

**DRAFT LETTER OF OFFER**  
**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

The Letter of Offer (as defined under the head of Key Definitions) is sent to you as a Public Shareholder (as defined under the head of Key Definitions) of Shree Renuka Sugars Limited. If you require any clarifications about the action to be taken, you may consult your stock broker or investment consultant or the Manager to the Open Offer (as defined under the head of Key Definitions) or the Registrar to the Open Offer (as defined under the head of Key Definitions). In case you have recently sold your Shares (as defined under the head of Key Definitions) in Shree Renuka Sugars Limited, please hand over the Letter of Offer and the accompanying Form of Acceptance-cum-Acknowledgement (as defined under the head of Key Definitions) and Securities Transfer Form (as defined under the head of Key Definitions) to the member of the stock exchange through whom the said sale was effected.

**Open Offer (Offer) by**  
**Wilmar Sugar Holdings Pte. Ltd. (Acquirer)**

having its registered office at 56 Neil Road, Singapore - 088830, Telephone: +65 6507 0500; Fax: +65 6536 2192

**together with the person acting in concert**  
**Wilmar International Limited (PAC)**

having its registered office at 56 Neil Road, Singapore 088830, Telephone: +65 6216 0244; Fax: +65 6536 2192 to acquire (in aggregate) up to 498,373,016 (Four hundred ninety eight million three hundred seventy three thousand sixteen only) fully paid-up equity shares of face value of INR 1 (Indian Rupee One) each (**Offer Shares**) representing 26% (Twenty Six Per Cent) of the total Emerging Share Capital (as defined under the head of Key Definitions) (**Offer Size**) from the Public Shareholders of

**Shree Renuka Sugars Limited (Target Company)**

**having its registered office at BC 105, Havelock Road, Camp, Belgaum – 590 001, Karnataka, India,**  
**Telephone: +91 831 240 4000; Fax: +91 831 246 9891**

**at a price of INR 16.29 (Indian Rupees Sixteen paise twenty nine) per Share (Offer Price) payable in cash pursuant to the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (as amended) (SEBI (SAST) Regulations).**

**Notes:**

1. The Open Offer is being made by the Acquirer and the PAC pursuant to Regulations 3(2) and 4 and other applicable regulations of the SEBI (SAST) Regulations.
2. The Open Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of the SEBI (SAST) Regulations. There is no differential price being offered for the Offer Shares tendered in the Open Offer.
3. The Open Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
4. All the applicable statutory approvals have been obtained by the Acquirer and the Target Company (for details, please refer to paragraph 6.11).
5. Upward revision, if any, in the Offer Price and/or Offer Size, or withdrawal of the Open Offer, in accordance with the SEBI (SAST) Regulations shall be informed by way of a public announcement in the same newspapers where the Detailed Public Statement (as defined under the head of Key Definitions) in relation to this Open Offer appeared. Such revision in the Offer Price, if any, would be applicable to all the Offer Shares validly tendered anytime during the Tendering Period.
6. **There are no competing offers as of the date of this Draft Letter of Offer.**
7. Copies of the Public Announcement (as defined under the head of Key Definitions), the Detailed Public Statement, this Draft Letter of Offer (as defined under the head of Key Definitions) and the Letter of Offer (including the Form of Acceptance-cum-Acknowledgment) are also available on the website of the Securities and Exchange Board of India (**SEBI**): [www.sebi.gov.in](http://www.sebi.gov.in).

**MANAGER TO THE OPEN OFFER**



**Edelweiss Financial Services Limited**  
Address: 14<sup>th</sup> Floor, Edelweiss House  
Off. C.S.T Road, Kalina  
Mumbai – 400 098, Maharashtra, India  
Tel: +91 22 4009 4400  
Fax: +91 22 4086 3610  
E-mail: [srsl.openoffer@edelweissfin.com](mailto:srsl.openoffer@edelweissfin.com)  
Website: [www.edelweissfin.com](http://www.edelweissfin.com)  
Contact Person: Nishita John  
SEBI Registration No. INM0000010650

**REGISTRAR TO THE OPEN OFFER**



**Karvy Computershare Private Limited**  
Address: Karvy Selenium Tower B  
Plot No 31 & 32, Financial District  
Nanakramguda, Serilingampally Mandal  
Hyderabad – 500 032, Telangana, India  
Tel: +91 40 6716 2222  
Fax: +91 40 2343 1551  
E-mail: [einward.ris@karvy.com](mailto:einward.ris@karvy.com)  
Website: <http://karisma.karvy.com>  
Contact Person: Murali Krishna M  
SEBI Registration No.: INR000000221

<b>SCHEDULE OF MAJOR ACTIVITIES RELATING TO THE OPEN OFFER</b>		
<b>ACTIVITY</b>	<b>ORIGINAL SCHEDULE (DAY AND DATE)</b>	<b>REVISED SCHEDULE (DAY AND DATE)</b>
Issuance of the PA (as defined below)	Friday, 9 March 2018	Friday, 9 March 2018
Publication of the DPS (as defined below) in the newspapers	Thursday, 15 March 2018	Thursday, 15 March 2018
Filing of Draft Letter of Offer with SEBI	Thursday, 22 March 2018	Thursday, 22 March 2018
Last date for the public announcement of a competing offer being made <sup>1</sup>	Monday, 9 April 2018	[●]
Last date for receipt of comments from SEBI on this Draft Letter of Offer (in the event SEBI has not sought clarification or additional information from the Manager to the Open Offer)	Monday, 16 April 2018	[●]
Identified Date <sup>2</sup>	Wednesday, 18 April 2018	[●]
Last date by which the Letter of Offer is required to be dispatched to the Public Shareholders (as defined below)	Wednesday, 25 April 2018	[●]
Last date for upward revision of the Offer Price/Offer Size	Thursday, 26 April 2018	[●]
Last date for publication of advertisement giving recommendation of the independent committee of the Board of Directors (as defined below) <sup>3</sup>	Wednesday, 2 May 2018	[●]
Last date of publication of the Open Offer opening advertisement	Thursday, 3 May 2018	[●]
Date of commencement of the Tendering Period (Offer Opening Date)	Friday, 4 May 2018	[●]
Date of closure of the Tendering Period (Offer Closing Date)	Thursday, 17 May 2018	[●]
Date by which all requirements including payment of consideration would be completed	Thursday, 31 May 2018	[●]
Last date for publication of post-Offer public announcement in the newspapers in which the DPS has been published	Thursday, 7 June 2018	[●]

*Notes:*

1. *There has been no competing offer as of the date of this Draft Letter of Offer.*
2. *Identified Date is only for the purpose of determining the Public Shareholders as on such date to whom the Letter of Offer shall be issued. It is clarified that all the Public Shareholders (registered or unregistered) who own the Offer Shares are eligible to participate in the Open Offer at any time before closure of the Tendering Period.*
3. *Date of publication of the recommendations.*

## **RISK FACTORS**

**The probable risk factors pertaining to the Open Offer or pertaining to association with the Acquirer, the PAC or the Target Company are set forth below but these are only indicative. The risk factors set forth below do not relate to the present or future business or operations of the Target Company and any other related matters. The Public Shareholders are advised to consult their stock brokers, tax advisors, legal advisors or investment consultants, if any, for analyzing all the risks with respect to their participation in the Open Offer.**

### **A. RISKS RELATING TO THE OPEN OFFER**

1. In the event that: (a) there is any litigation leading to a stay/injunction on the Open Offer or that restricts/restrains the Acquirer or the PAC from performing their obligations hereunder; (b) SEBI instructs the Acquirer or the PAC not to proceed with the Open Offer; (c) a binding order of a court or governmental authority of competent jurisdiction is received directing the withdrawal of the Open Offer; or (d) any other statutory approvals become applicable and are delayed or not received, then the Open Offer process may be delayed beyond the schedule of activities indicated in this Draft Letter of Offer, or the Open Offer may be withdrawn in accordance with the SEBI (SAST) Regulations. If the Open Offer process is delayed beyond the indicated schedule of activities, then the payment of consideration to the Public Shareholders whose Offer Shares are accepted under the Open Offer, as well as the return of the Offer Shares not accepted under the Open Offer, by the Acquirer or the PAC may also get delayed.
2. Other than as disclosed in this Draft Letter of Offer, to the best of knowledge and belief of the Acquirer and the PAC, as of the date of this Draft Letter of Offer, the relevant statutory approvals required for the Acquirer's investment in the Target Company and the Open Offer, have been obtained as indicated at paragraph 6.11.1. However, in case an unforeseen requirement for any other statutory approval arises before the closure of the Tendering Period, this Open Offer shall be subject to such further approvals and the Acquirer and/ or the PAC shall make the necessary applications for such approvals. In case of any delay beyond 10 (ten) Working Days (as defined under the head of Key Definitions) from the closure of Tendering Period in making the payment to the shareholders who have accepted the Open Offer due to delay in obtaining any statutory approvals, in accordance with Regulation 18(11) of the SEBI (SAST) Regulations, SEBI may, if satisfied that the delay in obtaining such approvals was not due to any willful default, failure or neglect on the part of the Acquirer and/or the PAC to diligently pursue such approvals, grant an extension of time for the purpose of completion of the Open Offer subject to the Acquirer agreeing to pay interest at such rate as may be specified by SEBI, to the Public Shareholders who have validly tendered their Offer Shares under the Open Offer. However, where the statutory approvals extend to some but not all Public Shareholders, the Acquirer and/or the PAC have the option to make payment to such Public Shareholders in respect of whom no statutory approvals are required in order to complete the Open Offer.
3. Public Shareholders tendering their Shares in this Open Offer will be doing so prior to receipt of consideration in relation to such tendered Shares as the Acquirer has up to 10 (ten) Working Days from the date of closure of the Tendering Period to pay the consideration to the Public Shareholders whose Shares are accepted in this Open Offer.
4. The tendered Offer Shares and documents submitted therewith would be held in trust by the Registrar to the Open Offer/ Clearing Corporation until the process of acceptance of Offer Shares tendered and payment of consideration to the Public Shareholders is completed. The Offer Shares, once tendered under the Open Offer, cannot be withdrawn, even if the acceptance of the Offer Shares under the Open Offer and dispatch of the consideration is delayed. The Public Shareholders will not be able to trade in such Offer Shares which are in the custody of the Registrar to the Open Offer/ Clearing Corporation. During such period, there may be fluctuations in the market price of the Shares.
5. The Open Offer is an offer to acquire up to 498,373,016 (Four hundred ninety eight million three hundred seventy three thousand sixteen only) Shares, representing 26% (Twenty six per cent) of the Emerging Share Capital from the Public Shareholders. In the case of over-subscription of the Open Offer, acceptance will be determined on a proportionate basis (as detailed in paragraph 7.16), and hence, it is not certain that all the Offer Shares tendered by the Public Shareholders in the Open Offer will be accepted.

