# DRAFT LETTER OF OFFER

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

The letter of offer ("**Letter of Offer**") is sent to you as an Equity Shareholder of DFM Foods Limited (the "**Target Company**"). If you require any clarification about the action to be taken, you may consult your stock broker or investment consultant or the Manager to the Offer / the Registrar to the Offer. In case you have recently sold your Equity Shares in the Target Company, please hand over the Letter of Offer and the accompanying Form of Acceptance cum Acknowledgement and Transfer Deed to the member of the stock exchange through whom the said sale was effected.


**Aravali Investment Holdings**
**("Acquirer")**
Regd. Office: IFS Court, Bank Street, TwentyEight, Cybercity, Ebene 72201, Mauritius
(Tel: +230 467 3000, Fax: +230 467 4000)
**ALONG WITH**
**Jwalamukhi Investment Holdings**
**("PAC 1")**
Regd. Office: IFS Court, Bank Street, TwentyEight, Cybercity, Ebene 72201, Mauritius
(Tel: +230 467 3000, Fax: +230 467 4000)
**AND**
**WestBridge Crossover Fund, LLC**
**("PAC 2")**
Regd. Office: IFS Court, Bank Street, TwentyEight, Cybercity, Ebene 72201, Mauritius
(Tel: +230 467 3000, Fax: +230 467 4000)
**(PAC 1 and PAC 2 are collectively referred to as the "Persons Acting in Concert" / "PACs")**


**MAKES AN OPEN OFFER AT A PRICE OF Rs. 1,320 (RUPEES ONE THOUSAND THREE HUNDRED AND TWENTY ONLY) ("OFFER PRICE") PER FULLY PAID UP EQUITY SHARE OF FACE VALUE OF Rs. 10 EACH OF THE TARGET COMPANY ("EQUITY SHARES") TO ACQUIRE UP TO 26,10,836 EQUITY SHARES REPRESENTING 26% OF THE EMERGING EQUITY SHARE CAPITAL OF THE TARGET COMPANY ("OFFER SIZE") AS OF THE TENTH WORKING DAY FROM THE CLOSURE OF THE TENDERING PERIOD, ASSUMING FULL EXERCISE OF 40,000 OUTSTANDING EMPLOYEE STOCK OPTIONS AND INCLUDES ANY POTENTIAL INCREASES TO THE NUMBER OF OUTSTANDING EQUITY SHARES DURING THE OFFER PERIOD ("EMERGING VOTING CAPITAL") UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011, AND SUBSEQUENT AMENDMENTS THEREOF ("SEBI (SAST) REGULATIONS") FROM THE EQUITY SHAREHOLDERS OF**

**DFM FOODS LIMITED ("TARGET COMPANY")**
**Regd. Office**: 8377, Roshanara Road, Delhi - 110007,
(Tel: (011)-23826445, (011)-23822409, Fax: 011 23822409, E Mail ID: arjun.sahu@dfmgroup.in ; Website: www.dfmfoods.com)

**Note:**

1. This Offer (as defined hereinafter) is made by the Acquirer and the PACs pursuant to, and in compliance with, Regulation 3(1) and other applicable regulations of the SEBI (SAST) Regulations.
2. This Offer is not a conditional offer and is not subject to any minimum level of acceptance in terms of Regulation 19(1) of the SEBI (SAST) Regulations.
3. This Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
4. This Offer is not subject to receipt of any statutory / regulatory approvals.
5. As of the date of this Draft Letter of Offer, to the best of the knowledge of the Acquirer and the PACs, there are no statutory approvals, required by the Acquirer / PACs to complete this Offer. However, in case any statutory approvals are required by the Acquirer / PACs at a later date before the closure of the Tendering Period, this Offer shall be subject to such approvals and the Acquirer / PACs shall make the necessary applications for such statutory approvals.
6. The Acquirer shall complete all procedures relating to this Offer within 10 (Ten) Working Days from the date of closure of the Tendering Period, including payment of consideration to those Equity Shareholders whose share certificates and/ or other documents are found valid and in order and are accepted for acquisition by the Acquirer.
7. In case of delay / non-receipt of any approval, including any statutory approval which may be required by the Acquirer / PACs at a later date, SEBI may, if satisfied that non receipt of the requisite approvals was not attributable to any willful default, failure or neglect on the part of the Acquirer / PACs to diligently pursue such approval, grant extension of time for the purpose, subject to the Acquirer agreeing to pay interest to the Equity Shareholders as directed by SEBI, in terms of Regulation 18(11) of the SEBI (SAST) Regulations. Provided where the statutory approvals extend to some but not all Equity Shareholders, the Acquirer will have the option to make payment to such Equity Shareholders in respect of whom no statutory approvals are required in order to complete this Offer.
8. The Acquirer / PACs will have the right not to proceed with this Offer in accordance with Regulation 23 of the SEBI (SAST) Regulations, in the event that any statutory approvals which may be required to complete the Offer at a later date are not granted. In case of such event, the Acquirer shall have the right to withdraw this Offer in terms of Regulation 23 of the SEBI (SAST) Regulations.
9. The Acquirer can revise the Offer Price or the Offer Size at any date prior to the commencement of the last three Working Days prior to the opening of the Tendering Period (as defined hereinafter). Any such upward revision would be informed by way of the Offer Opening Public Announcement (as defined hereinafter) in the same newspapers and editions in which the Detailed Public Statement (as defined hereinafter) had appeared. The revised price payable pursuant to such revision of the Offer Price would be payable by the Acquirer or PACs, as applicable for all the Equity Shares validly tendered during the Tendering Period.
10. **There has been no competing offer announced as on the date of this Draft Letter of Offer.**
11. **If there is a competing offer, the offers under all subsisting bids will open and close on the same date.**
12. A copy of the Public Announcement (as defined hereinafter), the Detailed Public Statement, corrigendum dated April 26, 2016 to the Detailed Public Statement, this Draft Letter of Offer and the Letter of Offer (including Form of Acceptance cum Acknowledgement) is expected to be available on SEBI's website (www.sebi.gov.in).

| MANAGER TO THE OFFER | REGISTRAR TO THE OFFER |
|---|---|
| ICICI Securities<br><br>**ICICI Securities Limited**<br>SEBI Registration. No. INM000011179<br>ICICI Centre, H.T. Parekh Marg, Churchgate, Mumbai – 400020, Maharashtra, India<br>**Tel:** +91 22 2288 2460/2288 2470, **Fax**: +91 22 2282 6580<br>**Email ID**: dfmfoods.openoffer@icicisecurities.com<br>**Contact Person:** Mr. Ayush Jain / Mr. Ujjaval Kumar | LINK Intime<br><br>**Link Intime India Private Limited**<br>SEBI Registration. No.: INR000004058<br>C-13, Pannalal Silk Mills Compound, L.B.S Marg, Bhandup (West), Mumbai 400078 – India<br>**Tel:** +91 (022) 6171 5400 **Fax:** +91 (022) 2596 0329<br>**E-mail id:** dfmfoods.offer@linkintime.co.in<br>**Contact Person:** Mr. Dinesh Yadav |

| SCHEDULE OF MAJOR ACTIVITIES RELATING TO THE OFFER | |
|---|---|
| **Activity** | **Day and Date** |
| Public Announcement (PA) | Monday, April 11, 2016 |
| Publication of the DPS in the newspapers | Thursday, April 21, 2016 |
| Filing of the draft letter of offer with SEBI | Wednesday, April 27, 2016 |
| Last date for public announcement of a competing offer(s)# | Thursday, May 12, 2016 |
| Last date for receipt of comments from SEBI on the Draft Letter of Offer (in the event, SEBI has not sought clarifications or additional information from the Managers to the Offer) | Wednesday, May 18, 2016 |
| Identified Date*, i.e. the date falling on the 10th (tenth) Working Day prior to the commencement of Tendering Period, for the purposes of determining the equity shareholders to whom the Letter of Offer shall be sent. | Friday, May 20, 2016 |
| Last date by which the Letter of Offer is to be dispatched to the Equity Shareholders | Friday, May 27, 2016 |
| Last date for upward revision of the Offer Price/ Offer Size | Tuesday, May 31, 2016 |
| Last date by which the recommendation of the committee of independent directors of the Target Company will be published | Wednesday, June 01, 2016 |
| Date of public announcement for opening of the Offer in the newspapers where the DPS has been published | Thursday, June 02, 2016 |
| Date of commencement of Tendering Period (Offer Opening Date) | Friday, June 03, 2016 |
| Date of Expiry of Tendering Period (Offer Closing Date ) | Thursday, June 16, 2016 |
| Last date of communicating rejection/ acceptance and payment of consideration for applications accepted/return of unaccepted Share Certificates/credit of unaccepted Equity Shares to demat account | Thursday, June 30, 2016 |
| Last Date of publication of Offer Closing Public Announcement | Friday, July 08, 2016 |
| Last date for submission of the final report with SEBI | Friday, July 08, 2016 |

# *There has been no competing offer announced as of the date of this Draft Letter of Offer*

* *Every Equity Shareholder of the Target Company, other than the Acquirer, PAC 1 and PAC 2, whether holding Equity Shares in dematerialised form or physical form, registered or unregistered, regardless of whether such person held Equity Shares on the Identified Date, or has received the Letter of Offer, is eligible to participate in this Offer at any time during the Tendering Period.*

**RISK FACTORS**

**Given below are the risk factors relating to the Offer and the probable risks involved in associating with the Acquirer and PACs and are not in relation to the present or future business operations of the Target Company or other related matters. These are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation by an Equity Shareholder in this Offer, but are merely indicative. The Equity Shareholders are advised to consult their stock brokers or legal, financial, tax or investment consultants, if any, for analyzing all the risks with respect to their participation in this Offer and related sale and transfer of Equity Shares. For capitalized terms used herein please refer to the Definitions and Abbreviations set out on page nos. 6 and 7 of this Draft Letter of Offer.**

**A. Risk factors relating to the Offer**

1. The Offer is an open offer to acquire not more than 26,10,836 Equity Shares, representing 26% (Twenty Six percent) of the Emerging Voting Capital, from the Equity Shareholders, other than the Acquirer and the PACs. In case of over-subscription of the Offer, acceptance would be determined on a proportionate basis as per SEBI (SAST) Regulations and hence there is no certainty that all Equity Shares tendered by the Equity Shareholders in the Offer will be accepted.

2. To the best of Acquirer's and PACs' knowledge, the Offer is not subject to the receipt of any statutory, regulatory and or other approvals / no objections. If at a later date, any statutory or regulatory or other approvals / no objections are required, the Offer would be subject to receipt of such approvals / no objections. The Acquirer and the PACs will have the right not to proceed with this Offer in accordance with Regulation 23 of the SEBI (SAST) Regulations, if any statutory approval, as may be required, is refused. In the event that either: (a) regulatory or statutory approvals which may be required at a later date for the consummation of the Offer and such regulatory or statutory approvals are not received in time, (b) there is any order of a governmental authority or litigation leading to a stay/injunction on the Offer or that restricts/restrains the Acquirer/PACs from performing its obligations hereunder, or (c) SEBI instructing the Acquirer/PACs not to proceed with the Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this Draft Letter of Offer or the Offer may be withdrawn (if on account of (c) above). Consequently, the payment of consideration to the Equity Shareholders whose Equity Shares are accepted under the Offer as well as the return of Equity Shares not accepted under the Offer by the Acquirer/PACs may get delayed. In case the delay is due to the non-receipt of statutory approval(s) (which may be required at a later stage), 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 willful default or negligence on the part of the Acquirer/PACs, grant an extension for the purpose of completion of the Offer subject to the Acquirer/PACs agreeing to pay interest in accordance with the SEBI (SAST) Regulations to the validly tendering Equity Shareholders.

3. The Registrar to the Offer will hold in trust the Equity Shares in physical form and in credit of the depositories account with the documents submitted by the Equity Shareholders on behalf of the Equity Shareholders who have tendered their Equity Shares till the completion of the Offer. During such period, there may be fluctuations in the market price of the Equity Shares and the Equity Shareholders will not be able to trade in such Equity Shares which are in the custody of, or held in trust by the Registrar to the Offer notwithstanding delay in acceptance of the Equity Shares in this Offer and dispatch of payment consideration. This may restrict the ability of such Equity Shareholders to take advantage of any favourable price movements. Accordingly, the Acquirer and the PACs make no assurance with respect to the market price of the Equity Shares before, during or upon completion of this Offer and each of them expressly disclaims any responsibility or obligation of any kind (except as required by applicable law) with respect to any decision by the Equity Shareholders on whether or not to participate in this Offer. It is understood that the each Equity Shareholder will be solely responsible for its decision regarding its participation in this Offer.

4. Equity Shares, once tendered through the Form of Acceptance-cum-Acknowledgement in the Offer, cannot be withdrawn by the Equity Shareholders during the Tendering Period.

5. The Acquirer, the PACs and the Manager to the Offer do not accept any responsibility for statements made otherwise than in this Draft Letter of Offer or the Public Announcement or the DPS or in the post Offer advertisement or any corrigendum or any materials issued by or at the instance of the Acquirer, the PACs or the Manager to the Offer (except information pertaining to the Target Company) in relation to the Offer, and anyone placing reliance on any other source of information (not released by the Acquirer, the PACs, or the Manager to the Offer) would be doing so at his/her/their own risk.

6. NRI and OCB holders of the Equity Shares must obtain all approvals required to tender the Equity Shares held by them in this Offer (including without limitation the approval from the RBI) and submit such approvals along with the Form of Acceptance-cum-Acknowledgement and other documents required to accept this Offer. In the event such approvals are not submitted, the Acquirer and PACs reserve the right to reject such Equity Shares tendered in this Offer. Further, if holders of the Equity Shares who are not persons in India (including NRIs, OCBs, FIIs and FPIs) were required to obtain any approvals (including from the RBI or the FIPB or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals that they would have obtained for holding the Equity Shares, along with the other documents required to be tendered to accept this Offer. If such previous approvals and/or relevant documents are not submitted, the Acquirer and PACs reserve the right to reject such Equity Shares tendered in this Offer. If the Equity Shares are held under general permission of the RBI, the non-resident Equity Shareholder should state that the Equity Shares are held under general permission and clarify whether the Equity Shares are held on repatriable basis or non repatriable basis

7. This Draft Letter of Offer has not been filed, registered or approved in any jurisdiction outside India. Recipients of the Letter of Offer, resident in jurisdictions outside India should inform themselves of and observe any applicable legal

requirements. This Offer is not directed towards any person or entity in any jurisdiction or country where the same would be contrary to the applicable laws or regulations or would subject the Acquirer, the PACs or the Manager to the Offer to any new or additional registration requirements. This is not an offer for sale, or a solicitation of an offer to buy in the United States of America and cannot be accepted by any means or instrumentality from within the United States of America.

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

**B. Risk factors associated with the Acquirer and the PACs**

1. The Acquirer and the PACs make no assurance with respect to their investment and/or divestment decisions relating to their shareholding in the Target Company or with respect to the continuation of the past trend in the financial performance or the future performance of the Target Company nor do they make any assurance with respect to the market price of the Equity Shares before, during or upon the completion of this Offer.

2. Each of the Acquirer and the PACs disclaim any responsibility with respect to any decision by the Equity Shareholders on whether or not to participate in this Offer.

**CURRENCY OF PRESENTATION**

In this Draft Letter of Offer, all references to “Rs.”/“INR”/ ”₹” are to Indian Rupee(s), the official currency of India. Throughout this Draft Letter of Offer, all figures have been expressed in “million, thousand or lakh” unless otherwise specifically stated. In this Draft Letter of Offer, any discrepancy in any table between the total and sums of the amount listed are due to rounding off and/or regrouping.

