the address of the Public Shareholder is registered. It is advised that Public Shareholders provide bank details in the Form of Acceptance-cum-Acknowledgment, so that the same can be incorporated in the cheque/demand draft/pay order. It will be the responsibility of the tendering Public Shareholders to ensure that correct bank account details are mentioned with the Depositories and in the Form of Acceptance-cum-Acknowledgment.

13. The Registrar to the Open Offer will hold in trust the Equity Shares/share certificates, Equity Shares held in credit of the Open Offer Escrow Demat Account, Form of Acceptance-cum-Acknowledgement, if any, and the transfer form(s) on behalf of the Public Shareholders of the Target who have accepted the Open Offer, until the drafts / pay order for the consideration or the unaccepted Equity Shares / share certificates are dispatched / returned by registered post or payment of consideration has been made through electronic modes.

14. In case of rejection of Equity Shares tendered for any reason, the unaccepted original share certificates, transfer forms and other documents, if any, will be returned by registered post at the Public Shareholder's / unregistered holder's sole risk as per the details provided in the Form of Acceptance-cum-Acknowledgement. Equity Shares held in dematerialized form, to the extent not accepted, will be returned to the beneficial owner to the credit of the beneficial owner's DP Account with the

respective DP as per the details furnished by the beneficial owner(s) in the Form of Acceptance-cum-Acknowledgement.

IX. TAX PROVISIONS

A. General

1. As per the provisions of Section 195(1) of the Income Tax Act any person responsible for paying to a non-resident any sum chargeable to tax is required to deduct tax at source (including surcharge and education cess as applicable) at the applicable rate as per the Income Tax Act. The consideration received by the non-resident Public Shareholders for the Equity Shares accepted in this Open Offer may be chargeable to tax in India either as capital gains under Section 45 of the Income Tax Act or as business profits, depending on the facts and circumstances of the case. The Acquirers and the PAC are required to deduct tax at source (including surcharge and education cess as applicable) at the applicable rate as per the Income Tax Act, on such capital gains / business profits. Further, the Acquirers and the PAC are required to deduct tax at source (including surcharge and education cess) at the applicable rate as per the Income Tax Act on the payment of any interest (paid for delay in payment of the Offer Price) by the Acquirers and the PAC to a non-resident Public Shareholder.

2. As per Section 194A of the Income Tax Act payment of interest, if any, (for delay in payment of Offer Consideration) by the Acquirers and the PAC to a resident Public Shareholder would require the Acquirers or the PAC (as the case may be) to deduct tax at source (including surcharge and education cess) at the applicable rate as per the Income Tax Act on such interest (paid for delay in payment of Offer Consideration or a part thereof).

3. Each Public Shareholder shall certify its tax residency status (i.e. whether resident or non-resident) and its tax status (i.e. whether individual, firm, company, association of persons/body of individuals, trust, any other taxable entity). In case of ambiguity, incomplete or conflicting information or the information not being provided to the Acquirers and the PAC, it would be assumed that the Public Shareholder is a non-resident Public Shareholder and taxes shall be deducted treating the Public Shareholder as a non-resident and at the rate as may be applicable, under the Income Tax Act, to the relevant category to which the Public Shareholder belongs, on the entire consideration and interest if any, payable to such Public Shareholder.

4. Any non-resident Public Shareholder claiming benefit under any DTAA between India and any other foreign country should furnish the TRC provided to him/it by the Government of such other foreign country of which he/it claims to be a tax resident, which has been inserted as a mandatory requirement by the Finance Act, 2012. In addition, the non-resident Public Shareholder is required in terms of Section 90(5) of the Income Tax Act to furnish prescribed additional information in the prescribed form (Form 10F). The information that is to be provided in the Form 10F are as follows:

   i. Legal status (individual, company, firm, etc.);

   ii. Permanent Account Number, if allotted

   iii. Nationality of an individual or country/specified territory of incorporation or registration in case of other entities;

   iv. The non-resident tax payer’s tax identification number in the country or specified territory of residence or a unique identification number of the non-resident tax payer of the country or the specified territory of residence;

v. Period for which the residential status, as mentioned in the Tax Residency Certificate, is applicable; and

vi. Address of the non-resident tax payer in the country or specified territory outside India, during the period for which the Tax Residency Certificate is applicable.