6. This Draft Letter of Offer has not been filed, registered or approved in any jurisdiction outside India. The recipients of the Letter of Offer resident in jurisdictions outside India should inform themselves of and observe any applicable legal requirements. The Open Offer is not directed towards any person or entity in any jurisdiction or country where the Open Offer would be contrary to the applicable laws or regulations or would subject the Acquirer, the PAC or the Manager to the Open Offer to any new or additional registration requirements.
7. The Public Shareholders are advised to consult their respective legal and tax advisors for assessing the tax liability pursuant to the Open Offer, or in respect of other aspects, such as the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. The Acquirer and the PAC do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in this Draft Letter of Offer.
8. The Acquirer, the PAC and the Manager to the Open Offer do not accept any responsibility for statements made otherwise than in this Draft Letter of Offer or the PA, or the DPS, and anyone placing reliance on any other source of information (not released by the Acquirer, the PAC, or the Manager to the Open Offer) would be doing so at his/her/their own risk. The Acquirer, the PAC and the Manager to the Open Offer do not accept any responsibility with respect to the information contained in this Draft Letter of Offer or in the PA or the DPS which pertains to the Target Company and has been compiled from publicly available resources.

**B. RISKS RELATING TO THE ACQUIRER AND THE PAC**

1. The Acquirer and the PAC make no assurances with respect to their investment / divestment decisions relating to their shareholding in the Target Company.
2. The Acquirer and the PAC make no assurances with respect to, the continuation of the past trend in the financial performance or the future performance, of the Target Company.
3. The Acquirer and the PAC make no assurances with respect to the market price of the Shares before, during or after the Open Offer and each of them expressly disclaims any responsibility or obligation of any kind (except as required under applicable law) with respect to any decision by any Public Shareholder on whether to participate or not to participate in the Open Offer.
4. In accordance with Regulation 38 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**LODR Regulations**) read with Rule 19A of the Securities Contract (Regulation) Rules, 1957, as amended (**SCRR**), the Target Company is required to maintain at least 25% (Twenty five per cent) public shareholding, as determined in accordance with SCRR, on a continuous basis for listing (**Minimum Public Shareholding**). It is not foreseen that, as a result of the purchase of the Offer Shares tendered under the Open Offer, the public shareholding in the Target Company would fall below the Minimum Public Shareholding. However, if as a result of the purchase of the Offer Shares tendered under the Open Offer and the purchase of other Shares, if any, during the Offer Period, the public shareholding in the Target Company falls below the Minimum Public Shareholding, the Acquirer shall reduce its shareholding in the Target Company in the manner as set out in Regulation 7(4) of the SEBI (SAST) Regulations and within the time period specified in the SCRR, such that the Target Company complies with the Minimum Public Shareholding requirement. Any failure to comply with the conditions of the SCRR and the LODR Regulations could have an adverse effect on the price and tradability of the Shares.

## **CURRENCY OF PRESENTATION**

1. In this Draft Letter of Offer, all references to “Indian Rupees” or “INR” or “Rs” or “Re” are references to the official currency of India. At some places, United States Dollars (**USD** or **US Dollars**) has been used which represents the lawful currency of the United States of America. At some places, Singapore Dollar (**SGD** or **Singapore Dollars**) has also been used which represents the lawful currency of the Republic of Singapore.
2. Unless otherwise specified, the Indian rupee equivalent quoted in each case for USD / US Dollars is calculated based on the RBI reference rate of INR 65.0784 per USD / US Dollar as on the date of the PA i.e. 9 March 2018 (Source: Reserve Bank of India – [www.rbi.org.in](http://www.rbi.org.in)). All the data presented in USD in this Draft Letter of Offer has been converted into Indian Rupees for the purpose of convenience only.
3. In this Draft Letter of Offer, any discrepancy in any table between the total and sums of the amounts listed are due to rounding off and/or regrouping.

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## KEY DEFINITIONS

TERM	DEFINITION
Acquired Shares	481,843,884 (Four hundred eighty one million eight hundred forty three thousand eight hundred eighty four) Shares acquired pursuant to conversion of the CCPS.
Acquirer	Wilmar Sugar Holdings Pte. Ltd., a private company limited by shares, incorporated under the laws of Singapore and having its registered office at 56 Neil Road, Singapore – 088830.
Act	The (Indian) Companies Act, 2013 as amended, substituted or replaced from time to time.
Board of Directors	Board of directors of the Target Company.
BSE	BSE Limited.
CCPS	481,843,884 (Four hundred eighty one million eight hundred forty three thousand eight hundred eighty four) compulsorily convertible preference shares of the Target Company held by the Acquirer.
CDSL	Central Depository Services (India) Limited.
Chartered Accountant	A chartered accountant within the meaning of the Indian Chartered Accountants Act, 1949.
Closure of the Tendering Period	17 May 2018.
Current Promoter Group	The current promoter group of the Target Company as disclosed in the shareholding pattern filed by the Company with BSE and NSE for the quarter ended December 2017 and comprises of the Acquirer, and the Murkumbi Group.
Debt Restructuring Package	The debt restructuring package entered into by the Target Company with its lenders and approved by the Board of Directors by way of board resolution dated 24 February 2018.
DIN	Director identification number.
DP	Depository participant.
DPS or Detailed Public Statement	Detailed public statement dated 14 March 2018, issued by the Manager to the Open Offer, on behalf of the Acquirer and the PAC, in relation to the Open Offer and published in the newspapers on 15 March 2018 in accordance with Regulations 3(2) and 4 read with Regulations 13(4), 14 and 15(2) and other applicable regulations of the SEBI (SAST) Regulations.
Draft Letter of Offer	This Draft Letter of Offer filed with SEBI in accordance with Regulation 16(1) of SEBI (SAST) Regulations.
DTAA	Double Taxation Avoidance Agreement.
Emerging Share Capital	INR 1,916,819,292 (Indian Rupees One billion nine hundred sixteen million eight hundred nineteen thousand two hundred ninety two) consisting of 1,916,819,292 (One billion nine hundred sixteen million eight hundred nineteen thousand two hundred ninety two) Shares of face value of INR 1 (Indian Rupee One) each, being the fully diluted voting share capital of the Target Company as on the 10 <sup>th</sup> (tenth) Working Day from the closure of the Tendering Period.
FEMA	The Foreign Exchange Management Act, 1999, read with rules and regulations thereunder.
Form of Acceptance-cum-Acknowledgement	Form of Acceptance-cum-Acknowledgement, which is annexed to the Letter of Offer.
FPI(s)	Foreign Portfolio Investor, as defined under the FPI Regulations, registered with SEBI under applicable laws in India, and including foreign institutional investors deemed to be FPIs under the FPI Regulations.
FPI Regulations	SEBI (Foreign Portfolio Investor) Regulations, 2014 (as amended).
ICDR Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (as amended).
Identified Date	18 April 2018, i.e., the date falling on the 10 <sup>th</sup> (tenth) Working Day prior to the commencement of the Tendering Period, for the purposes of determining the Public Shareholders to whom the Letter of Offer shall be sent.