All financial data presented in USD in this Draft Letter of Offer have been converted into INR for the purpose of convenience. The conversion has been assumed at the rate as identified along with such financial information in this Draft Letter of Offer.

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## DEFINITIONS/ABBREVIATIONS

| S No. | Particulars | Details / Definition |
|---|---|---|
| 1. | Acquirer | Aravali Investment Holdings, having its registered office at IFS Court, Bank Street, TwentyEight, Cybercity, Ebene 72201, Mauritius. |
| 2. | Beneficial Owner | Beneficial owners of the Equity Shares, whose names appeared as beneficiaries on the records of their respective DP at the close of business hours on the Identified Date or at any time before the closure of the Tendering Period |
| 3. | BSE | BSE Limited |
| 4. | CDSL | Central Depository Services (India) Limited |
| 5. | Companies Act | Companies Act, 2013, and/or the Companies Act, 1956 (to the extent applicable and not repealed) |
| 6. | DPS/Detailed Public Statement | The Detailed Public Statement dated April 20, 2016, issued by the Manager to the Offer, on behalf of the Acquirer and the PACs and published in the newspapers on April 21, 2016 together with the corrigendum dated April 26, 2016, to the Detailed Public Statement, published on April 27, 2016 in the same newspapers as the Detailed Public Statement |
| 7. | DP | Depository Participant |
| 8. | Draft Letter of Offer | This draft letter of offer dated April 27, 2016 |
| 9. | DTAA | Double Taxation Avoidance Agreement |
| 10. | EBITDA | Earnings Before Interest, Tax and Depreciation |
| 11. | Emerging Voting Capital | Total emerging equity share capital of the Target Company, assuming exercise of 40,000 outstanding employee stock options of the Target Company that have vested or may vest on or prior to the 10th (tenth) Working Day from the closure of the Tendering Period, and includes any potential increases to the number of outstanding Equity Shares during the Offer Period |
| 12. | EPS | Earnings per share, for the period under reference and annualized |
| 13. | Equity Shareholders | The equity shareholders of the Target Company, other than the Acquirer and the PACs |
| 14. | Equity Shares | Fully paid up equity shares of the Target Company having a face value of Rs. 10 (Ten) each |
| 15. | Escrow Agent / Escrow Bank | IndusInd Bank Limited, a banking corporation incorporated under the Companies Act and acting through its branch at IndusInd Bank Limited, IndusInd House, 425, Dadasaheb Bhadkamka Marg, Mumbai - 400 004, India |
| 16. | Escrow Account | The cash escrow account opened with IndusInd Bank Limited in the name and style of "Aravali Investment Holdings Open Offer Escrow A/C" bearing account number 250031072012 |
| 17. | Escrow Agreement | Escrow agreement entered into between the Acquirer, IndusInd Bank Limited and the Manager to the Offer dated April 12, 2016. |
| 18. | FII | Foreign Institutional Investors as defined under the SEBI (Foreign Portfolio Investors) Regulations, 2014 , and subsequent amendments thereof |
| 19. | FPI(s) | Foreign portfolio investors, as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, including FIIs and QFIs, which are deemed to be foreign portfolio investors. |
| 20. | FIPB | Foreign Investment Promotion Board |
| 21. | Form of Acceptance-cum-Acknowledgment | The form of acceptance-cum-acknowledgement, which will be a part of the Letter of Offer |
| 22. | FY | Financial year |
| 23. | Identified Date | Friday, May 20, 2016, i.e. the date falling on the 10th (tenth) Working Day prior to the commencement of Tendering Period, for the purposes of determining the Equity Shareholders to whom the Letter of Offer shall be sent. |
| 24. | Income Tax Act | The Income Tax Act, 1961, as amended from time to time |
| 25. | Letter of Offer/LOF | The Letter of Offer, duly incorporating SEBI's comments on the Draft Letter of Offer, including the Form of Acceptance-cum-Acknowledgement |
| 26. | Listing Agreement | Equity Listing Agreement with each of the stock exchanges in India, as amended from time to time |
| 27. | Listing Regulations | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 |

| | | |
|---|---|---|
| 28. | Merchant Banker/ Manager to the Offer/I-Sec | ICICI Securities Limited having its registered office at ICICI Centre, H.T. Parekh Marg, Churchgate, Mumbai 400 020, India |
| 29. | Maximum Consideration | Rs. 344,63,03,520 (Rupees Three Hundred and Forty Four Crores, Sixty Three Lakhs, Three Thousand, Five Hundred and Twenty only) |
| 30. | NEFT | National Electronic Funds Transfer |
| 31. | NSDL | National Securities Depository Limited |
| 32. | NRIs | Non Resident Indians and persons of Indian origin residing abroad |
| 33. | OCBs | Overseas Corporate Body, as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, and subsequent amendments thereof |
| 34. | Offer/Open Offer | Open offer made by the Acquirer along with the PACs to the Equity Shareholders of the Target Company, to acquire up to 26,10,836 Equity Shares at a price of Rs. 1,320/- (Rupees One Thousand Three Hundred and Twenty only) per Equity Share |
| 35. | Offer Opening Public Announcement | The announcement of the commencement of the Tendering Period to be made at least one Working Day prior to the commencement of Tendering Period. |
| 36. | Offer Period | Period commencing from April 11, 2016 (the date of the Public Announcement) till the date on which the payment of consideration to the Equity Shareholders who have accepted the Offer is made, or the date on which Offer is withdrawn, as the case may be. |
| 37. | Offer Size | 26,10,836 Equity Shares, representing 26% (Twenty Six percent) of the Emerging Voting Capital. |
| 38. | Offer Price | Rs. 1,320/- (Rupees One Thousand Three Hundred and Twenty only) per Equity Share |
| 39. | PA/Public Announcement | Public Announcement dated April 11, 2016 in relation to the Offer |
| 40. | PACs | PAC 1 and PAC 2, collectively |
| 41. | PAC 1 | Jwalamukhi Investment Holdings having its registered office at IFS Court, Bank Street, TwentyEight, Cybercity, Ebene 72201, Mauritius |
| 42. | PAC 2 | WestBridge Crossover Fund, LLC, having its registered office at IFS Court, Bank Street, TwentyEight, Cybercity, Ebene 72201, Mauritius |
| 43. | PAN | Permanent Account Number |
| 44. | RBI | Reserve Bank of India |
| 45. | Registrar to the Offer | Link Intime India Private Limited having its address at C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (W) Mumbai 400078 |
| 46. | SEBI (SAST) Regulations | SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 2011, and subsequent amendments thereof |
| 47. | SEBI | Securities and Exchange Board of India |
| 48. | SEBI Act | SEBI Act, 1992, and subsequent amendments thereof |
| 49. | Special Depository Account | The special depository escrow account titled “LIIPL DFM FOODS OPEN OFFER ESCROW DEMAT ACCOUNT” opened pursuant to the Offer with Ventura Securities Limited for receiving Equity Shares tendered pursuant to the Offer |
| 50. | Target Company | DFM Foods Limited, a public limited company incorporated under the Companies Act having its registered office at 8377, Roshanara Road , Delhi – 110007 |
| 51. | Tendering Period | Period commencing from Friday, June 03, 2016 and closing on Thursday, June 16, 2016 (both days inclusive) |
| 52. | Working Day | Working days of SEBI as defined in the SEBI (SAST) Regulations, in Mumbai |

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

## 1 DISCLAIMER CLAUSE

**"IT IS TO BE DISTINCTLY UNDERSTOOD THAT 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 REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF THE TARGET COMPANY TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF THE ACQUIRER, PACs OR THE TARGET COMPANY WHOSE SHARESARE PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER (MANAGER) TO THE OFFER, ICICI SECURITIES LIMITED, HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED APRIL 27, 2016 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER."**

## 2 DETAILS OF THIS OFFER

### 2.1 Background of this Offer:

2.1.1 This Offer is being made by the Acquirer and the PACs to the Equity Shareholders for acquisition of up to 26% (Twenty Six percent) of the Emerging Voting Capital of the Target Company, under Regulation 3(1) of the SEBI (SAST) Regulations. This is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations. .

2.1.2 As of the date of this Draft Letter of Offer, PAC 1 holds 9.95% and PAC 2 holds 14.95 % of the outstanding equity share capital of the Target Company. The directors of the Acquirer, PAC 1 and PAC 2 do not hold any Equity Shares.

2.1.3 This Offer is being made pursuant to the intention of the Acquirer and PACs to increase their shareholding in the Target Company through the Offer, for the purposes of investment and consolidation of their holdings in the Target Company, held through the Acquirer and the PACs. There is no acquisition of Equity Shares which has triggered this Offer. This Offer does not involve any acquisition of control over the Target Company by the Acquirer and/or the PACs or any change in control of the Target Company. There will be no change in the promoters of the Target Company.

2.1.4 The Acquirer and the PACs have not entered into and do not have any agreements or arrangements with the Target Company or the promoters of the Target Company in relation to the Offer.

2.1.5 All the Equity Shares validly tendered and accepted in this Offer in accordance with the terms and conditions contained in the PA, DPS, corrigendum to the DPS, Draft Letter of Offer and the Letter of Offer, will be acquired by the Acquirer. PAC 1 and PAC 2 do not intend to acquire any Equity Shares being tendered in this Offer. In case the number of Equity Shares tendered by the Equity Shareholders is more than the Offer Size, the Acquirer and the PACs shall accept the Equity Shares received on a proportionate basis in consultation with the Manager to the Offer, in accordance with the SEBI (SAST) Regulations and subject to other applicable laws.

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

2.1.7 The Acquirer and PACs do not intend to appoint any additional directors on the board of directors of the Target Company after the Offer.

2.1.8 As per Regulation 26(6) of the SEBI (SAST) Regulations, the board of directors is required to constitute a committee of independent directors to provide their written reasoned recommendation on the Offer to the Equity Shareholders 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 related to the Offer was published in compliance with Regulation 26(7) of the SEBI (SAST) Regulations.

### 2.2 Details of the Offer

2.2.1 The DPS was published on April 21, 2016 and the corrigendum dated April 26, 2016 to the DPS was published on April 27, 2016 in the following newspapers:

| Newspaper | Language | Editions |
|---|---|---|
| Financial Express | English | All Editions |
| Jansatta | Hindi | All Editions |
| Navshakti | Marathi | Mumbai |

The Public Announcement and the Detailed Public Statement are also available at SEBI's website: www.sebi.gov.in

2.2.2 Pursuant to the Offer, the Acquirer will acquire up to 26,10,836 Equity Shares constituting 26% (Twenty Six percent) of the Emerging Voting Capital at an Offer Price of Rs. 1,320 (Rupees One Thousand Three Hundred and Twenty Only) per Equity Share, free from all lien, charges and encumbrances and together with the rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof, for cash to be paid in accordance with the SEBI (SAST) Regulations.

2.2.3 The Emerging Voting Capital has been calculated assuming full exercise of 40,000 outstanding employee stock options and includes any potential increases to the number of outstanding equity shares during the Offer Period.

2.2.4 There are no partly paid up Equity Shares in the share capital of the Target Company.

2.2.5 There is no differential pricing for this Offer.

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

2.2.7 This Offer is not subject to any minimum level of acceptance in terms of Regulation 19 of the SEBI (SAST) Regulations. All Equity Shares validly tendered by the Equity Shareholders will be accepted at the Offer Price in accordance with the terms and conditions contained in the Letter of Offer. The Equity Shares to be acquired under the Offer must be free from all liens, charges and encumbrances, and will be acquired together with all rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof.

2.2.8 The Acquirer and PACs have not acquired any Equity Shares between the date of the PA, being April 11, 2016 and the date of this Draft Letter of Offer.

2.2.9 As on the date of this Draft Letter of Offer, there has been no competing offer to this Offer.

2.2.10 The Equity Shares are listed on BSE.

### 2.3 Object of the acquisition / Offer

2.3.1 The Offer to the Equity Shareholders is being made pursuant to Regulation 3(1) of the SEBI (SAST) Regulations involving substantial acquisition of Equity Shares of the Target Company. The Acquirer and the PACs do not intend to control the management of the Target Company or induct additional directors representing the Acquirer and/or the PACs on the board of the Target Company. There will be no change in the promoters or control of the Target Company.

2.3.2 The Acquirer and PACs propose to increase their shareholding in the Target Company through the Offer, for the purposes of investment and consolidation of their holdings in the Target Company, held through the Acquirer and the PACs. In terms of Regulation 25(2) of the SEBI (SAST) Regulations, the Acquirer, PAC 1 and PAC 2 do not currently have any intention to alienate, restructure, dispose of or otherwise encumber any assets of the Target Company or any of its subsidiaries in the succeeding two years from the completion of this Offer, except in the ordinary course of business and other than as already agreed, disclosed and / or publicly announced by the Target Company. Notwithstanding anything contained herein and except with the prior approval of the shareholders of the Target Company through a special resolution, passed by way of postal ballot, the Acquirer, PAC 1 and PAC 2 undertake that they will not restructure, sell, lease, dispose of or otherwise encumber any substantial assets of the Target Company or any of its subsidiaries other than in the ordinary course of business.

2.3.3 The Acquirer and the PACs are financial investors and do not intend to acquire control of the Target Company and / or appoint any additional directors on the board of directors of the Target Company. The Target Company will continue its business operations under its present management and the acquisition of Equity Shares by the Acquirer under the Offer will not have any repercussions on the employment and Target Company's place of business.

## 3 BACKGROUND OF THE ACQUIRER AND PACs

### 3.1 Aravali Investment Holdings (Acquirer)

3.1.1 The Acquirer, Aravali Investment Holdings, is a private company limited by shares, incorporated on July 31, 2012 under the laws of Republic of Mauritius, pursuant to the (Mauritius) Companies Act, 2001 and the subsequent amendments and re-enactment thereto. The Acquirer holds a Category 1 Global Business License issued by the Financial Services Commission, Mauritius ("**FSC**"). The Acquirer was incorporated as Aravali Investment Holdings and the name of the Acquirer has not been changed since incorporation.

3.1.2 The registered office of the Acquirer is located at IFS Court, Bank Street, TwentyEight, Cybercity, Ebene 72201, Mauritius. (+230 467 3000, Fax: +230 467 4000, E mail: wbcrossover@ifsmauritius.com).

3.1.3 The Acquirer is a financial investor and belongs to the WestBridge Capital group. The Acquirer is a wholly owned subsidiary of PAC 2. PAC 2 holds 56,677 equity shares comprising 100% of the equity share capital of the Acquirer.

3.1.4 The Acquirer was established for the purpose of making and holding investments in high quality and fast growing companies in India, and has been registered as an investment holding company with the FSC. The Acquirer is engaged in the business of making and holding investments in companies in India.