Further, a non-resident tax payer is required to keep and maintain all documents substantiating the aforesaid information and furnish the same when required by the Indian tax authorities. The particulars already included in the Tax Residency Certificate are not required to be furnished separately.

5. Any Public Shareholder claiming benefit under DTAA should submit along with the TRC, a TDC and taxes would be deducted by the Acquirers and the PAC in accordance with such certificate. In the absence of TRC and a TDC, the taxes would be deducted at the rates (including surcharge and education cess as applicable) provided under the Income Tax Act, for each category of the Public Shareholder(s) on gross consideration.

6. All Public Shareholders (including FPIs) are required to submit their PAN along with self-attested copy of the PAN card for income-tax purposes. If not, the Acquirers and the PAC will arrange to deduct tax at least at the rate of 20.00% (Twenty percent) as per Section 206AA of the Income Tax Act regardless of a lower rate applicable otherwise. The provisions of Section 206AA of the Income Tax Act would apply only where there is an obligation to deduct tax at source.

7. The Acquirers and the PAC will not accept any request from any Public Shareholder, under any circumstances, for non-deduction of tax at source or deduction of tax at a lower or nil rate, on the basis of any self-computation / computation by any tax consultant, of capital gain or business income and/or interest, if any, and tax payable thereon.

8. Securities transaction tax will not be applicable to the Equity Shares accepted in this Open Offer.

9. The provisions contained in paragraphs 3 to 6 above are subject to anything contrary contained in *Part IX B to E (Tax Provisions)* below.

10. All references to maximum rate include applicable surcharge and education cess, as may be applicable.

B. Tax Implications in case of non-resident Public Shareholders (other than FPIs)

1. For the purpose of remittance of funds on tendering of Equity Shares under the Open Offer, NRIs, OCBs, and other non-resident Public Shareholders (excluding FPIs) will be required to submit a TDC, indicating the amount of tax to be deducted by the Acquirers and the PAC before remitting the consideration. The Acquirers and the PAC will arrange to deduct taxes at source in accordance with such TDC.

2. In an event of non-submission of TDC, tax will be deducted at the maximum rate as may be applicable to the relevant category to which the Public Shareholder belongs, on the gross consideration amount payable to the Public Shareholders, by the Acquirers and the PAC.

3. The Acquirers and the PAC will not take into consideration any other details and documents (including self-certified computation of tax liability or the computation of tax liability certified by any tax professionals including a chartered accountant, etc.) submitted by the Public Shareholder for deducting a lower amount of tax at source. NRIs, OCBs and other non-resident Public Shareholders (excluding FPIs) holding Equity Shares as capital asset will be required to certify the period of its holding (i.e., whether Equity Shares are held for more than 12 (Twelve) months) along with supporting documentary evidence.

4. In case of interest payments, if any, by the Acquirers and the PAC for delay in payment of Offer Consideration or a part thereof, if any, the NRIs, OCBs, and other non-resident Public Shareholders (excluding FPIs) will be required to submit a TDC indicating the amount of tax to be deducted by the Acquirers and the PAC before remitting the Offer Consideration. The Acquirers and the PAC will arrange to deduct taxes at source in accordance with such TDC.

5. In an event of non-submission of TDC, the Acquirers and the PAC will deduct tax 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 entire amount payable as interest to such Public Shareholder.