<b>TERM</b>	<b>DEFINITION</b>
Income Tax Act	Income-tax Act, 1961 (as amended).
JVA	The joint venture agreement dated 20 February 2014 entered into by and amongst the Acquirer, the PAC, the Murkumbi Group and Target Company.
JV Termination Agreement	The joint venture termination agreement dated 9 March 2018 entered into by and amongst the Acquirer, the PAC, the Murkumbi Group and the Target Company.
Letter of Offer	The Letter of Offer, duly incorporating SEBI's comments to this Draft Letter of Offer, including the Form of Acceptance-cum-Acknowledgement.
Manager to the Open Offer	Edelweiss Financial Services Limited.
Minimum Public Shareholding	25% (Twenty five per cent) public shareholding (Minimum Public Shareholding), as determined in accordance with Regulation 38 of the LODR Regulations read with Rule 19A of the SCRR.
Murkumbi Group	Collectively, Murkumbi Investments Private Limited, Khandepar Investments Private Limited, Agri Venture Trading and Investment Private Limited, Narendra Madhusudan Murkumbi (HUF), Narendra Madhusudan Murkumbi, Supriya Shailesh Rojekar, Inika Narendra Murkumbi, Malvika Narendra Murkumbi, Vidya Murkumbi, Anuradha Ravindra Kulkarni, Dilip Vasant Rao Deshpande and Apoorva Narendra Murkumbi.
NECS	National Electronic Clearance System.
NEFT	National Electronic Funds Transfer.
NRI	Non-resident Indian, as defined under the FEMA.
NSDL	National Securities Depository Limited.
NSE	National Stock Exchange of India Limited.
OCB	Overseas corporate body, as defined under the FEMA.
Offer/Open Offer	This open offer, which is being made by the Acquirer and the PAC to the Public Shareholders, for acquisition of up to 498,373,016 (Four hundred ninety eight million three hundred seventy three thousand sixteen only) Shares, representing 26% (twenty six per cent) of the Emerging Share Capital.
Offer Period	Period commencing from 9 March 2018 till the date on which the payment of consideration to the Public Shareholders whose Offer Shares have been accepted in the Open Offer is made, or the date on which Offer is withdrawn, as the case may be.
Offer Price	Price of INR 16.29 (Indian Rupee Sixteen paise twenty nine) per Share.
Offer Shares	Up to 498,373,016 (Four hundred ninety eight million three hundred seventy three thousand sixteen only) Shares.
Offer Size	Up to 498,373,016 (Four hundred ninety eight million three hundred seventy three thousand sixteen only) Shares, representing 26% (twenty six per cent) of the Emerging Share Capital.
Overseas Tax	Tax payable under the tax laws applicable in jurisdictions or countries other than India.
PA or Public Announcement	Public announcement dated 9 March 2018, issued by the Manager to the Open Offer, on behalf of the Acquirer and the PAC, in relation to the Open Offer and filed with the Stock Exchanges (as defined in these Key Definitions) on 9 March 2018, sent to the Target Company on 9 March 2018 and filed with SEBI on 12 March 2018.
PAC	Wilmar International Limited, a public company limited by shares, incorporated under the laws of Singapore and having its registered office at 56 Neil Road, Singapore 088830.
PAN	Permanent account number.
Public Shareholders	All the public equity shareholders of the Target Company other than those who are parties to the JV Termination Agreement and the persons deemed to be acting in concert with the Acquirer.
RBI	Reserve Bank of India.
Registrar to the Open Offer	Karvy Computershare Private Limited.
RTGS	Real Time Gross Settlement.
SCRR	Securities Contract (Regulation) Rules, 1957 (as amended).



<b>TERM</b>	<b>DEFINITION</b>
SEBI	Securities and Exchange Board of India.
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (as amended).
SEBI Act	Securities and Exchange Board of India Act, 1992 (as amended).
SEBI Stock Exchange Mechanism Circular	SEBI circular CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015 issued by the SEBI, and as amended via SEBI circular CFD/DCR2/CIR/P/2016/131 dated 9 December 2016 issued by the SEBI
Securities Transfer Form	Securities Transfer Form, which is annexed to the Letter of Offer.
Share	Each fully paid-up equity share of the Target Company of the face value of INR 1 (Indian Rupee One).
Stock Exchanges	BSE and NSE.
Target Company	Shree Renuka Sugars Limited, a public limited company incorporated under the laws of India and having its registered office at BC 105, Havelock Road, Camp, Belgaum - 590001, Karnataka, India.
Tax Residence Certificate	Certificate with respect to tax residence of a Public Shareholder to be furnished for the purposes of claiming benefit under any DTAA.
Tendering Period	The tendering period of the Open Offer, commencing from 4 May 2018 and closing on 17 May 2018 (both days inclusive).
Working Day	A working day of SEBI at Mumbai.

## 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 SEBI (SAST) REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE PUBLIC SHAREHOLDERS OF SHREE RENUKA SUGARS LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OPEN OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER, THE PAC OR THE TARGET COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ACQUIRER AND THE PAC ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT LETTER OF OFFER, THE MANAGER TO THE OPEN OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER AND THE PAC DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OPEN OFFER, EDELWEISS FINANCIAL SERVICES LIMITED, HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED 22 MARCH 2018 TO SEBI IN ACCORDANCE WITH THE SEBI (SAST) REGULATIONS. THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER AND THE PAC FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OPEN OFFER.

## 2. DETAILS OF THE OPEN OFFER

### 2.1 BACKGROUND TO THE OPEN OFFER

- 2.1.1. The Open Offer is a mandatory offer in compliance with Regulations 3(2) and 4 and other applicable regulations of the SEBI (SAST) Regulations pursuant to: (i) an increase in shareholding of the Acquirer upon exercise of option by the Acquirer for the conversion of CCPS by the Acquirer into the Acquired Shares, as detailed in paragraph 2.1.4, and (ii) the Acquirer and PAC executing the JV Termination Agreement which contemplates a change in control of the Target Company after the completion of the Open Offer, as detailed in paragraph 2.1.5. The Open Offer is not subject to any minimum level of acceptance.
- 2.1.2. The Acquirer has exercised its option to convert the CCPS to the Acquired Shares on 9 March 2018 upon the request of the Target Company and its lenders to support the Debt Restructuring Package, which requires *inter alia* fresh infusion of funds into the Target Company, and further, that the Acquirer holds at least 26% (Twenty six per cent) of the voting equity shareholding of the Target Company and is the single largest voting equity shareholder of the Target Company. The Open Offer is not the result of a global acquisition resulting in an indirect acquisition of voting rights in or control of the Target Company. The (i) details of the Acquirer's shareholding prior to the exercise of the option to convert the CCPS by the Acquirer, (ii) number and percentage of Shares acquired, and (iii) acquisition price per Acquired Share, are as detailed in paragraph 2.1.4. The details of the current and proposed shareholding of the Acquirer and the PAC in the Target Company are as follows:

SHARE HOLDING	ACQUIRER		PAC		TOTAL	
	NUMBER OF SHARES	%	NUMBER OF SHARES	%	NUMBER OF SHARES	%
AS ON THE DATE OF THE PA <sup>(1)</sup>	739,336,351	38.57	Nil	Nil	739,336,351	38.57
SHARES ACQUIRED BETWEEN	Nil	Nil	Nil	Nil	Nil	Nil

SHARE HOLDING	ACQUIRER		PAC		TOTAL	
	NUMBER OF SHARES	%	NUMBER OF SHARES	%	NUMBER OF SHARES	%
THE DATE OF THE PA AND THIS DRAFT LETTER OF OFFER						
SHAREHOLDING AS ON THE DATE OF THIS DRAFT LETTER OF OFFER	739,336,351	38.57	Nil	Nil	739,336,351	38.57
POST OFFER SHAREHOLDING AS OF THE 10TH WORKING DAY AFTER THE CLOSURE OF THE OPEN OFFER (BASED ON EMERGING SHARE CAPITAL) <sup>(2)</sup>	1,237,709,367	64.57	Nil	Nil	1,237,709,367	64.57

Notes:

(1) Acquisition of 481,843,884 (Four hundred eighty one million eight hundred forty three thousand eight hundred eighty four) Shares upon conversion of the 481,843,884 (Four hundred eighty one million eight hundred forty three thousand eight hundred eighty four) CCPS on 9 March 2018.

(2) Post offer shareholding includes Shares acquired by the Acquirer outside of the Open Offer and assumes full acceptance in the Open Offer.

- 2.1.3. The Debt Restructuring Package includes: (i) upfront repayment and settlement of part of the debt through funds infused by the Acquirer; (ii) provision of a corporate guarantee by the PAC for an amount of INR 27,130,000,000 (Indian Rupees Twenty seven billion one hundred and thirty million) in favour of the lenders of the Target Company; (iii) waiver by the lenders of the Target Company of part of the debt; (iv) conversion by the lenders of part of the debt into equity securities (including securities convertible into Shares) and non-convertible debt instruments; and (v) other restructuring of the remaining debt through changes in the repayment terms.
- 2.1.4. As part of the implementation of the Debt Restructuring Package, (i) upon a request by the Target Company and its lenders, the Acquirer exercised its option to convert the CCPS into the Acquired Shares, by way of its notice of conversion dated 9 March 2018; and (ii) the lenders of the Target Company have converted a part of their outstanding debt into Shares on the same day. Pursuant to the conversions by the Acquirer and lenders, the Acquirer holds 739,336,351 (Seven hundred thirty nine million three hundred thirty six thousand three hundred fifty one) Shares representing 38.57% (Thirty eight point five seven per cent) of the total voting equity share capital of the Target Company as of the date of this Draft Letter of Offer, as compared to 27.24% (Twenty seven point two four per cent) of the total voting equity share capital of the Target Company held previously. The Acquirer has paid a consideration of INR 16.29 (Indian Rupees Sixteen paise twenty nine) per Acquired Share.
- 2.1.5. In connection with the Debt Restructuring Package, the Acquirer, PAC, the Target Company, and the Murkumbi Group have executed the JV Termination Agreement on 9 March 2018, pursuant to which

the earlier JVA entered into among them, governing their mutual rights and obligations as shareholders including but not limited to management rights, reserved matters and transfer restrictions, has been terminated. The JV Termination Agreement contemplates that post completion of the Open Offer: (i) the Board of Directors shall be reconstituted such that the Acquirer will have a majority of non-independent directors on the Board of Directors and such number of directors nominated by the Murkumbi Group will resign as may be required to give effect to the above; (ii) Mrs. Vidya Murkumbi shall resign from the position of director of the Target Company; (iii) Mr. Narendra Murkumbi shall cease to hold the executive position of Vice Chairman and Managing Director of the Target Company; and (iv) the Murkumbi Group shall be entitled to undertake all necessary steps and actions under applicable laws, including but not limited to Regulation 31A of the LODR Regulations, to declassify itself as a 'promoter' of the Target Company, thereby ceasing control of the Target Company and granting the Acquirer sole control of the Target Company. The Nomination and Remuneration Committee of the Board of Directors and the Board of Directors have each, at their meetings on 19 March 2018, recommended Mr. Atul Chaturvedi, who is an existing director of the Target Company, for the position of Executive Chairman of the Target Company to replace Mrs. Vidya Murkumbi upon her resignation as the Chairperson of the Target Company after the completion of the Open Offer.