3.1.5 As of the date of this Draft Letter of Offer, the Acquirer holds no Equity Shares. Hence, the provisions with regard to disclosures under Chapter II of the erstwhile SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and the provisions of Chapter V of the SEBI (SAST) Regulations will not be applicable:

| Details | Acquirer - Aravali Investment Holdings | |
|---|---|---|
| | Number of Shares | % of Emerging Voting Capital |
| Shareholding as on the Public Announcement date | Nil | Nil |
| Shares acquired between the Public Announcement date and the DPS date | Nil | Nil |
| Post Offer Shareholding on diluted basis as on 10th Working Day after closing of the tendering period. (assuming full acceptance) | 26,10,836 | 26.00% |

3.1.6 The details of the directors of the Acquirer as on the date of this Draft Letter of Offer are as follows and none of them are on the board of directors of the Target Company.

| Name | Director Identification Number (If applicable) | Date of appointment | Qualifications | Experience |
|---|---|---|---|---|
| Mr. Peter Wendell | Not applicable | July 31, 2012 | Mr. Peter Wendell holds a MBA from Harvard Business School and an AB Degree from Princeton University | Mr. Wendell currently serves as a Charter Trustee of Princeton University, as Officer of the Princeton University Board and as Chair on the Board of the Princeton University Investment Company<br><br>Mr. Wendell worked for IBM for 10 years in a series of sales and executive management positions. He also founded Sierra Ventures in 1982. |
| Mr. Muralidhar Madhav Shenoy | 00557125 | May 15, 2014 | Mr. Shenoy holds a Bachelor of Commerce degree from the University of Mumbai and a Masters in Financial Services Management degree from the University of Mumbai | Mr. Shenoy is the director of operations of WestBridge Capital Partners, LLC since September 2012. Mr. Shenoy was previously employed at Sandstone Capital, an India focused hedge fund, for over seven years.<br><br>Prior to joining Sandstone, Mr. Shenoy had developed substantial capital markets experience at Citibank, Deutsche Bank and ICICI Securities Limited. |
| Ms. Jamiilah Bibi Faatimah Khodadeen | Not applicable | February 15, 2016 | Ms. Khodadeen is a member of the Association of Chartered Certified Accountants (ACCA) UK and holds a Bachelor of Science in Accounting with Finance (University of Mauritius) | Ms. Khodadeen has been with International Financial Services Limited for over seven years and has developed in-depth knowledge of the financial services sector coupled with practical know-how on the operations, regulatory and compliance aspects for global business entities. She heads a team of four persons and oversees a diversified portfolio comprising of a mix of investment holding companies, investment managers and closed-end funds. Ms. Khodadeen has also been involved in fund structuring and set-ups and has been exposed to the main areas of the industry including legal, tax, accounting, administration and corporate secretarial. |

3.1.7 The brief financial information of the Acquirer, as derived from its audited financial statements as at and for the year ended December 31, 2015, December 31, 2014 and December 31, 2013, are as follows:

| Particulars | | | | | | |
|---|---|---|---|---|---|---|
| | Year ended 31 Dec 2015 | Year ended 31 Dec 2015 | Year ended 31 Dec 2014 | Year ended 31 Dec 2014 | Year ended 31 Dec 2013 | Year ended 31 Dec 2013 |
| | USD | INR | USD | INR | USD | INR |

| Profit & Loss Statement | | | | | | |
|---|---|---|---|---|---|---|
| Income from Operations | - | - | - | - | - | - |
| Other Income | - | - | - | - | - | - |
| Total Income | - | - | - | - | - | - |
| Net realised gain/(loss) on investments | - | - | - | - | - | - |
| Net unrealized gain/(loss) on investments and foreign currency translation | - | - | - | - | - | - |
| Total Expenditure | 22,697 | 1,508,665 | 12,821 | 852,209 | 25,992 | 1,727,683 |
| **Profit/(Loss) Before Depreciation Interest and Tax** | **-22,697** | **-1,508,665** | **-12,821** | **-852,209** | **-25,992** | **-1,727,683** |
| Depreciation and Amortization | - | - | - | - | - | - |
| Interest Expense/(Income) | - | - | - | - | - | - |
| Profit/(Loss) Before Tax | -22,697 | -1,508,665 | -12,821 | -852,209 | -25,992 | -1,727,683 |
| Provision for Taxation | - | - | - | - | - | - |
| Profit After Tax (Before Minority Interest) | -22,697 | -1,508,665 | -12,821 | -852,209 | -25,992 | -1,727,683 |
| Minority Interest | - | - | - | - | - | - |
| Profit/(Loss) After Tax (After Minority Interest) | -22,697 | -1,508,665 | -12,821 | -852,209 | -25,992 | -1,727,683 |
| **Balance Sheet Statement** | | | | | | |
| Sources of Funds | 56,677 | 3,767,309 | 36,677 | 2,437,913 | 1 | 66 |
| Paid Up Share Capital (including Equity and Preference Share Capital) | - | - | - | - | - | - |
| Additional Paid-in capital | - | - | - | - | - | - |
| Reserves and Surplus | -61,510 | -4,088,557 | -38,813 | -2,579,892 | -25,992 | -1,727,683 |
| Net worth | -4,833 | -321,249 | -2,136 | -141,979 | -25,991 | -1,727,617 |
| Minority Interest | - | - | - | - | - | - |
| Secured Loans | - | - | - | - | - | - |
| Unsecured Loans | - | - | - | - | - | - |
| Long-term Provisions | - | - | - | - | - | - |
| Other Non Current Liabilities | - | - | - | - | - | - |
| Deferred Tax Liabilities (Net) | - | - | - | - | - | - |
| Total | -4,833 | -321,249 | -2,136 | -141,979 | -25,991 | -1,727,617 |
| Uses of Funds | | | | | | |
| Net Fixed Assets | - | - | - | - | - | - |
| Investments | - | - | - | - | - | - |
| Long-term Loans and Advances | - | - | - | - | - | - |
| Other Non- Current Assets | - | - | - | - | - | - |
| Current Investments | - | - | - | - | - | - |
| Net Current Assets (Liabilities) | -4,833 | -321,249 | -2,136 | -141,979 | -25,991 | -1,727,617 |

| | | | | | | |
|---|---|---|---|---|---|---|
| Total miscellaneous expenditure not written off | - | - | - | - | - | - |
| **Total** | -4,833 | -321,249 | -2,136 | -141,979 | -25,991 | -1,727,617 |
| **Other Financial Data** | | | | | | |
| Dividend (%) | - | - | - | - | - | - |
| Earnings Per Share# | -0.40 | -26.62 | -0.35 | -23.24 | -25,992.00 | -1,727,683.04 |

*Note: Since the financials of the Acquirer are presented in USD, conversion of such financials into Indian Rupees has been adopted. The USD to INR conversion has been assumed at the rate of 1 USD = Rs. 66.4698 as on April 7, 2016 (i.e. 1 (One)) Working Day prior to the date of the Public Announcement) (Source: www.rbi.org.in)*
*# Earnings per Share has been calculated using the following formula: Earnings per Share = (Net Income or Loss) / (Number of shares outstanding)*

3.1.8 There were no major contingent liabilities as on the date of the last audited financials.

3.1.9 The equity shares of the Acquirer are not listed on any stock exchange in India and/or abroad.

3.2 **Jwalamukhi Investment Holdings (PAC 1)**

3.2.1 PAC 1 i.e. Jwalamukhi Investment Holdings is a private company limited by shares, incorporated on July 12, 2011 under the laws of Republic of Mauritius and holds a Category 1 Global Business License issued by the FSC. Jwalamukhi Investment Holdings was incorporated as Jwalamukhi Investment Holdings and there has been no change in the name of PAC 1 since its incorporation. PAC 1 is a Foreign Portfolio Investor registered with SEBI (Registration No.: INMUFP212715).

3.2.2 The registered office of PAC 1 is located at IFS Court, Bank Street, TwentyEight, Cybercity, Ebene 72201, Mauritius. (Tel: +230 467 3000, Fax: +230 467 4000, E mail: wbcrossover@ifsmauritius.com).

3.2.3 PAC 1 is a financial investor and belongs to the WestBridge Capital group.

3.2.4 PAC 1 is engaged in the business of making and holding investments in companies in India.

3.2.5 PAC 1 is wholly owned subsidiary of PAC 2. PAC 2 holds 10,000 equity shares comprising 100% of the equity share capital of PAC 1.

3.2.6 PAC 1 holds 9,95,166 (Nine lakhs ninety five thousand one hundred and sixty six only) Equity Shares in the Target Company constituting 9.95 % (Nine point nine five percent) of the total paid up equity share capital of the Target Company and 9.91 % (Nine point nine one percent) of the Emerging Voting Capital.

3.2.7 PAC 1 has made all the applicable disclosures under the provisions of Chapter V of the SEBI (SAST) Regulations, within the time specified in the SEBI (SAST) Regulations with respect to the Equity Shares held by PAC 1 in the Target Company, as set out in paragraph 3.2.6 above and there has been no delay or non-compliance by PAC 1 in this regard.

3.2.8 The details of the directors of PAC 1 as on the date of this Draft Letter of Offer are as follows and none of them are on the board of directors of the Target Company:

| Name | Director Identification Number (if applicable) | Date of appointment | Qualification | Experience |
|---|---|---|---|---|
| Mr. Peter Wendell | Not applicable | July 12, 2011 | Mr. Peter Wendell holds a MBA from Harvard Business School and an AB Degree from Princeton University | Mr. Wendell currently serves as a Charter Trustee of Princeton University, as Officer of the Princeton University Board and as Chair on the Board of the Princeton University Investment Company<br><br>Mr. Wendell worked for IBM for 10 years in a series of sales and executive management positions. He also founded Sierra Ventures in 1982. |

| Name | Director Identification Number (if applicable) | Date of appointment | Qualification | Experience |
|---|---|---|---|---|
| Mr. Muralidhar Madhav Shenoy | 00557125 | May 15, 2014 | Mr. Shenoy holds a Bachelor of Commerce degree from the University of Mumbai and a Masters in Financial Services Management degree from the University of Mumbai | Mr. Shenoy is the director of operations of WestBridge Capital Partners, LLC since September 2012. Mr. Shenoy was previously employed at Sandstone Capital, an India focused hedge fund, for over seven years.<br><br>Prior to joining Sandstone, Mr. Shenoy had developed substantial capital markets experience at Citibank, Deutsche Bank and ICICI Securities Limited. |
| Ms. Jamiilah Bibi Faatimah Khodadeen | Not applicable | February 15, 2016 | Ms. Khodadeen is a member of the Association of Chartered Certified Accountants (ACCA) UK and holds a Bachelor of Science in Accounting with Finance (University of Mauritius) | Ms. Khodadeen has been with International Financial Services Limited for over seven years and has developed in-depth knowledge of the financial services sector coupled with practical know-how on the operations, regulatory and compliance aspects for global business entities. She heads a team of four persons and oversees a diversified portfolio comprising of a mix of investment holding companies, investment managers and closed-end funds. Ms. Khodadeen has also been involved in fund structuring and set-ups and has been exposed to the main areas of the industry including legal, tax, accounting, administration and corporate secretarial. |

3.2.9 Mr. Sandeep Singhal has been appointed on the board of directors of the Target Company as a nominee of PAC 1 and PAC 2. Mr. Sandeep Singhal has not participated and will not participate in any deliberations of the board of directors of the Target Company or vote on any matter in relation to the Offer, in his capacity as a non-executive director on the board of directors of the Target Company in accordance with Regulation 24(4) of the SEBI (SAST) Regulations.

3.2.10 The brief financial information of PAC 1, as derived from its audited financial statements as at and for the year ended December 31, 2015, December 31, 2014 and December 31, 2013, are as follows:

*(All figures except earnings per share are in million)*

| Particulars | Year ended 31 Dec 2015 | Year ended 31 Dec 2015 | Year ended 31 Dec 2014 | Year ended 31 Dec 2014 | Year ended 31 Dec 2013 | Year ended 31 Dec 2013 |
|---|---|---|---|---|---|---|
| | **USD** | **INR** | **USD** | **INR** | **USD** | **INR** |
| **Profit & Loss Statement** | | | | | | |
| Income from Operations | 2.58 | 171.38 | 2.89 | 191.77 | 5.00 | 332.23 |
| Other Income | - | - | - | - | - | - |
| **Total Income** | **2.58** | **171.38** | **2.89** | **191.77** | **5.00** | **332.23** |
| Net realised gain/(loss) on investments | 77.76 | 5,168.76 | 51.58 | 3,428.84 | -18.95 | -1,259.70 |
| Net unrealized gain/(loss) on investments and foreign currency translation and foreign currency translation | -37.50 | -2,492.39 | 190.86 | 12,686.12 | 15.75 | 1,046.74 |
| Total Expenditure | 0.25 | 16.29 | 0.65 | 43.15 | 0.28 | 18.72 |
| **Profit/(Loss) Before Depreciation Interest and Tax** | **42.60** | **2,831.47** | **244.68** | **16,263.57** | **1.51** | **100.55** |
| Depreciation and Amortization | - | - | - | - | - | - |
| Interest Expense/(Income) | - | - | - | - | - | - |
| Profit/(Loss) Before Tax | 42.60 | 2,831.47 | 244.68 | 16,263.57 | 1.51 | 100.55 |

| | | | | | | |
|---|---|---|---|---|---|---|
| Provision for Taxation | 0.07 | 4.39 | 0.08 | 5.18 | 0.11 | 7.38 |
| Profit After Tax (Before Minority | 42.53 | 2,827.08 | 244.60 | 16,258.39 | 1.40 | 93.16 |
| Minority Interest | - | - | - | - | - | - |
| Profit/(Loss) After Tax (After Minority Interest) | 42.53 | 2,827.08 | 244.60 | 16,258.39 | 1.40 | 93.16 |
| **Balance Sheet Statement** | | | | | | |
| Sources of Funds | | | | | | |
| Paid Up Share Capital (including Equity and Preference Share Capital) | 0.01 | 0.66 | 218.20 | 14,503.99 | 195.45 | 12,991.81 |
| Additional paid-in capital | 165.34 | 10,990.40 | - | - | - | - |
| Share Application Money | 0.16 | 10.30 | 5.11 | 339.33 | 23.51 | 1,562.70 |
| Reserves and Surplus | 308.57 | 20,510.43 | 266.04 | 17,683.35 | 31.44 | 2,089.66 |
| Net worth | 474.08 | 31,511.80 | 489.35 | 32,526.67 | 250.40 | 16,644.17 |
| Minority Interest | - | - | - | - | - | - |
| Secured Loans | - | - | - | - | - | - |
| Unsecured Loans | - | - | - | - | - | - |
| Long-term Provisions | - | - | - | - | - | - |
| Other Non Current Liabilities | - | - | - | - | - | - |
| Deferred Tax Liabilities (Net) | - | - | - | - | - | - |
| Total | 474.08 | 31,511.80 | 489.35 | 32,526.67 | 250.40 | 16,644.17 |
| **Uses of Funds** | | | | | | |
| Net Fixed Assets | - | - | - | - | - | - |
| Investments | 429.74 | 28,564.61 | 442.29 | 29,398.99 | 245.73 | 16,333.45 |
| Long-term Loans and Advances | - | - | - | - | - | - |
| Other Non- Current Assets | - | - | - | - | - | - |
| Current Investments | - | - | - | - | - | - |
| Net Current Assets (Liabilities) | 44.34 | 2,947.19 | 47.05 | 3,127.68 | 4.67 | 310.72 |
| Total miscellaneous expenditure not written off | - | - | - | - | - | - |
| **Total** | 474.08 | 31,511.80 | 489.35 | 32,526.67 | 250.40 | 16,644.17 |
| **Other Financial Data** | | | | | | |
| Dividend (%) | - | - | - | - | - | - |
| Earnings Per Share# | 4,253.17 | 282,707.67 | 1.12 | 74.51 | 0.01 | 0.48 |

*Note: Since the financials of PAC 1 are presented in USD, conversion of such financials into Indian Rupees has been adopted. The USD to INR conversion has been assumed at the rate of 1 USD = Rs. 66.4698 as on April 7, 2016 (i.e. 1 (One)) Working Day prior to the date of the Public Announcement) (Source: www.rbi.org.in)*

*# Earnings per Share has been calculated using the following formula: Earnings per Share = (Net Income or Loss) / (Number of shares outstanding)*

3.2.11 There were no major contingent liabilities as on the date of the last audited financials.

3.2.12 The shares of PAC 1 are not listed on any stock exchange in India and/or abroad.

3.3 **WestBridge Crossover Fund, LLC. (PAC 2)**

3.3.1 PAC 2, WestBridge Crossover Fund, LLC, is a private company limited by shares, incorporated on November 12, 2014 under the laws of Republic of Mauritius, pursuant to the (Mauritius) Companies Act, 2001 and the subsequent amendments and re-enactment thereto. PAC 2 holds a Category 1 Global Business License issued by the Financial Services Commission, Mauritius ("**FSC**"). PAC 2 was incorporated as WestBridge Crossover Fund, LLC and the name of PAC 2 has not been changed since incorporation.