6. All NRIs, OCBs and other non-resident Public Shareholders (excluding FPIs) are required to submit a self-attested copy of their PAN card for income tax purposes. In case copy of the PAN card is not submitted or is invalid or does not belong to the Public Shareholder, the Acquirers and the PAC will deduct tax at least at the rate of 20.00% (Twenty percent) (as provided under section 206AA of the Income Tax Act) regardless of a lower rate applicable otherwise.

7. Any NRIs, OCBs and other non-resident Public Shareholders (excluding FPIs) claiming benefit under any DTAA between India and any other foreign country should furnish the 'Tax Residence Certificate' provided to him/it by the Government of such other foreign country of which it claims to be a tax resident and a self-declaration stating that it does not have a business connection in India as defined in Explanation 2 to section 9(1)(i) of the Income Tax Act (along with the provisos thereto) or a permanent establishment in India, in terms of the DTAA entered between India and the country of its tax residence. Further, the Public Shareholder will be required to furnish such other documents and information as prescribed in terms of Section 90(5) of the Income Tax Act as detailed in paragraph 4 of *Part IX A (Tax Provisions)* of this DLOF. In the absence of such Tax Residence Certificate/certificates/declarations/ information/documents along with certificate of deduction of tax at lower / nil rate from the tax authorities, the Acquirers and the PAC will arrange to deduct tax in accordance with the provisions of the Income Tax Act and without having regard to the provisions of any DTAA.

C. Tax Implications in case of FPI Public Shareholder

1. As per the provisions of Section 196D (2) of the Income Tax Act, no deduction of tax at source is required to be made from any income by way of capital gains arising from the transfer of securities referred to in Section 115AD of the Income Tax Act, to an FII, as defined in Section 115AD of the Income Tax Act. Further, for the purposes of Section 115AD, FII will include FPIs as defined under SEBI (Foreign Portfolio Investors) Regulations, 2014. The Acquirers and the PAC would not deduct tax at source on the payments to FPIs, subject to the following conditions:

   (i) FPIs furnishing the copy of the registration certificate issued by SEBI (including for sub-account of FPI, if any);

   (ii) FPIs declaring that they have invested in the Equity Shares in accordance with the applicable SEBI regulations

   Such FPIs will be liable to pay tax on their income as per the provisions of the Income Tax Act.

2. If the above conditions are not satisfied, the Acquirers and the PAC shall deduct tax at the maximum tax rate applicable under the Income Tax Act on the gross consideration payable to the Public Shareholder, depending on category of the Public Shareholder.

3. Notwithstanding anything contained in paragraphs 1 to 3 above, in case FPI furnishes a TDC the Acquirers and the PAC will arrange to deduct taxes at source in accordance with such certificate.

4. Interest payments by the Acquirers and the PAC for delay in payment of the Offer Consideration, if any, would also be subjected to deduction of tax at source at the maximum tax rate applicable under the Income Tax Act on the gross interest payable to the Public Shareholder, depending on category of the Public Shareholder. However, if the Public Shareholder provides a TDC indicating the amount of interest on which tax should be deducted and the applicable rate of tax, the Acquirers and the PAC will arrange to deduct taxes at source in accordance with such certificate.

5. All FPIs shall submit their PAN for income tax purposes. In case PAN is not submitted or is invalid or does not belong to the Public Shareholder, the Acquirers and the PAC will arrange to deduct tax at least at the rate of 20.00% (Twenty percent) (including surcharge and cess) (as provided in Section 206-AA of the Income Tax Act) regardless of a lower rate applicable otherwise on the entire consideration amount payable to such Public Shareholder.

6. Any FPI claiming benefit under any DTAA between India and any other foreign country should furnish a TRC provided to it by the Government of such other foreign country of which it claims to be a tax resident and a self-declaration stating that the FPI does not have a business connection in India as defined in Section 9(1)(i) of the Income Tax Act or a permanent establishment in India, in terms of the DTAA and the FPI is eligible for claiming benefit under the DTAA entered between India and the country of its tax residence. Further, the FPI will also be required to furnish such other documents and information as prescribed in terms of Section 90(5) of the Income Tax Act as detailed in this paragraph 4 of *Part IX A (Tax Provisions)* of this DLOF. In the absence of such Tax Residence Certificate / certificates / declarations / information / documents, the Acquirers and the PAC will arrange to deduct tax in accordance with the provisions of the Income Tax Act and without having regard to the provisions of any DTAA.