- 2.1.6. After the completion of this Open Offer, and pursuant to the acquisition of the Acquired Shares and implementation of the terms of the JV Termination Agreement, the Acquirer will exercise a significant degree of control over the Target Company.
- 2.1.7. Other than as disclosed in this Draft Letter of Offer, the Acquirer, the PAC and their directors do not hold any other Shares.
- 2.1.8. The Acquirer and the PAC have not been prohibited by the SEBI from dealing in securities, in terms of a direction issued under Section 11B of the SEBI Act or any other regulations made thereunder.
- 2.1.9. Upon completion of the Open Offer, the Board of Directors shall be reconstituted in accordance with the JV Termination Agreement, as detailed in paragraph 2.1.5.
- 2.1.10. 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 Open Offer to the Public Shareholders.
- 2.1.11. Such recommendations shall be published at least two Working Days before the commencement of the Tendering Period in the same newspaper where the DPS related to the Open Offer was published, in compliance with Regulation 26(7) of the SEBI (SAST) Regulations.

## 2.2 **DETAILS OF THE OPEN OFFER**

- 2.2.1 The PA announcing the Open Offer, in terms of Regulations 3(2) and 4 read with Regulations 13, 14 and 15(1) and other applicable regulations of the SEBI (SAST) Regulations, was released to the Stock Exchanges, and sent to the Target Company at its registered office, on 9 March 2018. The PA was filed with SEBI on 12 March 2018. The PA is also available on the SEBI website: [www.sebi.gov.in](http://www.sebi.gov.in).
- 2.2.2 The DPS was published in accordance with Regulations 3(2) and 4 read with Regulations 13(4), 14, 15(2) and other applicable regulations of the SEBI (SAST) Regulations on 15 March 2018 in the following newspapers:

NEWSPAPER	LANGUAGE	EDITIONS
Financial Express	English	All editions
Jansatta	Hindi	All editions
Vishvavani	Kannada	Belgaum edition
Navshakti	Marathi	Mumbai edition

- 2.2.3 A copy of the DPS was also sent to SEBI, the BSE, the NSE and the Target Company at its registered office. The DPS is also available on the SEBI website: [www.sebi.gov.in](http://www.sebi.gov.in).
- 2.2.4 The Open Offer is being made by the Acquirer and the PAC to all the Public Shareholders, for the acquisition of up to 498,373,016 (Four hundred ninety eight million three hundred seventy three

thousand sixteen only) Shares, representing 26% (Twenty six per cent) of the Emerging Share Capital at the Offer Price. The Offer Price will be paid in cash in accordance with the provisions of Regulation 9(1)(a) of the SEBI (SAST) Regulations.

- 2.2.5 As of the date of this Draft Letter of Offer, there are no partly paid-up Shares.
- 2.2.6 As of the date of this Draft Letter of Offer, there are no outstanding (i) instruments convertible into Shares issued by the Target Company that would be converted into Shares by the 10<sup>th</sup> (Tenth) working day from the closure of the tendering period for the Open Offer, or (ii) employee stock options that have vested or shall vest by the 10<sup>th</sup> (tenth) Working Day from the closure of the Tendering Period. (Source: [www.bseindia.com](http://www.bseindia.com) and annual report of the Target Company for the financial year ended 31 March 2017).
- 2.2.7 The Open Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations. There have been no competing offers as of the date of this Draft Letter of Offer.
- 2.2.8 As on date of this Draft Letter of Offer, the Acquirer has not acquired any Shares during the 12 (Twelve) month period preceding the date of the Public Announcement, except as described in paragraph 2.1.4.
- 2.2.9 There is no differential price being offered for the Offer Shares tendered in the Open Offer.
- 2.2.10 The Open Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of the SEBI (SAST) Regulations. Up to 498,373,016 (Four hundred ninety eight million three hundred seventy three thousand sixteen only) Shares validly tendered in the Open Offer will be acquired by the Acquirer, in accordance with the terms and conditions contained in the PA, DPS and this Draft Letter of Offer.
- 2.2.11 As on the date hereof, the Acquirer has not acquired any Shares after the date of the PA.
- 2.2.12 The Manager to the Open Offer has not, and shall not, deal on its own account in the Shares during the Offer Period.
- 2.2.13 Upon the conversion of the CCPS into the Acquired Shares and execution of the JV Termination Agreement by the Acquirer and PAC, as detailed in paragraph 2.1.5, the Acquirer will continue to be classified as a 'promoter' of the Target Company in accordance with the ICDR Regulations. Further, in accordance with the JV Termination Agreement, the Murkumbi Group, who are also presently classified as a 'promoter' of the Target Company in accordance with the ICDR Regulations, shall be entitled, after completion of the Open Offer, to undertake all necessary steps and actions under applicable laws, including but not limited to Regulation 31A of the LODR Regulations, to declassify itself as a 'promoter' of the Target Company.
- 2.2.14 As requested by the Target Company and its lenders in connection with the Debt Restructuring Package, the Acquirer exercised its option to convert the CCPS into the Acquired Shares and the Board of Directors, pursuant to a resolution passed on 9 March 2018, allotted the Acquired Shares upon conversion of the CCPS to the Acquirer. The Acquired Shares are being kept in a separate demat escrow account in compliance with Regulation 22(2A) of the SEBI (SAST) Regulations (**Demat Escrow Account**). The Manager to the Open Offer will have the right to operate the Demat Escrow Account. Further, the Acquirer shall not exercise any voting rights on the Acquired Shares kept in the Demat Escrow Account in compliance with Regulation 22(2A) of the SEBI (SAST) Regulations. Upon fulfillment of all the Open Offer related formalities, the Acquired Shares will be transferred to the DP account of the Acquirer and the Demat Escrow Account will be closed.
- 2.2.15 In accordance with Regulation 38 of the LODR Regulations read with Rule 19A of SCRR, the Target Company is required to maintain the Minimum Public Shareholding, as determined in accordance with SCRR, on a continuous basis for listing. It is not foreseen that, as a result of the purchase of the Offer Shares tendered under the Open Offer, the public shareholding in the Target Company would fall below the Minimum Public Shareholding. However, if as a result of the purchase of the Offer Shares tendered under the Open Offer and the purchase of other Shares, if any, during the Offer Period, the public shareholding in the Target Company falls below the Minimum Public Shareholding, the Acquirer hereby undertakes to reduce its shareholding in the Target, in the manner as set out in Regulation 7(4)

of the SEBI (SAST) Regulations and, within the time period specified in the SCRR, such that the Target Company complies with the Minimum Public Shareholding requirement.

### **2.3 OBJECT OF THE UNDERLYING TRANSACTION AND THE OPEN OFFER**

- 2.3.1 The Acquirer has exercised its option to convert the CCPS into the Acquired Shares upon the request of the Target Company and its lenders to support the Debt Restructuring Package, as detailed in paragraph 2.1.
- 2.3.2 The Acquirer is a wholly-owned subsidiary of Wilmar International Limited and is part of the Wilmar Group (as defined in paragraph 3.2.3). The Acquirer is the main holding company for the Wilmar Group's global sugar business and holds most of the Wilmar Group's interests and assets in sugar and ethanol globally including those in Australia, New Zealand, Indonesia and Morocco. Its main objects include the acquisition of and investment in, the sugar plantation, refining and distribution business and the carrying on of all activities incidental or conducive thereof. The Target Company is engaged in the business of: (i) refining of raw sugar; (ii) the production of sugar and ethanol derived from sugarcane; (iii) sale, distribution, trading and /or branding of sugar and ethanol; and (iv) generation, distribution, sale and trading of electricity /power.
- 2.3.3 The Open Offer is a mandatory offer in compliance with Regulations 3(2) and 4 and other applicable regulations of the SEBI (SAST) Regulations pursuant to: (i) an increase in shareholding of the Acquirer upon exercise of option by the Acquirer for the conversion of CCPS into Acquired Shares, as detailed in paragraph 2.1.4, and (ii) the Acquirer and PAC executing the JV Termination Agreement which contemplates a change in control of the Target Company after the completion of the Open Offer, as detailed in paragraph 2.1.5. The Open Offer is not subject to any minimum level of acceptance.
- 2.3.4 In terms of Regulation 25(2) of the SEBI (SAST) Regulations, the Acquirer and the PAC have no plans to restructure, alienate, sell, dispose of or otherwise encumber any material assets of the Target Company or any of its subsidiaries during the period of 2 (two) years from the completion of the Offer Period except to the extent required: (a) in the ordinary course of business; or (b) in connection with any restructuring, rationalization or reorganization or disposal of assets, investments, business operations or liabilities of the Target Company carried out with the prior approval of the Board of Directors and in compliance with all the applicable laws; or (c) for alienation of material assets of the Target Company that are determined by the Board of Directors as being surplus and/or non-core, or on account of any approval of or conditions specified by any regulatory or statutory authorities, Indian or foreign, or for the purpose of compliance with any law that is binding on or applicable to the operations of the Target Company and/or the Wilmar Group; or (d) as otherwise previously disclosed by the Target Company in the public domain. It will be the responsibility of the Board of Directors to make appropriate decisions in these matters in accordance with the requirements of the business of the Target Company. Such approvals and decisions will be governed by the provisions of the relevant regulations or any other applicable laws and legislation at the relevant time. Further, during such period of 2 (two) years, save as set out above, the Acquirer and the PAC undertake not to alienate any material assets of the Target Company or its subsidiaries except with the prior approval of the shareholders of the Target Company through a special resolution by way of a postal ballot and the notice for such postal ballot shall contain reasons as to why such alienation is necessary in terms of Regulation 25(2) of the SEBI (SAST) Regulations.