3.3.2 The registered office of PAC 2 is located at IFS Court, Bank Street, TwentyEight, Cybercity, Ebene 72201, Mauritius. (+230 467 3000, Fax: +230 467 4000, E mail: wbcrossover@ifsmauritius.com).

3.3.3 PAC 2 is a financial investor and belongs to the WestBridge Capital group.

3.3.4 PAC 2 is controlled by its Board of Directors and is managed by its investment manager, WestBridge Capital Partners, LLC, a FPI registered with SEBI (Registration No. INMUFP211915).

3.3.5 PAC 2 is a closed end fund, the primary activity of which is to make investments in high growth public companies with limited liquidity and private companies in India or companies which have a significant nexus, or linkages with India and South Asia.

3.3.6 As of the date of this Draft Letter of Offer PAC 2 holds 14,95,251 Equity Shares constituting 14.95 % of the equity share capital of the Target Company and 14.89% of the Emerging Voting Capital.

3.3.7 PAC 2 has made all the applicable disclosures under Chapter V of the SEBI (SAST) Regulations, within the time specified in the SEBI (SAST) Regulations with respect to the Equity Shares held by PAC 2 in the Target Company, as set out in paragraph 3.3.6 above and there has been no delay or non-compliance by PAC 2 in this regard.

3.3.8 The paid-up capital of PAC 2 as on December 31, 2015 is USD 820,733.64 divided into 475,732,639 Class A Tranche I Shares, 319,000,000 Class A Tranche II Shares, 1,000 Class B Manager Shares, 20,000,000 Class C Tranche I Shares and 6,000,000 Class C Tranche II Shares of USD 0.001 each. The investors in PAC 2 include universities, charitable foundations and endowments, corporate bodies and state pension funds. PAC 2 is managed by its investment manager, WestBridge Capital Partners, LLC, a Foreign Portfolio Investor registered with SEBI (Registration No. INMUFP211915).The investors of PAC 2 can be broadly classified as follows:

| No. | Investor Category | Percentage of holding in PAC2 |
|---|---|---|
| 1. | Universities | 32.7 % |
| 2. | Endowments / Foundations | 20.6 % |
| 3. | Corporate Bodies | 43.7 % |
| 4. | Pension Funds | 3.0 % |

3.3.9 The geographical spread of the investors in PAC 2 is as follows:

| No. | Geographical Area | Percentage of investors of PAC 2 |
|---|---|---|
| 1. | United States | 63.99 % |
| 2. | Europe | 9.33 % |
| 3. | Mauritius | 7.33 % |
| 4. | Others | 19.35 % |

3.3.10 The details of the directors of PAC 2 as on the date of this Draft Letter of Offer are as follows and none of them are on the board of directors of the Target Company.

| Name | Director Identification Number (if applicable) | Date of appointment | Qualification | Experience |
|---|---|---|---|---|
| Mr. Peter Wendell | Not applicable | July 8, 2011 | Mr. Peter Wendell holds a MBA from Harvard Business School and an AB Degree from Princeton University. | Mr. Wendell currently serves as a Charter Trustee of Princeton University, as Officer of the Princeton University Board and as Chair on the Board of the Princeton University Investment Company.<br><br>Mr. Wendell worked for IBM for 10 years in a series of sales and executive management positions. He also founded Sierra Ventures in 1982. |

| Name | Director Identification Number (if applicable) | Date of appointment | Qualification | Experience |
|---|---|---|---|---|
| Mr. Muralidhar Madhav Shenoy | 00557125 | May 15, 2014 | Mr. Shenoy holds a Bachelor of Commerce degree from the University of Mumbai and a Masters in Financial Services Management degree from the University of Mumbai. | Mr. Shenoy is the director of operations of WestBridge Capital Partners, LLC since September 2012. Mr. Shenoy was previously employed at Sandstone Capital, an India focused hedge fund, for over seven years.<br><br>Prior to joining Sandstone, Mr. Shenoy had developed substantial capital markets experience at Citibank, Deutsche Bank and ICICI Securities Limited. |
| Ms. Jamiilah Bibi Faatimah Khodadeen | Not applicable | February 15, 2016 | Ms. Khodadeen is a member of the Association of Chartered Certified Accountants (ACCA) UK and holds a Bachelor of Science in Accounting with Finance (University of Mauritius). | Ms. Khodadeen has been with International Financial Services Limited for over seven years and has developed in-depth knowledge of the financial services sector coupled with practical know-how on the operations, regulatory and compliance aspects for global business entities. She heads a team of four persons and oversees a diversified portfolio comprising of a mix of investment holding companies, investment managers and closed-end funds. Ms. Khodadeen has also been involved in fund structuring and set-ups and has been exposed to the main areas of the industry including legal, tax, accounting, administration and corporate secretarial. |

3.3.11 Mr. Sandeep Singhal, has been appointed on the board of directors of the Target Company as a nominee of PAC 1 and PAC 2. Mr. Sandeep Singhal has not participated and will not participate in any deliberations of the board of directors of the Target Company or vote on any matter in relation to the Offer, in his capacity as a non-executive director on the board of directors of the Target Company in accordance with Regulation 24(4) of the SEBI (SAST) Regulations.

3.3.12 The brief consolidated financial information of PAC 2, as derived from its audited consolidated financial statements as at and for the year ended December 31, 2015, December 31, 2014 and December 31, 2013 are as follows:

*(All figures except earnings per share are in million)*

| Particulars | Year ended 31 Dec 2015 | Year ended 31 Dec 2015 | Year ended 31 Dec 2014 | Year ended 31 Dec 2014 | Year ended 31 Dec 2013 | Year ended 31 Dec 2013 |
|---|---|---|---|---|---|---|
| | **USD** | **INR** | **USD** | **INR** | **USD** | **INR** |
| **Profit & Loss Statement** | | | | | | |
| Income from Operations | 5.16 | 342.82 | 3.97 | 263.72 | 5.38 | 357.91 |
| Other Income | - | - | - | - | - | - |
| Total Income | **5.16** | **342.82** | **3.97** | **263.72** | **5.38** | **357.91** |
| Net realised gain/(loss) on investments | 102.01 | 6,780.38 | 72.24 | 4,801.77 | -17.78 | -1,181.81 |
| Net unrealized gain/(loss) on | 113.27 | 7,529.35 | 283.92 | 18,872.25 | 44.67 | 2,969.01 |
| Total Expenditure | 16.13 | 1,072.25 | 10.77 | 715.85 | 7.90 | 524.91 |
| Profit/(Loss) Before Depreciation Interest and Tax | **204.31** | **13,580.30** | **349.36** | **23,221.88** | **24.37** | **1,620.19** |
| Depreciation and Amortization | - | - | - | - | - | - |
| Interest Expense/(Income) | - | - | - | - | - | - |
| Profit/(Loss) Before Tax | 204.31 | 13,580.30 | 349.36 | 23,221.88 | 24.37 | 1,620.19 |
| Provision for Taxation | 0.07 | 4.39 | 0.08 | 5.18 | 0.11 | 7.38 |
| Profit After Tax (Before Minority | 204.24 | 13,575.91 | 349.28 | 23,216.70 | 24.26 | 1,612.81 |

| | | | | | | |
|---|---|---|---|---|---|---|
| Minority Interest | - | - | - | - | - | - |
| Profit/(Loss) After Tax (After Minority Interest) | 204.24 | 13,575.91 | 349.28 | 23,216.70 | 24.26 | 1,612.81 |
| **Balance Sheet Statement** | | | | | | |
| Sources of Funds | | | | | | |
| Paid Up Share Capital (including Equity and Preference Share Capital) | 0.82 | 54.55 | 0.50 | 33.23 | 0.50 | 33.23 |
| Additional paid-in capital | 610.11 | 40,554.13 | 475.45 | 31,602.76 | 396.24 | 26,338.08 |
| Share Application Money | | | | | | |
| Reserves and Surplus | 589.66 | 39,194.25 | 395.24 | 26,271.23 | 45.95 | 3,054.53 |
| Net worth | - | - | - | - | - | - |
| Minority Interest | - | - | - | - | - | - |
| Secured Loans | - | - | - | - | - | - |
| Unsecured Loans | - | - | - | - | - | - |
| Long-term Provisions | - | - | - | - | - | - |
| Other Non Current Liabilities | - | - | - | - | - | - |
| Deferred Tax Liabilities (Net) | - | - | - | - | - | - |
| Total | 1,200.59 | 79,802.94 | 871.18 | 57,907.22 | 442.70 | 29,425.85 |
| **Uses of Funds** | | | | | | |
| Net Fixed Assets | - | - | - | - | - | - |
| Investments | 1,037.29 | 68,948.35 | 792.88 | 52,702.69 | 387.56 | 25,761.15 |
| Long-term Loans and Advances | - | - | - | - | - | - |
| Other Non- Current Assets | - | - | - | - | - | - |
| Current Investments | - | - | - | - | - | - |
| Net Current Assets (Liabilities) | 163.30 | 10,854.59 | 78.30 | 5,204.53 | 55.13 | 3,664.70 |
| Total miscellaneous expenditure not written off | - | - | - | - | - | - |
| **Total** | 1,200.59 | 79,802.94 | 871.18 | 57,907.22 | 442.70 | 29,425.85 |
| **Other Financial Data** | | | | | | |
| Dividend (%) | - | - | - | - | - | - |
| Earnings Per Share | 0.25 | 16.54 | 0.70 | 46.43 | 0.05 | 3.23 |

*Note: Since the financials of PAC 2 are presented in USD, conversion of such financials into Indian Rupees has been adopted. The USD to INR conversion has been assumed at the rate of 1 USD = Rs. 66.4698 as on April 7, 2016 (i.e. 1 (One)) Working Day prior to the date of the Public Announcement) (Source: www.rbi.org.in)*
*# Earnings per Share has been calculated using the following formula:*
*Earnings per Share = (Net Income or Loss) / (Number of shares outstanding)*

3.3.13 There were no major contingent liabilities as on the date of the last audited financials.

3.3.14 The equity shares of PAC 2 are not listed on any stock exchange in India and/or abroad.

## 4 BACKGROUND OF THE TARGET COMPANY

4.1 DFM Foods Limited was incorporated on March 17, 1993 under the Companies Act, 1956 in India. The name of the Target Company has not been changed since its incorporation.

4.2 The registered office of the Target Company is situated at 8377, Roshanara Road Delhi - 110 007. (Tel: 011-23826445, 011-23822409; Fax: 011-23822409, Email Id: arjun.sahu@dfmgroup.in; Website: www.dfmfoods.com). The CIN of the Target Company is L15311DL1993PLC052624.

4.3 DFM Foods Limited is engaged in the manufacture and sale of extruded snack foods and namkeens. It has manufacturing facilities at Ghaziabad (Uttar Pradesh) and Greater Noida (Uttar Pradesh).

4.4 The share capital structure of the Target Company as on the date of this Draft Letter of Offer is set forth below:

| Paid Up Equity Shares | No. of Equity Shares / voting rights as on the date of this Draft Letter of Offer | % of Equity Shares / voting rights as on the date of this Draft Letter of Offer |
|---|---|---|
| Fully Paid Up Equity Shares | 1,00,01,676 | 100 |
| Partly Paid Up Equity Shares | - | - |
| Total Paid Up Equity Shares | 1,00,01,676 | 100 |
| Total Voting Rights in the Target | 1,00,01,676 | 100 |

4.5 The Equity Shares are listed on BSE (Scrip Code: 519588; Scrip ID: DFM; ISIN: INE456C01012) (Source: *BSE website*) and are currently not suspended from trading on BSE. The Equity Shares traded on BSE are frequently traded in terms of Regulation 2(1)(j) of the SEBI (SAST) Regulations. The Target Company is not in breach of the provisions of the Listing Agreement and the Listing Regulations as on the date of this Draft Letter of Offer and no punitive action has been initiated against the Target Company by BSE. The entire issued, subscribed and paid up share capital of the Target Company is listed on the BSE.

4.6 Other than the 40,000 outstanding employee stock options as on the date of this Draft Letter of Offer, there are no outstanding instruments (warrants/GDRs/ADRs) *etc.* convertible into Equity Shares as of the 10th (tenth) Working Day from the closure of the Tendering Period. (*Source: Filings by the Target Company with the BSE)*

4.7 As on the date of this Draft Letter of Offer, the Target Company has a paid up capital of Rs. 10,00,16,760 (Rupees Ten Crores Sixteen Thousand Seven Hundred and Sixty) divided into 1,00,01,676 Equity Shares of the face value of Rs. 10 (Rupees Ten only) each.

4.8 There are no partly paid-up shares in the Target Company.

4.9 The board of directors of the Target Company as on the date of this Draft Letter of Offer is as under:

| Name | Designation | Date of appointment |
|---|---|---|
| Mohit Jain | Managing Director | Mach 17, 1993 |
| Rohan Jain | Deputy. Managing Director | May 23, 2009 |
| Pradeep Dinodia | Non- executive and independent director | March 8, 1994 |
| Mohit Satyanand | Non- executive and independent director | January 29, 2000 |
| Sarat Chandra Nanda | Non- executive and independent director | March 8, 1994 |
| Hiroo Mirchandani | Non- executive and independent | March 30, 2015 |
| Sandeep Singhal* | Non- executive director | January 30, 2014 |

** Except Mr. Sandeep Singhal, who is a nominee director appointed by PAC 1 and PAC 2, none of the above directors are representatives of the Acquirer or the PACs as on the date of the PA, the DPS and this Draft Letter of Offer.*

4.10 Mr.Raju Singh is the company secretary and the compliance officer of the Target Company, who will be available at the Registered Office of the Target Company at 8377, Roshanara Road, Delhi - 110007. (Tel: 011 23826445, Fax: 011 23822409, Email Id: arjun.sahu@dfmgroup.in; Website: www.dfmfoods.com) and attends to all investor grievances of the Target Company. The corporate office of the Target Company is same as the registered office.