D. Tax Implications in case of resident Public Shareholders

1. There would be no deduction of tax at source from the consideration payable in respect of the transfer of Equity Shares by a resident Public Shareholder. Such resident Public Shareholder will be liable to pay tax on their income as per the provisions of the Income Tax Act as applicable to them.

2. All resident Public Shareholders will be required to submit a TDC, indicating the amount of tax to be deducted by the Acquirers and the PAC before remitting the consideration for interest payments, if any, by the Acquirers and the PAC for delay in payment of Offer Consideration or a part thereof, if any. The Acquirers and the PAC will deduct taxes at source in accordance with such TDC.

3. In an event of non-submission of TDC, the Acquirers and the PAC will deduct tax at the rates prescribed under section 194A of the Income Tax Act as may be applicable to the relevant category to which the Public Shareholder belongs under the Income Tax Act on the consideration payable as interest to such Public Shareholder.

4. All resident Public Shareholders shall submit a self-attested copy of their PAN card for income tax purposes. In case copy of the PAN card is not submitted or is invalid or does not belong to the Public Shareholder, the Acquirers and the PAC will deduct tax at the rate of 20.00% (Twenty percent) (including surcharge and cess) (as provided under section 206AA of the Income Tax Act) or the rate, as may be applicable to the category of the Public Shareholder under the Income Tax Act, whichever is higher.

5. Notwithstanding anything contained in paragraphs 2 to 4 above, no deduction of tax shall be made at source by the Acquirers and the PAC where (i) the total amount of interest payable, if any, to a resident

Public Shareholder does not exceed INR 5,000 (Rupees five thousand only); or (ii) where a self-declaration as per Section 197A of the Income Tax Act in Form 15G or Form 15H (as per Rule 29C of the Income Tax Rules, 1962), as may be applicable, and duly executed, has been furnished to the Acquirer or (iii) interest being paid, if any, to an entity specified under Section 194A(3)(iii) of the Income Tax Act if it submits a self- attested copy of the relevant registration or notification. The self-declaration in Form 15G and Form 15H will not be regarded as valid unless the resident Public Shareholder has furnished its PAN in such declaration.

E. Tax Implications in foreign jurisdictions

Apart from the above, the Acquirers and the PAC are entitled to withhold Overseas Tax in accordance with the tax laws applicable in the overseas jurisdictions where the non-resident Public Shareholder is a resident for tax purposes. For this purpose, the non-resident Public Shareholder shall furnish a self-declaration stating the quantum of the Overseas Tax to be withheld as per the relevant tax laws of the country in which the non-resident Public Shareholder is a tax resident and the Acquirers and the PAC will be entitled to rely on this representation at their sole discretion.

F. Others

1. The tax implications are based on provisions of the Income Tax Act as amended up to Finance Act, 2016.

2. Notwithstanding the details given above, all payments will be made to Public Shareholders subject to compliance with prevailing tax laws.

3. The tax deducted by the Acquirers and the PAC while making payment to a Public Shareholder may not be the final tax liability of such Public Shareholder and shall in no way discharge the obligation of the Public Shareholder to appropriately disclose the amounts received by it, pursuant to this Open Offer, before the income tax authorities.

4. Public Shareholders are advised to consult their respective tax advisors for assessing the tax liability, pursuant to this Open 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.