## **3. BACKGROUND OF THE ACQUIRER AND THE PAC**

### **3.1 ACQUIRER - WILMAR SUGAR HOLDINGS PTE. LTD.**

- 3.1.1 The Acquirer is a private company limited by shares, incorporated on 19 September 2005 under the laws of Singapore. The Acquirer was originally incorporated as Wealth Anchor Pte. Ltd. and its name was subsequently changed to Wilmar Sugar Holdings Pte. Ltd. on 2 January 2013.
- 3.1.2 The registered office of the Acquirer is situated at 56 Neil Road, Singapore 088830, Tel: +65 6507 0500, Fax: +65 6536 2192. The Acquirer has appointed Pun Chui Wun as the Company Secretary under the applicable laws.
- 3.1.3 The Acquirer is a wholly-owned subsidiary of Wilmar International Limited and is part of the Wilmar

Group (as defined in paragraph 3.2.3). The Acquirer is the main holding company for Wilmar Group's global sugar business and holds most of Wilmar Group's interests and assets in sugar and ethanol globally including those in Australia, New Zealand, Indonesia and Morocco. Its main objects include the acquisition of and investment in, the sugar plantation, refining and distribution business and the carrying on of all activities incidental or conducive thereof.

The Acquirer has an issued and paid-up share capital of USD 100,000 (US Dollar One hundred thousand) (equivalent to INR 6,507,840 (Indian Rupees Six million five hundred seven thousand eight hundred forty)) comprising 100,000 (One hundred thousand) ordinary shares. The shares of the Acquirer are not listed on any stock exchange.

- 3.1.4 Mr. Stephen Ho Kiam Kong, Mr. Jean-Luc Bohbot and Mr. Atul Chaturvedi are nominee directors of the Acquirer on the Board of Directors, and they shall not participate in any deliberations of the Board of Directors, or vote, on any matter in relation to the Open Offer. Mr. Stephen Ho Kiam Kong and Mr. Jean-Luc Bohbot are also directors on the board of the Acquirer.
- 3.1.5 The Wilmar Group and the Target Company have the following ongoing commercial transactions on arms' length terms: (i) Sale of raw sugar by Wilmar Group to the Target Company through its Indian joint venture, Adani Wilmar Limited; and (ii) Purchase of refined sugar by the Wilmar Group from the Target Company.
- 3.1.6 The Acquirer, on 9 March 2018, upon the request of the Target Company and its lenders, to support the Debt Restructuring Package, exercised its option to convert the CCPS into the Acquired Shares, which resulted in an increase in the Acquirer's shareholding in the Target Company, as detailed in paragraph 2.1.4.
- 3.1.7 The Acquirer will acquire 100% (One hundred per cent) of the Offer Shares tendered in the Open Offer, and has given full financial commitment for the acquisition of 100% (One hundred per cent) of the Offer Shares tendered in the Open Offer as detailed in paragraph 5.2.
- 3.1.8 As on the date hereof, the Acquirer and the PAC have not acquired any Shares after the date of the PA.
- 3.1.9 The Acquirer has not been prohibited by the SEBI from dealing in securities, in terms of a direction issued under Section 11B of the SEBI Act or any other regulations made thereunder.
- 3.1.10 The Acquirer is not a willful defaulter and accordingly, is not prohibited from making the PA, in accordance with Regulation 6A of the SEBI (SAST) Regulations.
- 3.1.11 The shareholding pattern of the Acquirer is as follows:

NO.	SHAREHOLDER	NUMBER OF SHARES	SHAREHOLDING %
1.	Wilmar International Limited (controlling shareholder)	100,000	100.0%
	<b>TOTAL</b>	<b>100,000</b>	<b>100.0%</b>

- 3.1.12 Names, dates of appointment, designation, details of experience and qualifications of the directors on the board of directors of the Acquirer are as follows:

NO.	NAME	DIN	DATE OF APPOINTMENT	DESIGNATION	QUALIFICATION AND EXPERIENCE
1.	Mr. Jean-Luc, Robert Bohbot	06857132	1 December 2012	Director	Mr. Bohbot joined the Wilmar Group in 2011 to set up and develop the Wilmar Sugar – Trading Division. Mr. Bohbot has extensive experience in the sugar trading business and prior to joining the Group, he was the Managing Director of a large European trading

NO.	NAME	DIN	DATE OF APPOINTMENT	DESIGNATION	QUALIFICATION AND EXPERIENCE
					<p>company and the Managing Director of Eagle Trading, the Hong Kong-based Kuok Group joint venture for sugar trading.</p> <p>Mr. Bohbot holds a post-master's degree in market finance and risk management from University of Paris Dauphine, France.</p>
2.	Ms. Teo La-Mei	Not Applicable <sup>1</sup>	12 August 2011	Director	<p>Ms. Teo was appointed Wilmar Group Legal Counsel and Company Secretary in August 2009. She is responsible for overseeing the Wilmar Group's legal and corporate secretarial functions. Ms. Teo is also concurrently the Company Secretary and Legal Counsel for Shangri-La Hotel Limited Group of companies, a position which she has held since August 1988.</p> <p>Ms. Teo holds a Bachelor of Laws (Honours) degree from the National University of Singapore and is a member of the Corporate Governance &amp; Regulatory Committee of the Singapore International Chamber of Commerce.</p>
3.	Mr. Stephen Ho Kiam Kong	07584449	14 March 2012	Director	<p>Mr. Ho has been the Chief Financial Officer of the Wilmar Group since November 2011. He is in charge of the Wilmar Group's finance, treasury and risk management functions. He has assumed different roles in Royal Philips where he served for 12 years, including Head of Finance and a member of the Greater China Management team, Asia Pacific CFO, Head of Treasury and Finance for an independent JV business, and Head of Corporate Finance in their Regional Finance Center. Prior to this, he was with major international financial institutions in</p>



NO.	NAME	DIN	DATE OF APPOINTMENT	DESIGNATION	QUALIFICATION AND EXPERIENCE
					Singapore, Hong Kong and New York.  Mr. Ho graduated from the Victoria University of Wellington in New Zealand and completed the Advanced Management Programme at Harvard Business School in 1998.
4.	Ms. Sng Miow Ching	03485282	31 May 2010	Director	Ms. Sng has been the Group Financial Controller of the Wilmar Group since October 2001. Her past positions include Group Financial Controller of the OCK Group and Regional Financial Controller of Martin Clinch & Associates (S) Pte Ltd, a subsidiary of a Swiss multinational group.  Ms. Sng is a Fellow of the Association of Chartered Certified Accountants, United Kingdom.

Note:

(1) Director is/was not a director on the board of any Indian company, including the Target Company and consequently, does not have a DIN.

### 3.1.13 Key financial information of the Acquirer:

The financial information set forth below has been derived from the audited financial statements of the Acquirer as at and for the financial years ended 31 December 2014, 31 December 2015 and 31 December 2016 and the interim condensed financial statements of the Acquirer as at and for the 9 months period ended September 30, 2017.

*All figures in millions*

PROFIT AND LOSS STATEMENT	9 MONTHS PERIOD ENDED SEPTEMBER 30, 2017		YEAR ENDED DECEMBER 31, 2016		YEAR ENDED DECEMBER 31, 2015		YEAR ENDED DECEMBER 31, 2014	
	LIMITED REVIEW*		AUDITED		AUDITED		AUDITED	
	USD	INR	USD	INR	USD	INR	USD	INR
Income from operations <sup>(1)</sup>	27.35	1,780.15	47.65	3,101.18	50.76	3,303.18	64.44	4,193.39
Other Income/(expense)	0.58	37.62	(0.18)	(11.39)	4.21	274.24	7.25	471.95
Total Income	27.93	1,817.77	47.47	3,089.79	54.97	3,577.42	71.69	4,665.34
Total Expenditure	(0.82)	(53.56)	(0.08)	(5.27)	(3.03)	(196.99)	(21.95)	(1,428.67)

PROFIT AND LOSS STATEMENT	9 MONTHS PERIOD ENDED SEPTEMBER 30, 2017		YEAR ENDED DECEMBER 31, 2016		YEAR ENDED DECEMBER 31, 2015		YEAR ENDED DECEMBER 31, 2014	
	LIMITED REVIEW*		AUDITED		AUDITED		AUDITED	
	USD	INR	USD	INR	USD	INR	USD	INR
Profit Before Depreciation Interest and Tax	27.11	1,764.21	47.39	3,084.52	51.94	3,380.43	49.74	3,236.67
Depreciation	-	-	-	-	-	-	-	-
Interest	(34.53)	(2,247.09)	(38.91)	(2,532.07)	(34.68)	(2,256.92)	(39.87)	(2,594.68)
(Loss)/profit Before Tax	(7.42)	(482.88)	8.48	552.45	17.26	1,123.51	9.87	641.99
Provision for Tax	(2.43)	(157.95)	(4.48)	(291.81)	(5.08)	(330.73)	(6.54)	(425.29)
(Loss)/profit After Tax	(9.85)	(640.83)	4.00	260.64	12.18	792.78	3.33	216.70

Note:

1. Comprising of finance income and dividend income.

All figures in millions

BALANCE SHEET STATEMENT	AS AT 30 SEPTEMBER 2017 LIMITED REVIEW*		AS AT 31 DECEMBER 2016 AUDITED		AS AT 31 DECEMBER 2015 AUDITED		AS AT 31 DECEMBER 2014 AUDITED	
	USD	INR	USD	INR	USD	INR	USD	INR
<b>Sources of funds</b>								
Paid-up share capital	0.10	6.51	0.10	6.51	0.10	6.51	0.10	6.51
Reserves and Surplus (excluding revaluation reserves)	10.46	680.52	20.30	1,321.35	16.30	1,061.04	4.13	268.45
Net worth <sup>(1)</sup>	10.56	687.03	20.40	1,327.86	16.40	1,067.55	4.23	274.96
Secured loans (non-current)	-	-	-	-	-	-	-	-
Unsecured loans (non-current)	-	-	-	-	-	-	-	-
<b>Total</b>	<b>10.56</b>	<b>687.03</b>	<b>20.40</b>	<b>1,327.86</b>	<b>16.40</b>	<b>1,067.55</b>	<b>4.23</b>	<b>274.96</b>
<b>Uses of Funds</b>								
Net fixed assets <sup>(2)</sup>	910.77	59,271.65	910.77	59,271.65	910.77	59,271.65	926.23	60,277.44
Investments <sup>(3)</sup>	1,254.41	81,634.87	1,241.10	80,768.74	1,241.10	80,768.74	1,219.72	79,377.23
Net current liabilities <sup>(4)</sup>	(2,154.62)	(140,219.49)	(2,131.47)	(138,712.53)	(2,135.47)	(138,972.84)	(2,141.72)	(139,379.71)
Total miscellaneous expenditure not written off	-	-	-	-	-	-	-	-

BALANCE SHEET STATEMENT	AS AT 30 SEPTEMBER 2017 LIMITED REVIEW*		AS AT 31 DECEMBER 2016 AUDITED		AS AT 31 DECEMBER 2015 AUDITED		AS AT 31 DECEMBER 2014 AUDITED	
	USD	INR	USD	INR	USD	INR	USD	INR
<b>Total</b>	<b>10.56</b>	<b>687.03</b>	<b>20.40</b>	<b>1,327.86</b>	<b>16.40</b>	<b>1,067.55</b>	<b>4.23</b>	<b>274.96</b>

Notes:

1. Net assets or Total Equity
2. Non Current Assets, other than investment in subsidiaries and associates
3. Investments in subsidiaries and associates
4. Includes current secured loans

All figures in USD/share and INR/share

OTHER FINANCIAL DATA	9 MONTHS PERIOD ENDED SEPTEMBER 30, 2017		YEAR ENDED DECEMBER 31, 2016		YEAR ENDED DECEMBER 31, 2015		YEAR ENDED DECEMBER 31, 2014	
	LIMITED REVIEW*		AUDITED		AUDITED		AUDITED	
	USD	INR	USD	INR	USD	INR	USD	INR
Dividend Per Share	-	-	-	-	-	-	-	-
Earnings Per Share <sup>(1)</sup>	(98.47)	(6,408.27)	40.00	2,603.14	121.79	7,925.90	33.33	2,169.06

Note:

1. Net income divided by number of shares issued and outstanding; US Dollar/ share and INR/ share

\* The interim condensed financial statements of the Acquirer as at and for the 9 months period ended 30 September 2017 have been prepared in accordance with Singapore Financial Reporting Standard FRS 34 Interim Financial Reporting (FRS 34) and have been subjected to limited review by the Acquirer's statutory auditor in accordance with Singapore Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity".

3.1.14 As at 30 September 2017, there are no contingent liabilities of the Acquirer.

### 3.2 **PAC - WILMAR INTERNATIONAL LIMITED**

3.2.1 Wilmar International Limited is a public company limited by shares, incorporated on 14 August 1999 under the laws of Singapore. Wilmar International Limited was originally incorporated as Ezyhealth Asia-Pacific Pte. Ltd. Subsequently, it was converted to a public company limited by shares and its name was changed to Ezyhealth Asia Pacific Ltd on 30 June 2000, and its name was further changed from Ezyhealth Asia Pacific Ltd to Wilmar International Limited on 14 July 2006.

3.2.2 The registered office of Wilmar International Limited is situated at 56 Neil Road, Singapore 088830, Tel: +65 6216 0244, Fax: +65 6536 2192. Wilmar International Limited has appointed Teo La-Mei as the Company Secretary under the applicable laws.

3.2.3 Wilmar International Limited is a leading Asian agribusiness group, headquartered in Singapore and listed on the Singapore Exchange Securities Trading Limited. Wilmar International Limited is active on a global scale and its business activities include oil palm cultivation, oilseed crushing, edible oils refining, sugar milling and refining, manufacture of consumer products, specialty fats, oleochemicals, biodiesel and fertilizers as well as flour and rice milling. The companies operating under Wilmar International Limited across all its businesses and markets are together classified in this Draft Letter of Offer as the Wilmar International Limited Group (Wilmar Group). The principal activity of Wilmar International Limited is investment holding. The Acquirer is a wholly-owned subsidiary of Wilmar International Limited.

3.2.4 The issued and paid-up capital of Wilmar International Limited as at 31 December 2017 is SGD 8,259,123,645.08 (Singapore Dollars Eight billion two hundred fifty nine million one hundred twenty three thousand six hundred forty five and eight cents) comprising of 6,403,401,106 (Six billion four

hundred three million four hundred one thousand one hundred six) ordinary shares. This includes 77,714,000 (Seventy seven million seven hundred fourteen thousand) ordinary shares held as treasury shares. Wilmar International Limited is listed on the Singapore Exchange Securities Trading Limited. The detailed shareholding pattern of Wilmar International Limited as at 31 December 2017 is as follows:

SHAREHOLDERS	NUMBER OF ORDINARY SHARES HELD	% OF ISSUED SHARE CAPITAL
Persons in Control <sup>1</sup>	2,748,915,009	42.93%
Other Substantial Shareholders	1,471,755,754	22.98%
Other Shareholders	2,105,016,343	32.88%
Treasury Shares	77,714,000	1.21%
<b>Total Paid-up Capital</b>	<b>6,403,401,106</b>	<b>100.0%</b>

Note:

(1) The above classification is based on the requirements under the Singapore Exchange Securities Trading Limited Rulebooks and is based on direct and indirect shareholding. The controlling shareholders<sup>(\*)</sup> of Wilmar International Limited, are Kuok Brothers Sdn Berhad<sup>(\*\*)</sup>, Archer Daniels Midland Company and PPB Group Berhad.

\* Identified as controlling shareholders in terms of Singapore Exchange Securities Trading Limited Rulebooks and based on direct and indirect shareholding.

\*\* Kuok Brothers Sdn Berhad is deemed to be interested in the shares inter alia held by PPB Group Berhad.

- 3.2.5 Wilmar International Limited is the holding company of the Acquirer, and the Acquirer is classified as a 'promoter' of the Target Company, in accordance with the ICDR Regulations.
- 3.2.6 As on the date hereof, Wilmar International Limited has not acquired any Shares after the date of the PA.
- 3.2.7 Wilmar International Limited has not been prohibited by the SEBI from dealing in securities, in terms of a direction issued under Section 11B of the SEBI Act or any other regulations made thereunder.
- 3.2.8 Wilmar International Limited is not a willful defaulter and accordingly, is not prohibited from making the PA, in accordance with Regulation 6A of the SEBI (SAST) Regulations.
- 3.2.9 Except as detailed in paragraph 2.1, Wilmar International Limited, its directors, and its key managerial employees do not, as on the date hereof, hold any ownership/interest/relationship/Shares in the Target Company. None of the directors of Wilmar International Limited are on the Board of Directors.
- 3.2.10 Names, dates of appointment, designation, details of experience and qualifications of the directors on the board of directors of Wilmar International Limited are as follows:

NO.	NAME	DIN	DATE OF APPOINTMENT	DESIGNATION	QUALIFICATIONS AND EXPERIENCE
1.	Mr. Kuok Khoon Hong	00021957	24 March 2006	Chairman and Chief Executive Officer	Mr. Kuok Khoon Hong is the Chairman and CEO of the Wilmar Group. He is overall in charge of the management of the Wilmar Group with a particular focus on new business developments. He has extensive experience in the industry and has been involved in the grains, edible oils and oilseeds businesses since 1973. Mr. Kuok has completed many projects

NO.	NAME	DIN	DATE OF APPOINTMENT	DESIGNATION	QUALIFICATIONS AND EXPERIENCE
					<p>involving the establishment of oil palm plantations in Asia and Africa, as well as the processing of grains, edible oils and oilseeds.</p> <p>Mr. Kuok graduated from the then University of Singapore with a Bachelor of Business Administration degree.</p>
2.	Mr. Pua Seck Guan	02957452	01 January 2016	Chief Operating Officer and Executive Director	<p>Mr. Pua Seck Guan oversees and manages the business divisions of the Group and assists CEO Mr. Kuok Khoon Hong in the development of new businesses. Concurrently, he is the CEO and Executive Director of Perennial Real Estate Holdings Limited, an integrated real estate and healthcare company listed on the Singapore Stock Exchange. In addition, he is a Non-Independent Non-Executive Director of United Engineers Limited. Mr. Pua has over 29 years of real estate experience in property investment, development and management across various asset classes, as well as in the creation and management of both private and listed real estate funds. Widely regarded as a Real Estate Investment Trust (<b>REIT</b>) pioneer in Singapore, Mr. Pua was instrumental in establishing REITs listed on the Singapore Stock Exchange such as CapitaMall Trust and CapitaRetail China Trust. Earlier, Mr. Pua held concurrent positions as the CEO of CapitaLand Retail Limited, CapitaMall Trust Management Pte. Ltd.,</p>