4.11 The brief financial information of the Target Company, as derived from its audited financial statements as at and for the financial year ended March 31, 2015, March 31, 2014 and March 31, 2013, and for the nine month period ended December 31, 2015 as certified by the statutory auditor of the Target Company are as under:

*(All figures except earnings per share are in Rs. million)*

| Particulars | As at and for the nine month period ended December 31, 2015 | As at and for the financial year ended March 31, 2015 | As at and for the financial year ended March 31, 2014 | As at and for the financial year ended March 31, 2013 |
|---|---|---|---|---|
| Profit & Loss Statement | | | | |
| Income from Operations | 2,665.40 | 2,892.50 | 2,632.50 | 2,252.40 |
| Other Income | 9.10 | 21.50 | 38.80 | 28.20 |
| Total Income | 2,674.50 | 2,914.00 | 2,671.30 | 2,280.60 |
| Total Expenditure | 2,380.50 | 2,625.90 | 2,430.40 | 2,042.20 |
| Exceptional Items | - | - | - | - |
| Profit/(Loss) Before Depreciation Interest and Tax | 294.00 | 288.10 | 240.90 | 238.40 |
| Depreciation | 49.00 | 59.10 | 57.90 | 43.80 |
| Interest Expense/(Income) | 39.90 | 57.10 | 84.90 | 94.20 |
| Profit/(Loss) Before Tax | 205.10 | 171.90 | 98.10 | 100.40 |
| Provision for Taxation | 70.90 | 61.80 | 27.10 | 37.30 |
| Profit/(Loss) After Tax | 134.20 | 110.10 | 71.00 | 63.10 |
| Less : Share of Minority Interest | - | - | - | - |

| | | | | |
|---|---|---|---|---|
| Net consolidate Profit for the year | 134.20 | 110.10 | 71.00 | 63.10 |
| Balance Sheet Statement | | | | |
| Sources of Funds | | | | |
| Paid Up Equity Share Capital | 100.02 | 100.02 | 100.02 | 100.02 |
| Money Received against Share Warrants | - | - | - | - |
| Reserves and Surplus (Excluding Revaluation Reserves) | 491.50 | 357.30 | 277.30 | 235.50 |
| Net worth | 591.50 | 457.30 | 377.30 | 335.50 |
| Revaluation Reserve | - | - | - | - |
| Secured Loans | 399.60 | 280.30 | 324.50 | 425.60 |
| Unsecured Loan | - | - | - | - |
| Deferred tax liabilities (Net) | 82.40 | 74.90 | 64.80 | 69.80 |
| Other long term liabilities | 78.90 | 76.60 | 70.20 | 59.30 |
| Long term provisions | 17.90 | 8.70 | 4.10 | 2.90 |
| Total | 1,170.30 | 897.80 | 840.90 | 893.10 |
| Uses of Funds | | | | |
| Net Fixed Assets | 1,090.20 | 882.40 | 911.20 | 973.60 |
| Investments(At Cost) | 0.20 | 0.20 | 0.20 | 0.20 |
| Long term loans and advances | 14.10 | 25.40 | 13.90 | 18.70 |
| Other Non- Current Assets | 29.50 | 1.60 | 9.10 | 17.20 |
| Net Current Assets (Liabilities) | 36.30 | (11.80) | (93.50) | (116.60) |
| Total miscellaneous expenditure not written off | - | - | - | - |
| Total | 1,170.30 | 897.80 | 840.90 | 893.10 |
| Other Financial Data | | | | |
| Dividend (%) | - | 25% | 25% | 25% |
| Earnings Per Share (Basic)(Rs.) | 13.42 | 11.01 | 7.10 | 6.31 |
| Earnings Per Share (Diluted)(Rs.) | 13.42 | 11.01 | 7.10 | 6.31 |

*Source: Annual Reports for financial years ended March 31, 2013, March 31, 2014 and March 31, 2015 and Report dated February 10, 2016 for the interim financials for the nine month period ended December 31, 2015, by Deloitte Haskins & Sells, Chartered Accountants (Statutory Auditor of the Target Company)*

4.12 As of the date of this Draft Letter of Offer, there are no: (i) partly paid-up Equity Shares; or (ii) outstanding convertible instruments (warrants / fully convertible debentures / partially convertible debentures) issued by the Target Company. *(Source: Annual Report 2014 -2015).* Further, there is no differential pricing for the Offer.

4.13 Other than as disclosed in this Draft Letter of Offer, there are no equity-linked instruments, which are outstanding in the Target Company as on the date of this Draft Letter of Offer. It is being clarified that the options upon vesting could be exercised by the employees during the Offer Period and have hence been considered for the purpose of determining the Offer Size.

4.14 Pre and post Offer Shareholding pattern of the Target Company as on March 31, 2016:

| **Shareholders Category** | **Shareholding and voting rights prior to the offer** | | **Shares/voting rights agreed to be acquired which triggered the SEBI (SAST) Regulations** | | **Shares/voting rights to be acquired in Offer (Assuming full acceptance)** | | **Shareholding/ voting rights after the offer** | |
|---|---|---|---|---|---|---|---|---|
| | **(A)** | | **(B)** | | **(C)** | | **(A) + (B) + (C) =(D)** | |
| | **Number** | **%*** | **Number** | **%*** | **Number** | **%*** | **Number** | **%*** |
| **1. Promoters Group** | - | - | - | - | - | - | - | - |
| a. Parties to the agreement, if any | NA | NA | NA | NA | NA | NA | NA | NA |
| b. Promoters other than (a) above | 44,18,870 | 44.01 | NA | NA | Will depend on response from each category | Will depend on response from each category | Will depend on response from each category | Will depend on response from each category |
| **Total 1(a+b)** | **44,18,870** | **44.01** | - | - | | | | |

| Shareholders Category | Shareholding and voting rights prior to the offer | | Shares/voting rights agreed to be acquired which triggered the SEBI (SAST) Regulations | | Shares/voting rights to be acquired in Offer (Assuming full acceptance) | | Shareholding/ voting rights after the offer | |
|---|---|---|---|---|---|---|---|---|
| | (A) | | (B) | | (C) | | (A) + (B) + (C) =(D) | |
| | Number | %* | Number | %* | Number | %* | Number | %* |
| **2. Acquirer and PACs** | - | - | - | - | - | - | - | - |
| a. Acquirer | - | - | NA | NA | 26,10,836 | 26.00 | 26,10,836 | 26.00 |
| b. PAC 1 | 9,95,166 | 9.91 | NA | NA | - | - | 9,95,166 | 9.91 |
| c. PAC 2 | 14,95,251 | 14.89 | NA | NA | - | - | 14,95,251 | 14.89 |
| **Total 2(a+b)** | **24,90,417** | **24.80** | **NA** | **NA** | **26,10,836** | **26.00** | **51,01,253** | **50.80** |
| **3. Parties to the agreement other than (1)(a) and (2)** | NA | NA | NA | NA | NA | NA | NA | NA |
| **4. Public (other than parties to the agreement, acquirer & PACs)** | | | | | | | | |
| a. FPIs/FIs/MFs/FIIs/Banks /SFIs (Indicate Names) | 700 | 0.01 | NA | NA | Will depend on response from each category | Will depend on response from each category | Will depend on response from each category | Will depend on response from each category |
| b. Others | 30,91,689 | 30.79 | NA | NA | | | | |
| **Total (4)(a+b)** | **30,92,389** | 30.80 | NA | NA | | | | |
| **Grand Total (1+2+3+4)** | **1,00,01,676** | **99.60** | NA | NA | - | - | **1,00,01,676** | **99.60** |

**The percentage holdings in the above table have been calculated on the basis of the Emerging Voting Capital.*

4.15 The acquisition of 26% (Twenty Six percent) of the Emerging Voting Capital of the Target Company pursuant to this Offer, will not result in the public shareholding in the Target Company falling below the minimum public shareholding requirement of at least 25%, required for continued listing.

4.16 The Target Company and each of its promoters has, for the last 10 (Ten) years, complied with the provisions of Chapter II of the erstwhile SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and the provisions of Chapter V of the SEBI (SAST) Regulations and there has been no delay or non-compliance by the Target Company and any of its promoters in this regard.

## 5 OFFER PRICE AND FINANCIAL ARRANGEMENTS

### 5.1 Justification of Offer price

5.1.1 The Equity Shares are listed and traded on the BSE. The total number of Equity Shares traded on BSE for a period of 12 (Twelve) calendar months preceding the calendar month in which the Public Announcement was made i.e. from April 1, 2015 to March 31, 2016, both days included, are as given below:

| Stock Exchange | No. of Equity Shares traded | Total No. of Equity Shares outstanding | Traded shares (as a % of Total Equity Shares outstanding) |
|---|---|---|---|
| **BSE** | 12,50,875 | 1,00,01,676 | 12.51% |

*Source: www.bseindia.com*

5.1.2 The Equity Shares are frequently traded, within the meaning of Regulation 2(1)(j) of the SEBI (SAST) Regulations, on BSE, during the 12 (Twelve) months preceding the date on which the PA was made.

5.1.3 Since the Equity Shares of the Target Company have been frequently traded on BSE, during the 12 (Twelve) calendar months preceding the month in which the Public Announcement was issued, and since the maximum volume of trading is recorded at BSE during the preceding 60 (Sixty) trading days from the date of the Public Announcement, the Offer Price is justified, taking into account the following parameters, as set out under Regulation 8(2) of the SEBI (SAST) Regulations:

| | | |
|---|---|---|
| A | The highest negotiated price per Equity Share (as per the share purchase agreement) attracting the obligation to make this Offer. | Not applicable |

| | | |
|---|---|---|
| B | The volume weighted average price paid by the Acquirer during the fifty two weeks immediately preceding the date of the PA. | Not applicable |
| C | The highest price paid for any acquisition by the Acquirer in the twenty six weeks preceding the date of the PA. | Not applicable |
| D | The volume-weighted average market price of Equity Shares for a period of sixty trading days immediately preceding the date of the PA as traded on BSE, being the stock exchange where the shares of the Target Company are listed and recorded during such period, the shares being frequently traded. | 1,153.89 |
| E | Where the shares are not frequently traded, the price determined by the Acquirer and the manager to the Offer taking into account valuation in parameters including book value, comparable trading multiples and such other parameters as are customary for the valuation of shares of such companies. | Not applicable |

5.1.4 Calculation of the volume – weighted average market price of the Equity Shares for a period of sixty (60) trading days immediately preceding the date of PA i.e. April 11, 2016 as traded on BSE as per Regulation 8 (2) (d) of the SEBI (SAST) Regulations is as follows**:**

| S. No. | Date | Total traded equity shares | Total Turnover (Rs. Lacs) |
|---|---|---|---|
| 1. | April 8, 2016 | 3,057 | 46.51 |
| 2. | April 7, 2016 | 5,001 | 75.75 |
| 3. | April 6, 2016 | 9,027 | 134.61 |
| 4. | April 5, 2016 | 3,130 | 44.52 |
| 5. | April 4, 2016 | 1,277 | 18.03 |
| 6. | April 1, 2016 | 773 | 11.11 |
| 7. | March 31, 2016 | 3,857 | 57.50 |
| 8. | March 30, 2016 | 20,895 | 303.40 |
| 9. | March 29, 2016 | 4,480 | 60.42 |
| 10. | March 28, 2016 | 3,049 | 41.12 |
| 11. | March 23, 2016 | 3,531 | 47.95 |
| 12. | March 22, 2016 | 942 | 12.12 |
| 13. | March 21, 2016 | 2,025 | 26.34 |
| 14. | March 18, 2016 | 1,499 | 19.56 |
| 15. | March 17, 2016 | 2,267 | 30.42 |
| 16. | March 16, 2016 | 341 | 4.43 |
| 17. | March 15, 2016 | 830 | 10.74 |
| 18. | March 14, 2016 | 1,812 | 23.99 |
| 19. | March 11, 2016 | 2,581 | 34.26 |
| 20. | March 10, 2016 | 744 | 9.92 |

| S. No. | Date | Total traded equity shares | Total Turnover (Rs. Lacs) |
|---|---|---|---|
| 21. | March 9, 2016 | 1,185 | 15.95 |
| 22. | March 8, 2016 | 12,671 | 173.87 |
| 23. | March 4, 2016 | 11,602 | 152.68 |
| 24. | March 3, 2016 | 26,089 | 307.35 |
| 25. | March 2, 2016 | 12,152 | 129.23 |
| 26. | March 1, 2016 | 1,244 | 12.24 |
| 27. | February 29, 2016 | 11,629 | 116.48 |
| 28. | February 26, 2016 | 13,509 | 135.10 |
| 29. | February 25, 2016 | 1,146 | 11.45 |
| 30. | February 24, 2016 | 830 | 7.72 |
| 31. | February 23, 2016 | 734 | 7.09 |
| 32. | February 22, 2016 | 121 | 1.20 |
| 33. | February 19, 2016 | 3,372 | 33.81 |
| 34. | February 18, 2016 | 1,634 | 16.32 |
| 35. | February 17, 2016 | 1,586 | 15.91 |
| 36. | February 16, 2016 | 1,571 | 16.16 |
| 37. | February 15, 2016 | 12,916 | 137.61 |
| 38. | February 12, 2016 | 4,388 | 42.16 |
| 39. | February 11, 2016 | 6,205 | 60.98 |
| 40. | February 10, 2016 | 693 | 6.97 |
| 41. | February 9, 2016 | 1,870 | 18.97 |
| 42. | February 8, 2016 | 2,113 | 21.70 |
| 43. | February 5, 2016 | 3,812 | 39.59 |
| 44. | February 4, 2016 | 1,177 | 12.24 |
| 45. | February 3, 2016 | 921 | 9.59 |
| 46. | February 2, 2016 | 6,886 | 75.31 |
| 47. | February 1, 2016 | 1,566 | 16.54 |
| 48. | January 29, 2016 | 1,085 | 11.53 |
| 49. | January 28, 2016 | 6,011 | 66.45 |
| 50. | January 27, 2016 | 3,404 | 36.95 |
| 51. | January 26, 2016 | 9,637 | 103.99 |
| 52. | January 22, 2016 | 20,449 | 187.53 |
| 53. | January 21, 2016 | 1,854 | 15.92 |
| 54. | January 20, 2016 | 1,804 | 15.33 |

| S. No. | Date | Total traded equity shares | Total Turnover (Rs. Lacs) |
|---|---|---|---|
| 55. | January 19, 2016 | 1,225 | 10.92 |
| 56. | January 18, 2016 | 1,545 | 13.83 |
| 57. | January 15, 2016 | 3,779 | 36.56 |
| 58. | January 14, 2016 | 5,314 | 53.17 |
| 59. | January 13, 2016 | 17,659 | 183.42 |
| 60. | January 12, 2016 | 14,034 | 148.47 |
| Total | | **3,02,540** | **3490.98** |
| **Volume Weighted Average Price (Total Turnover divided by Total Traded Equity Shares) (INR)** | | | **1,153.89** |

5.1.5 In view of the parameters considered and presented in table above, in the opinion of the Acquirer and Manager to the Offer, the Offer Price of Rs. 1,320/- (Rupees One Thousand Three Hundred and Twenty only) per Equity Share, being greater than the highest of the prices mentioned above, is justified in terms of Regulation 8 of the SEBI (SAST) Regulations.

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

5.1.7 There has been no revision in the Offer Price or to the Offer Size as on the date of this Draft Letter of Offer. An upward revision in the Offer Price or the Offer Size, if any, on account of competing offers or otherwise, will be done at any time prior to the commencement of the last 3 (Three) Working Days before the commencement of the Tendering Period in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. In the event of such a revision, the Acquirer shall (i) make corresponding increases to the escrow amounts, as more particularly set out in paragraph 5.2.2 of this Draft Letter of Offer; (ii) make a public announcement in the same newspapers in which the DPS has been published; and (iii) simultaneously with the issue of such announcement, inform SEBI, BSE and the Target Company at its registered office of such revision.

5.2 **Financial arrangements:**

5.2.1 The total funding requirement for the Offer, i.e. for the acquisition of up to 26,10,836 Equity Shares at the Offer Price, is INR 344,63,03,520 (Rupees Three Hundred and Forty Four Crores, Sixty Three Lakhs, Three Thousand, Five Hundred and Twenty only), assuming full acceptance of this Offer. The source of funds for the purposes of acquisition of Equity Shares pursuant to this Offer is foreign funds of the Acquirer in the form of capital drawn down from its sole shareholder, PAC 2.