5. The Acquirers, the PAC and the Managers do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth herein above.

6. The Acquirers and the PAC shall deduct tax (if required) as per the information provided and representation made by the Public Shareholders. In an event of any income-tax demand (including interest, penalty etc.) arising from any misrepresentation, inaccuracy or omission of information provided/to be provided by the Public Shareholders, such Public Shareholders will be responsible to pay such income-tax demand under the Income Tax Act and provide the Acquirers and the PAC with all information/documents that may be necessary and co-operate in any proceedings before income tax / appellate authority in India.

7. The Acquirers and the PAC shall issue a certificate in the prescribed form to the Public Shareholders (resident and non-resident) who have been paid the consideration and interest, if any, after deduction of tax, certifying the amount of tax deducted and other prescribed particulars in accordance with the provisions of Section 203 of the Income Tax Act read with the Income-tax Rules, 1962.

8. Public Shareholders who wish to tender their Equity Shares must submit the information set out at paragraphs 9 or 10 below, as applicable, along with the Form.

9. Information requirement from non-resident Public Shareholder:

   (i) Self-attested copy of PAN card;

   (ii) Self-attested declaration regarding the period of holding of Equity Shares along with supporting documentary evidence

   (iii) Certificate from the Income-tax Authorities for no/lower deduction of tax along with TRC and Form 10F and self-declaration stating that the non-resident Public Shareholder does not have a business connection in India as defined in Section 9(1)(i) of the Income Tax Act or a permanent establishment in India, in terms of the DTAA and the non-resident Public Shareholder is eligible for claiming benefit under the DTAA entered between India and the country of its tax residence;

   (iv) Self-attested declaration in respect of residential status, address, email, telephone number, country to which remittance will be made by the Acquirer, status of Public Shareholders (e.g. individual, firm, company, trust, or any other - please specify);

   (v) In case of FPI, self-attested declaration certifying that the investment in Equity Shares has been in accordance with the applicable SEBI (SAST) Regulations;

   (vi) SEBI registration certificate for FPI; and

   (vii) RBI and other approval(s) obtained for acquiring the Equity Shares, if applicable.

10. Information requirement in case of resident Public Shareholder:

   (i) Self-attested copy of PAN card;

   (ii) Self-attested declaration in respect of residential status, status of Public Shareholders (e.g. individual, firm, company, trust, or any other - please specify);

   (iii) If applicable, self-declaration form in Form 15G or Form 15H (in duplicate), as applicable for interest payment, if any;

   (iv) Certificate from the income tax authorities (applicable only for the interest payment, if any) for no/lower deduction of tax; and

   (v) For Mutual Funds/Banks/other specified entities under Section 194A(3)(iii) of the Income Tax Act – Copy of relevant registration or notification (applicable only for the interest payment, if any).

11. In accordance with Notification No.86/2013 [F.No.504/05/2003-FTD-I]/So 3307(E) read with Press Release dated 1-11-2013 issued under section 94A of the Income Tax Act, the payments made by the Acquirers and the PAC to non-resident Public Shareholders located, established or resident of Cyprus would be subjected to deduction of tax at source at the rate of 30.00% (Thirty percent) or the rates prescribed under the Income Tax Act, whichever is higher.

12. Public Shareholders who wish to tender their Equity Shares must submit the information all at once and those that may be additionally requested for by the Acquirers and/or the PAC. The documents submitted by the Public Shareholders will be considered as final. Any further/delayed submission of additional documents, unless specifically requested by the Acquirers and/or the PAC may not be

accepted. In case the documents/information as requested in this DLOF are not submitted by an Public Shareholder, or the Acquirers and/or the PAC consider the documents/information submitted by an Public Shareholder to be ambiguous/incomplete/conflicting, the Acquirers and the PAC reserve the right to withhold tax on the gross consideration / interest at the maximum rate as applicable to the category of the Public Shareholder.

13. Based on the documents and information submitted by the Public Shareholders, the final decision to deduct tax or not, or the quantum of taxes to be deducted rests solely with the Acquirers and/or the PAC.