NO.	NAME	DIN	DATE OF APPOINTMENT	DESIGNATION	QUALIFICATIONS AND EXPERIENCE
					<p>and CapitaLand Financial Limited.</p> <p>He holds a Master of Science degree in Civil Engineering from the Massachusetts Institute of Technology, USA and a Bachelor of Science degree in Building (First Class Honours) from the National University of Singapore.</p>
3.	Mr. Martua Sitorus	01418946	14 July 2006	Non-Executive Director	<p>Mr. Martua Sitorus is a co-founder of Wilmar International Limited and has been instrumental in the development of the Group's business operations in Indonesia. Mr. Sitorus was the Executive Deputy Chairman of Wilmar International Limited from July 2013 to March 2017 and was re-designated as a Non-Independent Non-Executive Director with effect from 1 April 2017. Mr. Sitorus is the CEO of Gama Corp group of companies.</p> <p>He holds a degree in economics from HKBP Nomensen University in Medan, Indonesia.</p>
4.	Mr. Kuok Khoon Ean	Not Applicable <sup>1</sup>	02 July 2007	Non-Executive Director	<p>Mr. Kuok Khoon Ean is the Chairman of Kuok (Singapore) Limited and a Director of Kerry Group Limited and Kerry Holdings Limited. He is the Chairman and Non-Executive Director of PACC Offshore Services Holdings Ltd, a company listed on the Singapore Stock Exchange. He is also an Independent Non-Executive Director of IHH Healthcare Berhad, which is listed on Bursa Malaysia. Mr. Kuok has served as the Chairman of</p>

NO.	NAME	DIN	DATE OF APPOINTMENT	DESIGNATION	QUALIFICATIONS AND EXPERIENCE
					<p>Shangri-La Asia Limited from April 2008 to August 2013 and remained as a Non-Executive Director till June 2014.</p> <p>Mr. Kuok holds a Bachelor of Economics degree from Nottingham University, UK.</p>
5.	Mr. Kuok Khoon Hua	Not Applicable <sup>1</sup>	01 July 2016	Non-Executive Director	<p>Mr. Kuok Khoon Hua is the Chairman of Kerry Holdings Limited, the main investment holding company of the Kuok Group in Hong Kong. He is also a Director of Kerry Group Limited and Kuok (Singapore) Limited; an Executive Director of Kerry Logistics Network Limited and a Non-Executive Director of Kerry Properties Limited (both of which are companies listed on the Hong Kong Stock Exchange) and an Independent Director of Sea Limited (a company listed on the New York Stock Exchange).</p> <p>Mr. Kuok holds a Bachelor's degree in Economics from Harvard University.</p>
6.	Mr. Juan Ricardo Luciano	Not Applicable <sup>1</sup>	20 June 2012	Non-Executive Director	<p>Mr. Juan R. Luciano is the Chairman of the Board of Directors and CEO and President of Archer Daniels Midland Company (ADM). ADM is one of the world's leading agricultural processors and food-ingredient providers. Mr. Luciano joined ADM in 2011 as Executive Vice President and COO. He was named President of ADM in February 2014, and was appointed CEO in January 2015. He became Chairman of the</p>

NO.	NAME	DIN	DATE OF APPOINTMENT	DESIGNATION	QUALIFICATIONS AND EXPERIENCE
					<p>Board in January 2016. Mr. Luciano previously spent 25 years at The Dow Chemical Company, where he last served as Executive Vice President and President of the Performance division. Mr. Luciano serves on the Boards of Directors of Eli Lilly and Company, and Intersect Illinois, a non-profit economic development organization created by Illinois Governor Bruce Rauner. He is a member of the Economic Club of Chicago and the Commercial Club of Chicago. He also serves as a Governor of the Boys and Girls Clubs of America.</p> <p>He holds an industrial engineering degree from the Buenos Aires Institute of Technology.</p>
7.	Mr. Yeo Teng Yang	Not Applicable <sup>1</sup>	14 July 2006	Lead Independent Director	<p>Mr. Yeo Teng Yang is the Lead Independent Director. He has a varied international career spanning senior positions in the Ministry of Finance and the Monetary Authority of Singapore, Ambassador to the European Community in Brussels as well as Executive Board Director of the Asian Development Bank, Manila and Advisor at the International Monetary Fund, Washington D.C. besides his extensive banking experience. From 1995 to 2000, he was the Senior Executive Vice President of United Overseas Bank Ltd, Singapore, with management responsibilities in treasury, international banking business, fund</p>



NO.	NAME	DIN	DATE OF APPOINTMENT	DESIGNATION	QUALIFICATIONS AND EXPERIENCE
					<p>management, stockbroking and risk management. While in banking, he was a founding Board Member and served as Board Chairman during 1990-1992 of the Singapore International Monetary Exchange which has since merged into the current Stock Exchange of Singapore. He also served as a Board Member of Korea First Bank, South Korea, from 2000 to 2005.</p> <p>Mr. Yeo holds a Bachelor of Social Science Honours degree from the then University of Singapore and a Masters degree in Economics from Yale University, USA.</p>
8.	Mr. Tay Kah Chye	Not Applicable <sup>1</sup>	14 July 2006	Independent Director	<p>Mr. Tay Kah Chye is currently the Executive Chairman of CLMV Consult Net Private Limited, a regional consulting company headquartered in Singapore and the CEO of the PATA Group (comprising PATA Consultancy Private Limited and PATA International Enterprise Private Limited). He has served as the Honorary Advisor of ASEAN Bankers Association, a regional banking industry group from 2008 to 2010. Prior to his retirement on 31 December 2007, Mr. Tay was the President and CEO of ASEAN Finance Corporation Limited, a regional merchant bank based in Singapore and owned by various leading banks and financial institutions in ASEAN since 1991. Mr. Tay has vast</p>

NO.	NAME	DIN	DATE OF APPOINTMENT	DESIGNATION	QUALIFICATIONS AND EXPERIENCE
					<p>experience in banking and finance. Mr. Tay was with Citibank N.A. Singapore Branch, where he started his banking career in 1973. His last held position in Citibank was Vice President and Head of its Corporate Marketing Group. During his 18 years with Citibank, he held various positions in banking operations, credit management and marketing. Mr. Tay was a Director of Cambodia Mekong Bank Public Limited from 2003 to 2012 and his last held position was Chairman of the Board of Directors. He is the Independent Non-Executive Chairman of Asiatic Group (Holdings) Limited and the Lead Independent Director of Chemical Industries (Far East) Ltd.</p> <p>Mr. Tay holds a Bachelor of Social Sciences degree in Economics from the then University of Singapore.</p>
9.	Mr. Kwah Thiam Hock	Not Applicable <sup>1</sup>	14 July 2006	Independent Director	<p>Mr. Kwah Thiam Hock sits on the board of various companies including IFS Capital Limited, Excelpoint Technology Ltd and Teho International Inc Ltd. He started his career in 1964 with the Port of Singapore Authority. From 1969 to 1970, he was an Assistant Accountant with the Singapore Textile Industries Limited. Subsequently, he served as the Secretary and Assistant Accountant in Singapore Spinners Private Limited from 1970 to 1973 and later in 1974, he moved on to</p>

NO.	NAME	DIN	DATE OF APPOINTMENT	DESIGNATION	QUALIFICATIONS AND EXPERIENCE
					<p>become the Regional Accountant and Deputy Manager of its related company, IMC (Singapore). Mr. Kwah left to join ECICS Holdings Ltd in 1976 and rose to become its President and CEO. He stepped down from ECICS Holdings Ltd in 2003 to assume the position of Principal Officer and CEO of ECICS Limited, a wholly-owned subsidiary of listed IFS Capital Limited. Mr. Kwah retired from ECICS Limited in December 2006 but he remains as adviser of ECICS Limited.</p> <p>He is a Fellow, Certified Public Accountant of Australia, ISCA and ACCA. He graduated from the then University of Singapore in 1973 with a Bachelor of Accountancy degree.</p>
10.	Professor Kishore Mahbubani	Not Applicable <sup>1</sup>	01 January 2016	Independent Director	<p>Professor Kishore Mahbubani had a long career in government while at the same time, writing extensively on public issues. He was with the Singapore Foreign Service for 33 years (1971-2004) where he had postings in Cambodia (1973-74), Malaysia, Washington D.C. and New York, where he served two postings as Singapore's Ambassador to the UN and as President of the UN Security Council in January 2001 and May 2002. He was Permanent Secretary at the Foreign Ministry from 1993 to 1998. He was the Dean of the Lee Kuan Yew School of Public Policy</p>

NO.	NAME	DIN	DATE OF APPOINTMENT	DESIGNATION	QUALIFICATIONS AND EXPERIENCE
					<p>of the National University of Singapore (NUS) from 2004 to 2017. Currently, he is a Professor in the Practice of Public Policy and a Senior Advisor at the University and Global Relations Office of NUS. In the world of ideas, he has spoken and published globally.</p> <p>Professor Mahbubani is also a member of the Boards of Zurich Insurance Group Ltd and of Zurich Insurance Company Ltd since April 2015. He has also taken the role of Non-Executive Chairman and Non-Executive Director of Aggregate Asset Management since September 2017.</p>
11.	Mr. Lim Siong Guan	Not Applicable <sup>1</sup>	01 January 2018	Independent Director	<p>Mr. Lim Siong Guan is a Professor at the Lee Kuan Yew School of Public Policy at the National University of Singapore, a Senior Fellow of the Singapore Civil Service College, and Advisor to the Group Executive Committee of GIC, Singapore's sovereign wealth fund. He is a member of the Board of Trustees of the Singapore University of Technology and Design. He chairs the Board of Directors of Swiss Re Asia Ltd. and is a member of the International Board of the stars, a Swiss not-for-profit organization that promotes development of next generation leaders. He also chairs the Board of Directors of Honour (Singapore), a charity that seeks to promote a culture of honour and honouring. In September</p>