5.2.2 In accordance with Regulation 17(1) of the SEBI (SAST) Regulations, the Acquirer has opened a "**Cash Escrow Account**" in the name and style of "**Aravali Investment Holdings Open Offer Escrow A/C**" bearing Account No. 250031072012 ("**Escrow Account**") with IndusInd Bank Limited, a banking corporation incorporated under the Companies Act acting through its branch at IndusInd Bank Limited, IndusInd House, 425, Dadasaheb Bhadkamka Marg, Mumbai - 400 004, India, and has made a cash deposit of Rs. 87,00,00,000 (Indian Rupees Eighty Seven Crore) in the Escrow Account in accordance with the Regulation 17(1) read with 17(3)(a) of the SEBI (SAST) Regulations which is more than 25% (Twenty Five percent) of the Maximum Consideration. The cash deposit has been confirmed by IndusInd Bank Limited on April 13, 2016. The Manager to the Offer has been duly authorized to realize the monies lying to the credit of the Escrow Account in terms of the SEBI (SAST) Regulations.

5.2.3 In case of any upward revision in the Offer Price or the Offer Size, the value in cash of the escrow amount shall be computed on the revised consideration calculated at such revised offer price or offer size and any additional amounts required will be funded via the Escrow Account by the Acquirer, prior to effecting such revision, in terms of Regulation 17(2) of the SEBI (SAST) Regulations.

5.2.4 As per Certificate dated April 11, 2016 from Meghal Jain & Associates (Firm Registration Number: 133824W), Chartered Accountants, 384/J, Ajanta Chambers, Shop No. 19/20, 1st Floor, Dabholkarwadi, Kalbadevi Road, Mumbai – 400 002 (Tel. No. 9969 178 022; E-mail ID: meghaldjain@gmail.com), the Acquirer and PACs jointly have adequate liquid resources to meet the funds requirements/obligations under this Offer.

5.2.5 The Acquirer has authorized ICICI Securities Limited, Manager to the Offer, to realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations.

5.2.6 Based on the above, ICICI Securities Limited, Manager to the Offer, certify and confirm that firm arrangements for funds for payment through verifiable means are in place to fulfill the Offer obligations.

## 6 TERMS AND CONDITIONS OF THE OFFER

### 6.1 Operational Terms and Conditions

6.1.1 The Tendering Period will commence on Friday, June 03, 2016 and will close on Thursday, June 16, 2016 ("**Tendering Period**").

6.1.2 The Equity Shares offered under this Offer should be free from all liens, charges, equitable interests, encumbrances and are to be offered together with, if any, all rights of dividends, bonuses or rights from now on and declared hereafter.

6.1.3 This is not a conditional Offer and there is no stipulation on any minimum level of acceptance.

6.1.4 The Identified Date for this Offer as per the tentative schedule of activity is Friday, May 20, 2016.

6.1.5 The marketable lot for the Equity Shares for the purpose of this Offer shall be 1 (one only).

6.1.6 There are no lock-in restrictions on the Equity Shares.

6.1.7 The Acquirer will have the right not to proceed with this Offer in accordance with Regulation 23 of the SEBI (SAST) Regulations, in the event any statutory approval which may be required by the Acquirer is refused at a later date or are otherwise not met with for reasons outside the reasonable control of the Acquirer. In case of such event, the Acquirer shall have the right to withdraw this Offer in terms of Regulation 23 of the SEBI (SAST) Regulations. In the event of withdrawal of this Offer, a public announcement will be made within 2 (two) Working Days of such withdrawal, in the same newspapers in which the DPS was published and such public announcement will also be sent to the BSE, SEBI and the Target Company at its registered office.

6.1.8 Accordingly, this Offer shall stand withdrawn in the event of refusal of statutory approvals or in the event of a binding order of a court or governmental authority of competent jurisdiction directing the withdrawal of this Offer.

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

### 6.2 Eligibility for accepting the Offer

6.2.1 The Letter of Offer shall be sent to all Equity Shareholders/Beneficial Owners holding Equity Shares in dematerialized form or physical form (except the Acquirer and the PACs) whose names appear in register of members of the Target Company as on the Identified Date.

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

6.2.3 All Equity Shareholders/Beneficial Owners who own Equity Shares and are able to tender such Equity Shares in the Offer at any time before the closure of the Tendering Period, are eligible to participate in this Offer.

6.2.4 The Equity Shareholders who wish to tender their Equity Shares pursuant to this Offer will be required to communicate their acceptance in the form and manner specified in the Letter of Offer to Link Intime India Private Limited acting as the registrar to the offer ("**Registrar to the Offer**") in accordance with the instructions contained in the Letter of Offer and Form of Acceptance-cum-Acknowledgment. Applicants who cannot hand deliver their documents at the collection centers, as will be mentioned in the Letter of Offer, may send such documents by registered post or by courier, at their own risk and cost, to the Registrar to the Offer at its address mentioned on the cover page of this Draft Letter of Offer.

6.2.5 The Public Announcement, the Detailed Public Statement, corrigendum dated April 26, 2016 to the Detailed Public Statement, the Draft Letter of Offer, the Letter of Offer and the Form of Acceptance cum Acknowledgement will also be available on the SEBI website: www.sebi.gov.in. In case of non-receipt of the Letter of Offer, all Equity 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 the SEBI's website for applying in the Offer.

6.2.6 Those Equity Shareholders who have not received the Letter of Offer and those who apply in plain paper will not be required to provide any indemnity. They must follow the same procedure mentioned above for registered Equity Shareholders.

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

6.2.8 NRIs and OCBs, being holders of the Equity Shares, must obtain all requisite approvals required to tender the Equity Shares held by them, in this Offer (including without limitation the approval from the RBI, since the Equity Shares validly tendered in this Offer will be acquired by a non-resident entity) and submit such approvals along with the documents required to accept this Offer. Further, if holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs and FPIs) had required any approvals (including from the RBI or the FIPB or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals that they would have obtained for holding the Equity Shares, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer and PACs reserve the right to reject such Equity

Shares tendered in this Offer.

6.2.9 The acceptance of this Offer is entirely at the discretion of the Equity Shareholder(s) /Beneficial owner(s) of the Target Company.

6.2.10 The Acquirer, Manager to the Offer or Registrar to the Offer accept no responsibility for any loss of Equity Share Certificates, Form of Acceptance-cum-Acknowledgment, Share Transfer Deed etc. during transit and the Equity Shareholders are advised to adequately safeguard their interest in this regard.

6.2.11 The acceptance of Equity Shares tendered in the Offer will be made by the Acquirer in consultation with the Manager to the Offer.

6.2.12 The instructions, authorizations and provisions contained in the Form of Acceptance -cum-Acknoledgement constitute part of the terms of the Offer.

6.2.13 The Manager to the Offer shall submit a final report to SEBI within 15 (Fifteen) Working Days from the expiry of the Tendering Period in accordance with Regulation 27(7) of the SEBI (SAST) Regulations confirming status of completion of various Offer Requirements.

6.2.14 For any assistance please contact ICICI Securities Limited, Manager to the Offer or the Registrar to the Offer.

### 6.3 Statutory Approvals

6.3.1 As of the date of this Draft Letter of Offer, to the best knowledge of the Acquirer, there are no other statutory approvals, required by the Acquirer to complete this Offer. However, in case any other statutory approvals are required by the Acquirer at a later date before the closure of the Tendering Period, this Offer shall be subject to such approvals and the Acquirer shall make the necessary applications for such statutory approvals.

6.3.2 The Acquirer shall complete all procedures relating to this Offer within 10 (Ten) Working Days from the date of closure of the Tendering Period, including payment of consideration to those Equity Shareholders whose share certificates and/ or other documents are found valid and in order and are accepted for acquisition by the Acquirer.

6.3.3 In case of delay / non-receipt of any approval, including any statutory approval which may be required by the Acquirer at a later date, SEBI may, if satisfied that non receipt of the requisite approvals was not attributable to any willful default, failure or neglect on the part of the Acquirer to diligently pursue such approval, grant extension of time for the purpose, subject to the Acquirer agreeing to pay interest to the Equity Shareholders as directed by SEBI, in terms of Regulation 18(11) of the SEBI (SAST) Regulations. Provided where the statutory approvals extend to some but not all Equity Shareholders, the Acquirer will have the option to make payment to such Equity Shareholders in respect of whom no statutory approvals are required in order to complete this Offer.

6.3.4 The Acquirer will have the right not to proceed with this Offer in accordance with Regulation 23 of the SEBI (SAST) Regulations, in the event any statutory approval which may be required by the Acquirer is refused at a later date. In case of such event, the Acquirer shall have the right to withdraw this Offer in terms of Regulation 23 of the SEBI (SAST) Regulations. In the event of withdrawal of this Offer, a public announcement will be made within 2 (two) Working Days of such withdrawal, in the same newspapers in which the DPS was published and such public announcement will also be sent to the BSE, the SEBI and the Target Company at its registered office.

## 7 PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

### 7.1 ACCEPTANCE OF THE OFFER

7.1.1 Name and Address of the persons (Registrar to the Offer) to whom the Equity Shares along with documents required to be submitted therewith, should be sent.

7.1.2 The Letter of Offer with the Form of Acceptance-cum-Acknowledgement will be mailed to the Equity Shareholders, whose names appear in the register of members of the Target Company and to the beneficial owners of the Equity Shares whose names appear in the beneficial records of the respective depositories, as of the close of business on Friday, May 20, 2016, i.e. the Identified Date.

7.1.3 The Equity Shareholders can also download the Letter of Offer and the Form of Acceptance-cum-Acknowledgement from SEBI website at www.sebi.gov.in or obtain it from the Registrar to the Offer, and send in their acceptances to the Registrar to the Offer by filling the same.

7.1.4 The Equity Shareholders who wish to accept this Offer can hand-deliver the Form of Acceptance-cum-Acknowledgement along with the other documents required to accept this Offer, at any of the collection centers mentioned below so as to reach the Registrar to the Offer during business hours on or before 5 pm on Thursday, June 16, 2016, i.e. Closure of the Tendering Period, in accordance with the procedure as set out in the Letter of Offer.

| Collection Centers and Address | Mode of Delivery | Phone No. | Fax No. | Email Address |
|---|---|---|---|---|

| | | | | |
|---|---|---|---|---|
| Mumbai<br>Link Intime India Pvt. Ltd, C-13, Panalal Silk Mills Compound, L B S Marg, Bhandup (W),Mumbai - 400078.<br>Unit: DFM Foods- Open OfferContact Person: Mr. Dinesh Yadav | Hand Delivery & Registered Post | 022-61715400 | 022-25960329 | Email: dfmfoods.offer@linkintime.co.in |

7.1.5 The Equity Shares and all other relevant documents should only be sent to the Registrar to the Offer and not to the Manager to the Offer, the Acquirer, the PACs or the Target Company.

7.1.6 Applicants who cannot hand deliver their documents at any of the collection centers referred to above, may send the same by registered post with acknowledgement due or by courier, at their own risk and cost, to the Registrar to the Offer at its address: Link Intime India Private Limited, Unit: DFM Foods – Open Offer, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai 400078 so as to reach the Registrar to the Offer on or before 5 pm on Thursday, June 16, 2016, i.e. Closure of the Tendering Period.

7.1.7 **Equity Shareholders who are holding Equity Shares in physical form:**

7.1.7.1 The Equity Shareholders who are holding the Equity Shares in physical form and who wish to tender their Equity Shares in this Offer will be required to duly complete, sign and send the Form of Acceptance-cum-Acknowledgement in accordance with the instructions contained therein, by sole/joint Equity Shareholders whose name(s) appears on the Equity Share certificate(s) and in the same order and as per the specimen signature lodged with the Target Company. This order cannot be changed or altered nor can any new name be added for the purpose of accepting this Offer. Original Equity Share certificate(s) and valid transfer deed(s), duly completed and signed, in accordance with the instructions specified in the Letter of Offer and the Form of Acceptance-cum-Acknowledgement along with self attested copy of PAN Card of all the transferors are required to be submitted.

7.1.7.2 Valid transfer deed(s) should be duly signed as transferor(s) by the sole/joint Equity Shareholder(s) in the same order and as per specimen signatures lodged with the Target Company and duly witnessed at the appropriate place. The transfer deed(s) should be left blank, except for the signatures and witness details as mentioned above. Attestation, where required (as indicated in the transfer deed(s)) (thumb impressions, signature difference, etc.) should be done by a Magistrate, Notary Public or Special Executive Magistrate or a similar authority holding a public office and authorized to use the seal of his office or a member of a recognized stock exchange under its seal of office and membership number or manager of the transferor's bank.

7.1.7.3 Notwithstanding that the signature(s) of the transferor(s) has been attested as aforesaid, if the signature(s) of the transferor(s) differs from the specimen signature(s) recorded with the Target Company or are not in the same order, such Equity Shares are liable to be rejected in this Offer.

7.1.7.4 For Equity Shares held in physical mode by resident Equity Shareholders, in case of non-receipt of the duly completed Form of Acceptance-cum-Acknowledgement, but receipt of other documents including the original share certificates, valid share transfer deeds and PAN, prior to the Closure of the Tendering Period, the Acquirer may, in its sole discretion, deem the Equity Shares to have been accepted under the Offer.

7.1.8 **Equity Shareholders who are holding Equity Shares in dematerialized form:**

7.1.8.1 Beneficial owners (Equity Shareholders holding Equity Shares in dematerialized form) who wish to tender their Equity Shares in this Offer will be required to send their Form of Acceptance-cum-Acknowledgement along with the photocopy of the delivery instruction in “Off-market” mode or counterfoil of the delivery instructions in "Off-market" mode, duly acknowledged by the DP, in favor of the Special Depository Account. The Form of Acceptance-cum-Acknowledgement has to be duly completed and signed in accordance with the instructions contained therein, by the sole/joint Equity Shareholder(s) whose name appears in the beneficiary account and in the same order therein. The Form of Acceptance-cum-Acknowledgement has to be executed by the beneficial holder of the Equity Shares only.

7.1.8.2 The Registrar to the Offer has opened a Special Depository Account titled “**LIIPL DFM FOODS OPEN OFFER ESCROW DEMAT ACCOUNT**”. The Equity Shareholders are requested to fill in the following details in the delivery instructions for the purpose of crediting their Equity Shares in the Special Depository Account:

| | |
|---|---|
| Depository Name | NATIONAL SECURITIES DEPOSITORY LIMITED |
| Account Name | LIIPL DFM FOODS OPEN OFFER ESCROW DEMAT ACCOUNT |
| Depository Participant (“DP”) Name | VENTURA SECURITIES LIMITED |
| DP ID Number | IN303116 |

| | |
|---|---|
| Client Identification Number | 11968312 |

It is the sole responsibility of the Equity Shareholder to ensure credit of its Equity Shares in the Special Depository Account, on or before 5 pm on Thursday, June 16, 2016 i.e. Closure of the Tendering Period.

7.1.8.3 The Equity Shareholders having their beneficiary account in CDSL shall use the inter-depository delivery instruction slip for the purpose of crediting their Equity Shares in favor of the Special Depository Account with NSDL.

7.1.8.4 The Form of Acceptance-cum-Acknowledgement in respect of dematerialized Equity Shares not credited to the Special Depository Account before the Closure of the Tendering Period is liable to be rejected.
For each delivery instruction, the beneficial owner should submit a separate Form of Acceptance-cum-Acknowledgement.

7.1.8.5 For Equity Shares held in dematerialized form by resident Equity Shareholders, in case of non-receipt of the duly completed Form of Acceptance-cum- Acknowledgement/ photocopy of the delivery instruction/ other documents required, but receipt of the Equity Shares in the Special Depository Account prior to the Closure of the Tendering Period, the Acquirer may, in its sole discretion, deem the Equity Shares to have been accepted under the Offer.

7.1.9 **Equity Shareholders who have sent their Equity Shares for dematerialization:**

7.1.9.1 The Equity Shareholders who have sent their Equity Shares for dematerialization who wish to tender their Equity Shares in this Offer will be required to send their Form of Acceptance-cum-Acknowledgement along with a copy of the dematerialization request form duly acknowledged by the Equity Shareholder's depository participant, in accordance with the instructions mentioned in the Letter of Offer. The Form of Acceptance-cum-Acknowledgement has to be duly completed and signed in accordance with the instructions contained therein by the sole/joint Equity Shareholder(s) whose name appears on the share certificates and in the same order and as per the specimen signature lodged with the Target Company.