14. Taxes once deducted will not be refunded by the Acquirers and/or the PAC under any circumstances.

X. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection by Public Shareholders at the office of the Managers at HSBC Securities and Capital Markets (India) Private Limited, 52 / 60, MG Road, Fort, Mumbai, 400001 and at Barclays Bank PLC, 801 / 808 Ceejay House, Shivsagar Estate, Dr. A. Besant Road, Worli, Mumbai 400018, India between 10:30am and 3:00pm on any Working Day (except Saturdays and Sundays) during the period from the date of commencement of the Tendering Period (Monday, 04 July 2016) until the date of closure of the Tendering Period (Monday, 18 July 2016).

(i) Copy of the SPA dated 23 April 2015, entered by and among the Acquirer 1, Acquirer 2 and the Seller, which triggered this Open Offer;

(ii) Copy of Inter-se Agreement signed between Acquirer 1, Acquirer 2 and PAC 1 dated 23 April 2015;

(iii) Copy of the Share Pledge Agreement dated 10 July 2015 entered into between the Seller and IDBI Trusteeship Services Limited, the Security Trustee;

(iv) Statement of financial results of the Target Company for the periods ended 31 March 2015 and 31 March 2016;

(v) Audited financial statements of the Target Company for the period ended 31 March 2015 and audited financial results for the year ended 31 March 2016;

(vi) Copies of the certificate of incorporation, memorandum of association and articles of association, or equivalent constitutional documents of the Acquirers and the PAC;

(vii) Copy of report issued by KPMG Limited, Chartered Accountant, 11, June 16th 1943 Street, 3022 Limassol, Cyprus, Tel no: +357 2586 9000, Fax no: +357 2536 3842, Registration Number 132822 dated 5 May 2016 reporting the financial adequacy for PAC 1 basis the equity commitment letter dated 25 April 2016 given by Investors to PAC 1 and the Managers to the Open Offer;

(viii) Copy of letter issued by KPMG LLP, Public Accountants and Chartered Accountants, dated 12 May 2016, confirming the financial adequacy for Acquirer 2;

(ix) Copy of the equity commitment letter dated 25 April 2016 given by Investors to PAC 1 and the Manager to the Open Offer;

(x) Copies of the audited financials for Acquirer 1 and PAC for the period ended 31 December 2015;

(xi) Copies of the audited financial statements for Acquirer 2 for the financial years ended 31 March 2013, 31 March 2014 and 31 March 2015 and the interim unaudited financial statements as of and for 9 (Nine) months ended 31 December 2015;

(xii) Valuation report dated 12 May 2016 issued by Bansi Mehta & Co., Chartered Accountants;

(xiii) Valuation report dated 12 May 2016 issued by SSPA & Co., Chartered Accountants;

(xiv) Copies of the PA dated 13 May 2016 and the DPS dated 19 May 2016 and issue opening announcement dated [●];

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

(xvi) Copy of the Escrow Agreement dated 13 May 2016;

(xvii) Copy of the letter dated 17 May 2016 from The Hongkong and Shanghai Banking Corporation confirming the amount kept in Escrow Account;

(xviii) Copy of the letter number [●] dated [●] issued by SEBI containing its comments on the DLOF; and

(xix) A copy of agreement entered into with the DP for opening a special depository account for the purpose of the Open Offer.

XI. DECLARATION BY THE ACQUIRERS AND THE PAC

1. The Acquirers, the PAC and their directors in their capacity as the directors, accept full responsibility for the information contained in the PA, the DPS and this DLOF (other than such information as has been obtained from public sources or such information that relates to the Seller and/or the Target Company).

2. Each of the Acquirers and the PAC shall be jointly and severally responsible for the fulfillment of obligations under the SEBI (SAST) Regulations in respect of this Open Offer.

3. The person(s) signing this DLOF are duly and legally authorized by the Acquirers and the PAC respectively to sign the DLOF.