7.1.9.2 Such Equity Shareholders need to ensure that the process of getting their Equity Shares dematerialized is completed in time for the credit in the Special Depository Account, to be received on or before 5 pm on Thursday, June 16, 2016, i.e. Closure of the Tendering Period, or else their application will be rejected. Alternatively, if the Equity Shares sent for dematerialization are yet to be processed by the Equity Shareholder's depository participant, the Equity Shareholder can withdraw its dematerialization request and tender the Equity Share certificate(s) in this Offer as per the procedure mentioned in the Letter of Offer.

7.1.9.3 Unregistered Equity Shareholders can also send their application in writing to the Registrar to the Offer, on a plain paper stating the name, address, number of Equity Shares held, number of Equity Shares tendered, distinctive numbers, folio number, together with the original Equity Share certificates, valid transfer deed(s) and the original contract note(s) issued by the broker through whom they acquired their Equity Shares, either by hand delivery or by registered post, so that the same are received on or before 5 pm on Thursday, June 16, 2016, i.e. Closure of the Tendering Period. Valid share transfer deeds, as received from the market, duly executed in favour of the unregistered owner(s) as the proposed transferee(s) along with self attested copy of PAN card of all the transferees, should be submitted along with the application. All other requirements for valid transfer (including matching of signatures) will be preconditions for acceptance. An additional valid share transfer deed should be duly signed by the unregistered owner(s) as transferor(s) by the sole/joint Equity Shareholder(s) in the same order and duly witnessed at the appropriate place. The transfer form should be left blank, except for the signatures and witness details as mentioned above. Attestation, where required (as indicated in the share transfer deed) (thumb impressions, signature difference, etc.) should be done by a Magistrate, Notary Public or Special Executive Magistrate or a similar authority holding a public office and authorized to use the seal of his office or a member of a recognized stock exchange under its seal of office and membership number or manager of the transferor's bank. No indemnity is required from the unregistered Equity Shareholders. In case the Equity Share certificate(s) and the transfer deed(s) are lodged with the Target Company/its transfer agents for transfer, then the acceptance shall be accompanied by the acknowledgment of lodgment with, or receipt by, the Target Company/its transfer agents, of the Equity Share certificate(s) and the transfer deed(s). The Equity Shareholders should ensure that the Equity Share certificate(s) and above documents reach the designated collection centre on or before 5 pm on Thursday, June 16, 2016 i.e. Closure of the Tendering Period.

7.1.9.4 The Equity Shareholders should also provide all relevant documents, which are necessary to ensure transfer of the Equity Shares in respect of which the application is being sent. Such documents may include, but are not limited to:

a) duly attested death certificate and succession certificate/probate/letter of administration (in case of single Equity Shareholder) if the original Equity Shareholder is no more;
b) duly attested power of attorney if any person apart from the Equity Shareholder has signed the application form and/or transfer deeds;
c) in case of companies, the necessary corporate authorization (including certified copy of board resolutions) and specimen signatures of authorized signatories;
d) banker's certificate certifying inward remittances of funds for acquisition of Equity Shares; and
e) any other relevant documents.

7.1.9.5 In case of non-receipt of the Letter of Offer, the eligible persons may send their acceptance to this Offer to the Registrar to the Offer, on a plain paper stating the name, address, number of Equity Shares held, number of

Equity Shares offered, distinctive numbers, folio number, together with the documents as mentioned above so as to reach the Registrar to the Offer on or before 5 pm on Thursday, June 16, 2016, i.e. Closure of the Tendering Period, or in case of beneficial owners, send the application in writing to the Registrar to the Offer, on a plain paper stating the name, address, number of Equity Shares held, number of Equity Shares tendered, DP name, DP ID, beneficiary account number and a photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP, in favor of the Special Depository Account, so as to reach the Registrar to the Offer, on or before 5 pm on Thursday, June 16, 2016 , i.e. Closure of the Tendering Period. In case of physical Equity Shares, original Equity Share certificate(s) and valid transfer deed(s), duly completed and signed, will also have to be submitted. The Equity Shareholders who have lodged their Equity Shares for transfer with the Target Company must also send the acknowledgement received, if any, from the Target Company towards such lodging of the Equity Shares. Equity Shareholders who have sent their Equity Shares for dematerialization/ re-materialization need to ensure that the process of getting Equity Shares dematerialized/ rematerialized is completed well in time so that the credit in the Special Depository Account is received or physical Equity Share certificates are received by the Registrar to the Offer on or before 5 pm on Thursday, June 16, 2016, i.e. Closure of the Tendering Period, else their application would be rejected.

7.1.9.6 NRI and OCB holders of the Equity Shares must obtain all approvals required to tender the Equity Shares held by them in this Offer (including without limitation the approval from the RBI) and submit such approvals along with the Form of Acceptance-cum-Acknowledgement and other documents required to accept this Offer. In the event such approvals are not submitted, the Acquirer and PACs reserve the right to reject such Equity Shares tendered in this Offer. Further, if holders of the Equity Shares who are not persons in India (including NRIs, OCBs, FIIs and FPIs) had required any approvals (including from the RBI or the FIPB or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals that they would have obtained for holding the Equity Shares, along with the other documents required to be tendered to accept this Offer. If such previous approvals and/or relevant documents are not submitted, the Acquirer and PACs reserve the right to reject such Equity Shares tendered in this Offer. If the Equity Shares are held under general permission of the RBI, the non-resident Equity Shareholder should state that the Equity Shares are held under general permission and clarify whether the Equity Shares are held on repatriable basis or non repatriable basis.

7.1.9.7 In case of delay in receipt of any statutory approvals, which may be required by the Acquirer and/or the PACs at a later date, as per Regulation 18(11) of the SEBI (SAST) Regulations, SEBI may, if satisfied, that non-receipt of such approvals was not attributable to any willful default, failure or neglect on the part of the Acquirer and/or the PACs to diligently pursue such approvals, grant an extension of time for the purpose of completion of this Offer, subject to the Acquirer and the PACs agreeing to pay interest to the Equity Shareholders for delay beyond 10 (ten) Working Days at such rate, as may be specified by SEBI from time to time. Provided where the statutory approvals extend to some but not all the Equity Shareholders, the Acquirer and the PACs will have the option to pay consideration to such Equity Shareholders for whom statutory approvals are not required in order to complete this Offer.

7.1.9.8 Equity Shares that are subject to any charge, lien or encumbrance are liable to be rejected in this Offer. Applications in respect of the Equity Shares that are the subject of litigation, wherein the Equity Shareholders may be prohibited from transferring their Equity Shares during the pendency of the said litigation, are liable to be rejected, if the directions/orders regarding these Equity Shares are not received together with the Equity Shares tendered in this Offer. This Draft Letter of Offer, wherever possible, will be forwarded to the concerned statutory authorities for further action by such authorities.

7.1.9.9 The Registrar to the Offer will hold in trust the Equity Shares held in physical form and in credit of the Special Depository Account, the Form of Acceptance-cum-Acknowledgement, if any, the transfer form(s) and other documents submitted on behalf of the Equity Shareholders whose Equity Shares have been validly tendered and accepted in this Offer, till completion of formalities relating to this Offer. In case of Equity Shares tendered in physical form, where the original Equity Share certificates are required to be split, all the documents will be returned only upon receipt of the Equity Share certificates from the Target Company.

7.1.9.10 If the aggregate valid responses to this Offer by the Equity Shareholders are more than the Offer Size, then the offers received from the Equity Shareholders will be accepted on a proportionate basis, in consultation with the Manager to the Offer, 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 the Equity Shares from an Equity Shareholder shall not be less than the minimum marketable lot, or the entire holding if it is less than the marketable lot. The marketable lot of the Target Company is 1 (one) Equity Share.

7.1.9.11 Unaccepted Equity Share certificates, transfer deeds and other documents, if any, will be returned by registered post at the Equity Shareholders'/unregistered Equity Shareholders' sole risk to the sole/first Equity Shareholder. The unaccepted Equity Shares held in dematerialized form will be credited back to the same account from which they were tendered. It will be the responsibility of the Equity Shareholders to ensure that the unaccepted Equity Shares are accepted by their respective DPs when transferred by the Registrar to the Offer. The Equity Shareholders holding the Equity Shares in dematerialized form are requested to issue the necessary standing instruction for the receipt of the credit, if any, in their DP account. It is advised that the de-mat account is maintained till the completion of the Offer formalities.

7.2 **Settlement / Payment of Consideration**

7.2.1 The Acquirer being a non-resident entity is not permitted to acquire the Equity Shares on the floor of the recognized stock exchanges in India as per the existing exchange control regulations in India. Therefore, in accordance with paragraph 3(c) of the SEBI circular on 'Mechanism for acquisition of shares through Stock Exchange pursuant to Tender-Offers under Takeovers, Buy Back and Delisting' dated April 13, 2015, the Offer will follow the existing 'tender offer method' as prescribed by SEBI.

7.2.2 The Acquirer shall arrange to pay the consideration payable to the Equity Shareholders whose Equity Shares have been accepted, on or before Thursday, June 30, 2016 subject to the terms of the Letter of Offer.

7.2.3 Equity Shareholders tendering their Equity Shares electronically are advised to immediately update with their DP, their bank account details, i.e. nine digit Magnetic Ink Character Recognition Code ("**MICR**") as appearing on their cheque leaf as also their bank's Indian Financial System Code ("**IFSC**"), which will get linked to their bank branch. Please note that failure to do so could result in delays in dispatch of payment or electronic transfer of funds, as applicable, and any such delay shall be at the Equity Shareholder's sole risk and neither the Acquirer, the PACs, the Manager to the Offer, Registrar to the Offer nor the Escrow Bank shall be liable to compensate such Equity Shareholder for any losses caused due to any such delay or any interest for such delay.

7.2.4 Payment of consideration to the Equity Shareholders would be done through various modes in the following order of preference:

(a) **Real Time Gross Settlement** ("**RTGS**") **/ National Electronic Fund Transfer** ("**NEFT**") - Payment shall be undertaken through any of the above modes wherever the Equity Shareholder's bank has been assigned the IFSC, which can be linked to an MICR, if any, available to that particular bank branch or wherever the Equity Shareholders have registered their nine digit MICR number and their bank account number with their DP.

(b) **Direct Credit** – Equity Shareholders having bank accounts with the Escrow Bank, as mentioned in the Acceptance cum Acknowledgement Form, shall be eligible to receive payments through direct credit. Charges, if any, levied by the Escrow Bank for the same would be borne by the Acquirer.

(c) For all other Equity Shareholders, including Equity Shareholders holding Equity Shares in physical from and those who have not updated their bank particulars with the MICR code, the payments will be dispatched through speed post / registered post. Such payments will be made by cheques, pay orders or demand drafts drawn on the Escrow Bank and payable at par at places where acceptance forms are received. Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centre will be payable by the Equity Shareholders.

7.2.5 Equity Shareholders to whom payments are made through electronic transfer of funds will be sent a letter (Payment advice) through ordinary post intimating them about the mode of credit / payment. The Registrar to the Offer shall ensure dispatch of consideration, if any, by RTGS / NEFT / Direct Credit / Cheques / Pay orders / Demand Drafts only in the name of the sole or first Equity Shareholder and all communication will be addressed to the person whose name appears on the Form of Acceptance cum Acknowledgement within 10 Working Days of the date of closure of the Tendering Period and adequate funds for making payments as per the mode(s) disclosed above shall be made available to the Registrar to the Offer by the Acquirer. Tax at applicable rate(s) will be deducted, in those cases where Tax Deduction at Source (TDS) is applicable.

7.2.6 As of the date of this Draft Letter of Offer, to the best of the knowledge of the Acquirer and the PACs, there are no statutory approvals, required by the Acquirer / PACs to complete this Offer. However, in case any statutory approvals are required by the Acquirer / PACs at a later date before the closure of the Tendering Period, this Offer shall be subject to such approvals and the Acquirer / PACs shall make the necessary applications for such statutory approvals. In case of any delay in receipt of such statutory approvals, SEBI has the power to grant extension of time for the purpose of making payment of the consideration to those Equity Shareholders, whose Equity Shares are accepted in this Offer in terms of Regulation 18(11) of the SEBI (SAST) Regulations, subject to the Acquirer and/or the PACs agreeing to pay interest to such Equity Shareholders for the delay beyond 10 Working Days at such rate as may be specified by SEBI from time to time. Provided where the statutory approvals extend to some but not all Equity Shareholders, the Acquirer and/or the PACs have the option to make payment to such Equity Shareholders in respect of whom no statutory approvals are required in order to complete the Offer.

## 8 COMPLIANCE WITH TAX REQUIREMENTS:

8.1 **General**

8.1.1 As per the provisions of Section 195(1) / Section 196D of the Income Tax Act, 1961 ("**Income Tax Act**"), any person responsible for paying to a non-resident, other than to an Foreign Institutional Investor ("**FII**") (including its sub – account) or an Foreign Portfolio Investor ("**FPI**") registered under the SEBI (Foreign Portfolio Investors) Regulations, 2014, as consideration for acquisition of shares, any sum chargeable to tax is required to deduct tax at source (including surcharge and education cess as applicable) at the applicable rates in force. Since the consideration payable to the Equity Shareholders whose Equity Shares are validly accepted in this Offer would be chargeable to capital gains under Section 45 of the Income Tax Act or as business profits, as the case may be, the Acquirer / PACs are required to deduct taxes at source (including surcharge and education cess) at the applicable rates with respect to such non-resident Equity Shareholders (other than to an FII (including its sub–account) or an FPI registered under the SEBI

(Foreign Portfolio Investors) Regulations, 2014).

8.1.2 In case of delay in receipt of any statutory approvals as may be required, as provided in paragraph 6.3 herein, as per Regulation 18(11) of the SEBI (SAST) Regulations, SEBI may, if satisfied, that non-receipt of such approvals was not attributable to any willful default, failure or neglect on the part of the Acquirer and the PACs to diligently pursue such approvals, grant an extension of time for the purpose of completion of this Offer, subject to the Acquirer and the PACs agreeing to pay interest to the Equity Shareholders for delay beyond 10 (Ten) Working Days at such rate, as may be specified by SEBI from time to time.

8.1.3 As per the provisions of Section 194A and 195 of the Income Tax Act, read with the Finance Act, 2016, a body corporate responsible for paying to residents and non-residents (including FIIs (and its sub – account) or an FPI registered under the SEBI (Foreign Portfolio Investors) Regulations, 2014) any income by way of interest, is required to deduct tax at source (including, in the case of non-residents, surcharge and education cess as applicable). Since the interest payable to the Equity Shareholders on being directed by SEBI under Regulation 18(11) of the SEBI (SAST) Regulations will be chargeable to income tax, the Acquirer / PACs will be required to deduct tax at source under section 194A or 195 of the Income Tax Act (including, in the case of non-residents, surcharge and education cess as applicable) on such interest income.

8.1.4 Each resident and non-resident Equity Shareholder (including FIIs (and its sub – account) or an FPI registered under the SEBI (Foreign Portfolio Investors) Regulations, 2014) 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 Acquirer / PACs, it would be assumed that the Equity Shareholder is a non-resident Equity Shareholder and taxes shall be deducted at the maximum rate, as may be applicable to the relevant category to which the Equity Shareholder belongs under the Income Tax Act, on the entire consideration and interest if any, payable to such Equity Shareholder.

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

8.1.6 In the case of non – resident Equity Shareholders, the rate of deduction of tax and the quantum of amount on which tax rate is to be applied is dependent on several factors. Since the Acquirer / PACs do not have in-house information in respect of various non-resident Equity Shareholders, such Equity Shareholders must specify the details requested in the Form of Acceptance-cum-Acknowledgement, including but not limited to the following information: (i) Residential status of the Equity Shareholder; (ii) Category to which the non-resident Equity Shareholder belongs i.e., Non Resident Indian, Overseas Corporate Body, Non-domestic company, FII being a company, FII other than a company, FPI registered under the SEBI (Foreign Portfolio Investors) Regulations, 2014 or any other non-resident; (iii) Date of acquisition of Equity Shares (to be supported by evidence); (iv) Cost of acquisition (to be supported by evidence); (v) Whether any concession in the matter of tax deduction is claimed based on certificate u/s. 195 / 197 (to be supported by evidence); and (vi) Whether any concession in the matter of tax deduction is claimed under any DTAA (to be supported by evidence).

8.1.7 Further, for the purpose of determining whether the capital gains are short-term or long-term, the Acquirer / PACs shall, if required, cross verify the details provided by the Equity Shareholder with the information obtained from the Target Company.

8.1.8 Any non – resident Equity Shareholder claiming benefit under any DTAA between India and any other foreign country should furnish 'Tax Residency Certificate' provided to him / it by the income tax authority of such other foreign country of which he / it claims to be a tax resident. In addition, such non-resident Equity Shareholder is required to provide a duly signed Form no.10F containing the prescribed information such as (i) Legal status (individual, company, firm, etc.), (ii) Permanent Account Number, if allotted; (iii) nationality in case of an individual; (iv) country of Incorporation / registration in case of any Equity Shareholder other than an individual; (v) Tax identification number / unique number by which the Equity Shareholder is identified in the country of his / its residence; (vi) period for which the Tax Residency Certificate is issued; and (vii) Address of the Equity Shareholder for the period for which Tax Residency Certificate is issued, if any of these information is not contained in the 'Tax Residency Certificate'.

8.1.9 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.

8.1.10 If a non – resident Equity Shareholder (in respect of consideration and interest, if any) / resident Equity Shareholder (in respect of interest, if any) furnishes certificate from the Income Tax authorities under Section 195 or under section 197 of the Income Tax Act, 1961 tax will be deducted at source in accordance with the certificate.

8.1.11 All Equity Shareholders are required to submit their PAN along with self attested copy of the PAN card for income-tax purposes. If not, the Acquirer will arrange to deduct tax at the rate of 20% (Twenty percent) as per Section 206AA of the Income Tax Act or at such tax rate as dealt with in Paragraph 8 (Compliance with Tax Requirements)– paragraphs 8.2 and 8.3 below, for each category of the non-resident Equity Shareholder, whichever is higher (including surcharge and education cess as applicable) on the entire consideration amount payable.

For Non – Resident shareholders, requirement related to submission of Permanent Account Number (PAN) may get relaxed after passage of Finance Act, 2016 and subsequent notification of conditional / unconditional relaxation of PAN related requirement by the Central Government / Central Board of Direct Taxes

8.1.12 The Acquirer will not accept any request from any Equity 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

8.2 **For all non – resident Equity Shareholders except (i) Foreign Institutional Investors ("FII") and (ii) Foreign Portfolio Investors ("FPI") (in respect of the consideration payable under the Offer):**

8.2.1 In computing the amount of TDS, to be eligible for (a) deduction for cost of acquisition and (b) lower rate of Tax Deduction at Source as applicable to Long Term Capital Gain the shareholder will need to provide following documents:

a) Document evidencing price at which shares were acquired e.g. broker invoice / contract note

b) Document evidencing the date on which the shares were acquired e.g. broker invoice / contract note

8.2.2 To be eligible for lower rate of tax deduction, (as envisaged in section 115E of the Income Tax Act, 1961) an individual Equity Shareholder, who is either an Indian Citizen or a Person of Indian Origin, document evidencing twin facts namely (i) shares are held for more than twelve months and (ii) shares were acquired by the individual himself / herself using convertible foreign exchange. The document can be in the form of either (a) extract of relevant pages of demat account or (b) bank certificate.

8.2.3 In absence of the above documents, the tax will be deducted at source on the entire consideration payable to the Equity Shareholder treating the nature of gain as short-term capital gains or business profits as the case may be. In their absence, no deduction will be made in computing taxable gain and no concessional rate of TDS (as applicable to Long Term Capital Gains) will be applied.

8.2.4 **For (i) Foreign Institutional Investors ("FII") and (ii) Foreign Portfolio Investors ("FPI") (in respect of the consideration payable under the Offer):**

8.2.5 In view of the amended definition of 'Capital Asset' provided in section 2 (14) of the Income Tax Act, shares held by all FII (and their sub – account) or FPI registered under the SEBI (Foreign Portfolio Investors) Regulations, 2014 are to be treated as 'Capital Asset'. The Acquirer / PAC will not deduct tax at source on the consideration payable under the Offer since no tax is required to be deducted at source on income by way of 'Capital Gain' arising to an FII (and its sub – account) or to an FPI registered under the SEBI (Foreign Portfolio Investors) Regulations, 2014 from the transfer of securities as per the provisions of section 196D (2) of the Income Tax Act.

8.3 **Tax to be deducted in case of resident Shareholders**

8.3.1 In absence of any specific provision under the Income Tax Act, the Acquirer / PACs will not deduct tax on the consideration payable to resident Equity Shareholders for acquisition of Equity Shares. The Tax Liability, if any, of such resident Equity Shareholder will be required to be discharged directly by him.

8.3.2 No deduction of tax shall be made at source by the Acquirer where:

(i) The total amount of interest payable, if any, to a resident Equity Shareholder does not exceed INR 5,000 (Rupees Five Thousand only); or

(ii) In the case of resident Equity Shareholder not being a company or firm, a self declaration in Form 15G or Form 15H, as may be applicable, and duly executed has been furnished to the Acquirer. The self declaration in Form 15G or Form 15H would not be valid unless the Equity Shareholder furnishes PAN in such declaration.

(iii) SEBI Registration Certificate as a mutual fund since no tax is to be deducted on interest amount in the case of resident Equity Shareholder being a mutual fund as per Section 10(23D) of the Income Tax Act.

(iv) Documentary evidence in support of the claim that no tax should be deducted at source on interest payable if the Equity Shareholder bank or entity is covered by exception provided in Section 194A(3)(iii) of the Income Tax Act.

(v) SEBI Registration Certificate issued as Category I or Category II Alternative Investment Fund if the Equity Shareholder claims exemption from tax deduction at source on the basis of any notification that may be issued under section 197A (1F) of the Income Tax Act.

8.4 **Issue of tax deduction at source certificate**

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

8.5 **Withholding taxes in respect of overseas jurisdictions and other relevant information**

8.5.1 Apart from the above, the Acquirer / PACs will be entitled to withhold tax in accordance with the tax laws applicable in the overseas jurisdictions where the non-resident Equity Shareholder is a resident for tax purposes ("**Overseas Tax**").

For this purpose, the non-resident Equity Shareholder shall duly represent in the Form of Acceptance-cum-Acknowledgement, the quantum of the Overseas Tax to be withheld as per the relevant tax laws of the country in which the non-resident Equity Shareholder is a tax resident and the Acquirer / PACs will be entitled to rely on this representation at their/its sole discretion.

8.5.2 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 Acquirer to non-resident Equity Shareholders resident of Cyprus would be subjected to deduction of tax at source at the rate of 30% (Thirty percent) or the rates prescribed under the of the Income Tax Act, whichever is higher (including surcharge and education cess).

8.5.3 Equity Shareholders are advised to consult their tax advisors for the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. The Acquirer, the PACs and the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of such advice.

8.5.4 The Acquirer / PACs will be statutorily required to apply the rates and other provisions related to tax deduction at source as applicable at the time of acceptance of shares under Offer / payment to Equity Shareholders.

8.5.5 Taxes once deducted will not be refunded under any circumstances.

8.5.6 Equity Shareholders who wish to tender their Equity Shares must submit the following documents along with the Form of Acceptance-cum-Acknowledgement:

8.5.7 **Documents required from non-resident Shareholders (except FII (and its sub – account) / or an FPI registered under the SEBI (Foreign Portfolio Investors) Regulations, 2014):**

a. Self attested copy of PAN card
b. Document evidencing price at which shares were acquired e.g. broker invoice / contract note
c. Document evidencing the date on which the shares were acquired e.g. broker invoice / contract note
d. An individual Equity Shareholder, who is either an Indian Citizen or a Person of Indian Origin, and claiming concessional rate of TDS under Section 115E of the Income Tax Act, document evidencing twin facts namely (i) shares are held for more than twelve months and (ii) shares were acquired by the individual himself / herself using convertible foreign exchange. The document can be in the form of either (a) extract of relevant pages of demat account or (b) bank certificate.
e. Certificate under Section 195 or 197 of the Income Tax Act, in case any concession is claimed on that basis
f. Tax Residence Certificate where the non resident claiming any benefit under a DTAA

In addition, such Equity Shareholder will also be required to provide (i) nationality in case of an individual (ii) country of Incorporation / Registration in case of any Equity Shareholder other than an individual (iii) Tax identification number / unique number by which the Equity Shareholder is identified in the country of his / its residence (iv) period for which the Tax Residence Certificate is issued and (v) Address of the Equity Shareholder for the period for which Tax Residence Certificate is issued, if any of these information is not contained in the 'Tax Residence Certificate'

8.5.8 **Documents required from FIIs (and its sub – account) / or an FPI registered under the SEBI (Foreign Portfolio Investors) Regulations, 2014):**

a. Self Attested copy of PAN Card
b. Self Attested copy of SEBI Registration Certificate as FII (including sub–account of FII) / or an FPI registered under the SEBI (Foreign Portfolio Investors) Regulations, 2014)
c. Certificate under section 195 or 197 of the Income Tax Act, in case any concession is claimed on that basis (applicable only for the interest payment, if any).
d. Tax Residence Certificate where the FII (including sub–account of FII) or an FPI registered under the SEBI (Foreign Portfolio Investors) Regulations, 2014) claiming any benefit under a DTAA (applicable only for the interest payment, if any)

In addition, FIIs (including sub–account of FII) or an FPI registered under the SEBI (Foreign Portfolio Investors) Regulations, 2014) will also be required to provide (i) nationality in case of an individual (ii) country of Incorporation / Registration in case of any Equity Shareholder other than an individual (iii) Tax identification number / unique number by which the Equity Shareholder is identified in the country of his / its residence (iv) period for which the Tax Residence Certificate is issued and (v) Address of the Equity Shareholder for the period for which Tax Residence Certificate is issued, if any of these information is not contained in the 'Tax Residence Certificate'(applicable only for the interest payment, if any)

8.5.9 **Documents required from resident Shareholders:**

a. Self attested copy of PAN card of all holders of physical shares.
b. Certificate under section 197 of the Income Tax Act, in case any concession is claimed on that basis (applicable only for the interest payment, if any).
c. If applicable, self declaration form in Form 15G Form 15H (in duplicate) (applicable only for interest payment, if any).
d. SEBI Registration Certificate as a mutual fund (applicable only for the \ interest payment, if any)
e. Documentary evidence in support of the claim that no tax should be deducted at source on interest payable if the Equity Shareholder bank or entity is covered by exception provided in Section 194A(3)(iii) of the Income Tax Act (applicable only for the interest payment, if any)
f. SEBI Registration Certificate issued as Category I or Category II Alternative Investment Fund (applicable only for the interest payment, if any)

## 9 DOCUMENTS FOR INSPECTION

9.1 Copies of the following documents will be available for inspection at the registered office of the Manager to the Offer at ICICI Centre, H.T. Parekh Marg, Churchgate, Mumbai – 400020, Maharashtra, India (Tel: +91 22 2288 2460/2288 2470, Fax: +91 22 2282 6580). The documents can be inspected during normal business hours (11.00 AM to 4.00 PM) on all Working Days (except Saturdays, Sundays and public holidays) during the period from the date of this Draft Letter of Offer, till date of expiry of the Tendering Period.

9.1.1 Certificate of incorporation, memorandum of association and articles of association of the Acquirer and PACs (to the extent applicable).

9.1.2 Copy of certificate dated April 11, 2016 from Meghal Jain & Associates (Firm Registration Number: 133824W), Chartered Accountants, 384/J, Ajanta Chambers, Shop No. 19/20, 1st Floor, Dabholkarwadi, Kalbadevi Road, Mumbai – 400 002 (Tel. No. 9969 178 022; E-mail ID: meghaldjain@gmail.com), certifying that the Acquirer and PACs jointly have adequate liquid resources to meet the funds requirements/obligations under this Offer.

9.1.3 Copies of the annual reports for the Target Company for the FY ended March 31, 2015, 2014 and 2013.

9.1.4 Escrow agreement dated April 12, 2016, between the Acquirer, IndusInd Bank Limited and the Manager to the Offer.

9.1.5 Letter from IndusInd Bank Limited dated April 13, 2016 confirming the amount kept in the Escrow Account and and a lien in favour of Manager to the Offer.

9.1.6 A copy of the Public Announcement dated April 11, 2016 and submitted to BSE on April 11, 2016

9.1.7 Published copy of the Detailed Public Statement dated April 20, 2016, published on April 21, 2016 and corrigendum dated April 26, 2016 to the Detailed Public Statement, published on April 27, 2016.

9.1.8 A copy of the agreement with the Registrar to the Offer dated April 12, 2016.

## 10 DECLARATION BY THE ACQUIRER AND PACs

Unless stated otherwise, the Acquirer and PACs accept full responsibility for the information contained in the Draft Letter of Offer (except for the information with respect to the Target Company) and also for the obligations of the Acquirer, PAC 1 and PAC 2 as laid down in the SEBI (SAST) Regulations.

Each of the Acquirer and PACs shall be jointly and severally responsible for ensuring compliance with the SEBI (SAST) Regulations.

The persons signing this Draft Letter of Offer on behalf of the Acquirer and PACs have been duly and legally authorized by the respective boards of directors to sign this Draft Letter of Offer.

For the purposes of disclosures in this Draft Letter of Offer, relating to the Target Company, the Acquirer and the PACs have relied on the information provided by the Target Company and/or publically available information and have not independently verified the accuracy of the details of the Target Company.

**For and on behalf of the Acquirer and the PACs**

| Acquirer | PAC 1 | PAC 2 |
|---|---|---|
| **Aravali Investment Holdings**<br>IFS Court, Bank Street, TwentyEight, Cybercity, Ebene 72201, Mauritius<br>Tel: +230 467 3000, Fax: +230 467 4000,<br>Email ID: wbcrossover@ifsmauritius.com<br><br>Authorized Signatory:<br><br>Sd/-<br><br>Date: April 27, 2016<br><br>Place: Mauritius | **Jwalamukhi Investment Holdings**<br>IFS Court, Bank Street, TwentyEight, Cybercity, Ebene 72201, Mauritius<br>Tel: +230 467 3000, Fax: +230 467 4000,<br>Email ID: wbcrossover@ifsmauritius.com<br><br>Authorized Signatory:<br><br>Sd/-<br><br>Date: April 27, 2016<br><br>Place: Mauritius | **WestBridge Crossover Fund, LLC**<br>IFS Court, Bank Street, TwentyEight, Cybercity, Ebene 72201, Mauritius<br>Tel: +230 467 3000, Fax: +230 467 4000,<br>Email ID: wbcrossover@ifsmauritius.com<br><br>Authorized Signatory:<br><br>Sd/-<br><br>Date: April 27, 2016<br><br>Place: Mauritius |