NO.	NAME	DIN	DATE OF APPOINTMENT	DESIGNATION	QUALIFICATIONS AND EXPERIENCE
					<p>2017, Mr. Lim was named the Institute of Policy Studies' fourth SR Nathan Fellow for the Study of Singapore.</p> <p>Mr. Lim was the Group President of GIC from 2007 to 2016 and a former Head of the Singapore Civil Service from 1999 to 2005. He was the first Principal Private Secretary to Singapore's founding Prime Minister, Mr. Lee Kuan Yew, and was also the Permanent Secretary in the Ministries of Defence, Education, Finance, and the Prime Minister's Office. Mr. Lim has chaired the Singapore Economic Development Board, the Inland Revenue Authority of Singapore, the Accounting and Corporate Regulatory Authority and, the Central Provident Fund Board.</p> <p>Mr. Lim graduated with First Class Honours in Mechanical Engineering from the University of Adelaide and has a Postgraduate Diploma in Business Administration from the National University of Singapore.</p>
12.	Mr. Weijian Shan	Not Applicable <sup>1</sup>	01 January 2018	Independent Director	<p>Mr. Weijian Shan is Chairman and CEO of PAG Group, a private equity firm with about US\$20 billion in capital under management. He was Co-Managing Partner of Newbridge Capital, and, after Newbridge's integration with TPG, Co-Managing Partner of TPG Asia. Mr. Shan has led numerous buyouts and exits at Newbridge, TPG and</p>

NO.	NAME	DIN	DATE OF APPOINTMENT	DESIGNATION	QUALIFICATIONS AND EXPERIENCE
					<p>PAG.</p> <p>Prior to TPG, Mr. Shan was a Managing Director of JP Morgan. He previously was an Assistant Professor at the Wharton School of the University of Pennsylvania. His other former employers include the World Bank and Graham &amp; James Law Firm.</p> <p>Mr. Shan graduated from Beijing Institute of Foreign Trade (now known as Beijing University of International Business and Economics) and received his PhD and Master of Arts from University of California, Berkeley and an MBA from the University of San Francisco.</p>
13.	Mr. Raymond Guy Young	Not Applicable <sup>1</sup>	3 November 2017	Alternate Director to Mr. Juan Ricardo Luciano	<p>Mr. Raymond Guy Young is Executive Vice President and CFO of Archer Daniels Midland Company (ADM), and a member of ADM's Executive Council. He joined ADM in November 2010 following a 24-year tenure with General Motors where he last served in Shanghai as Vice President of GM International Operations. In 2008 and 2009, he was CFO of General Motors. Between 2004 and 2007, he was the President and Managing Director of GM do Brasil and Mercosur Operations, based in São Paulo. Mr. Young holds a Bachelor's Degree in Business Administration from The Ivey School of Business, University of Western Ontario, in</p>

NO.	NAME	DIN	DATE OF APPOINTMENT	DESIGNATION	QUALIFICATIONS AND EXPERIENCE
					<p>London, Canada, as well as an MBA from the University of Chicago. Mr. Young serves on the Boards of Directors of International Paper Company and the U.S.-China Business Council.</p> <p>He is a member of the Board of Directors of the American Cancer Society Lakeshore Division and the CFO Advisory Board of the University of Chicago Booth School of Business.</p>

Note:

(1) Director is/was not a director on the board of any Indian company, including the Target Company and consequently, does not have a DIN.

3.2.11 Wilmar International Limited has substantially complied with the recommendations of the Singapore Code of Corporate Governance and has explained all deviations from such recommendations in its annual reports. Wilmar International Limited has appointed Teo La-Mei as the Company Secretary under the applicable laws.

3.2.12 Key financial information of Wilmar International Limited:

The financial information set forth below has been derived from the audited consolidated financial statements of Wilmar International Limited and its subsidiaries as at and for the financial years ended 31 December 2014, 31 December 2015 and 31 December 2016.

*All figures in millions*

PROFIT AND LOSS STATEMENT	YEAR ENDED DECEMBER 31, 2016		YEAR ENDED DECEMBER 31, 2015		YEAR ENDED DECEMBER 31, 2014	
	AUDITED		AUDITED*		AUDITED**	
	USD	INR	USD	INR	USD	INR
Income from operations <sup>(1)</sup>	41,577.26	2,705,781.69	39,231.61	2,553,130.41	43,677.38	2,842,453.94
Other Income	157.95	10,279.33	139.40	9,071.67	169.85	11,053.37
Total Income	41,735.21	2,716,061.02	39,371.01	2,562,202.08	43,847.23	2,853,507.31
Total Expenditure <sup>(2)</sup>	(39,473.99)	(2,568,904.18)	(36,833.09)	(2,397,037.98)	(41,142.53)	(2,677,489.83)
Profit Before Depreciation Interest and Tax <sup>(3)</sup>	2,261.22	147,156.84	2,537.92	165,164.10	2,704.70	176,017.48
Depreciation <sup>(4)</sup>	(763.46)	(49,684.76)	(724.12)	(47,124.44)	(659.86)	(42,942.83)
Interest	(348.53)	(22,681.84)	(444.18)	(28,906.26)	(523.06)	(34,039.58)
Non-operating items	9.84	640.63	(94.95)	(6,179.39)	(64.90)	(4,223.59)
Share of results of joint venture	(11.68)	(760.25)	(6.67)	(434.27)	(5.34)	(347.52)

PROFIT AND LOSS STATEMENT	YEAR ENDED DECEMBER 31, 2016		YEAR ENDED DECEMBER 31, 2015		YEAR ENDED DECEMBER 31, 2014	
	AUDITED		AUDITED*		AUDITED**	
	USD	INR	USD	INR	USD	INR
Share of results of associates	152.56	9,928.23	111.34	7,245.63	86.04	5,599.35
Profit Before Tax	1,299.95	84,598.85	1,379.34	89,765.37	1,537.58	100,063.31
Provision for Tax	(206.29)	(13,425.28)	(281.99)	(18,351.65)	(313.68)	(20,413.79)
Profit After Tax	1,093.66	71,173.57	1,097.35	71,413.72	1,223.90	79,649.52

Notes:

- (1) Comprising of revenue, net gains or losses arising from changes in fair value of biological assets, dividend income and finance income
- (2) Cost of sales, selling and distribution expenses, administrative expenses and other operating expenses excluding net depreciation and impairment loss of property, plant and equipment, bearer plants
- (3) Profit before interest, depreciation, amortisation and tax calculated as total income less total expenditure excluding finance costs, depreciation, amortisation and taxes
- (4) Net depreciation and impairment loss of property, plant and equipment, bearer plants

*All figures in millions*

BALANCE SHEET STATEMENT	AS AT 31 DECEMBER 2016		AS AT 31 DECEMBER 2015		AS AT 31 DECEMBER 2014	
	AUDITED		AUDITED*		AUDITED**	
	USD	INR	USD	INR	USD	INR
<b>Sources of funds</b>						
Paid-up share capital <sup>(1)</sup>	8,283.68	539,088.84	8,290.84	539,554.60	8,439.71	549,243.02
Reserves and Surplus (excluding revaluation reserves) <sup>(2)</sup>	6,150.85	400,287.54	6,103.30	397,192.93	7,055.22	459,142.49
Net worth <sup>(3)</sup>	15,378.97	1,000,838.44	15,301.08	995,769.48	16,410.80	1,067,988.61
Loans and Borrowings (non-current)	4,331.24	281,870.17	6,347.55	413,088.20	7,158.17	465,842.38
Other non-current liabilities	599.07	38,986.84	586.60	38,175.90	792.06	51,545.74
Current Liabilities	16,723.15	1,088,315.58	14,690.77	956,051.48	19,197.13	1,249,318.64
<b>Total</b>	<b>37,032.43</b>	<b>2,410,011.03</b>	<b>36,926.00</b>	<b>2,403,085.06</b>	<b>43,558.16</b>	<b>2,834,695.37</b>
<b>Uses of Funds</b>						
Property, plant and Equipment	8,297.10	539,961.86	8,983.48	584,630.63	9,477.28	616,766.48
Bearer plants/Biological Assets	726.73	47,294.10	742.28	48,306.52	1,860.82	121,099.25
Intangible Assets	4,365.74	284,115.11	4,368.86	284,318.42	4,401.91	286,469.13
Investments in joint ventures and in associates	2,903.41	188,949.28	2,731.40	177,755.27	2,153.20	140,126.55
Other non-current assets <sup>(4)</sup>	1,303.83	84,851.50	1,233.39	80,266.92	1,149.51	74,808.67
Current assets	19,435.62	1,264,839.18	18,866.59	1,227,807.30	24,515.44	1,595,425.29
<b>Total</b>	<b>37,032.43</b>	<b>2,410,011.03</b>	<b>36,926.00</b>	<b>2,403,085.06</b>	<b>43,558.16</b>	<b>2,834,695.37</b>

Notes:

- (1) Share Capital less treasury shares



- (2) Retained earnings and other reserves; There is no revaluation reserve  
(3) Net assets or Total Equity  
(4) Comprising of plasma investments, available-for-sale financial assets, deferred tax assets, derivative financial instruments, other financial receivables and other non-financial assets

All figures in USD/share and INR/share

OTHER FINANCIAL DATA	YEAR ENDED DECEMBER 31, 2016		YEAR ENDED DECEMBER 31, 2015		YEAR ENDED DECEMBER 31, 2014	
	AUDITED		AUDITED*		AUDITED**	
	USD	INR	USD	INR	USD	INR
Dividend Per Share <sup>(1)</sup>	0.05	3.06	0.06	3.80	0.06	3.75
Earnings Per Share <sup>(2)</sup>	0.15	10.02	0.16	10.48	0.18	11.78

Notes:

- (1) Computed as total dividend declared divided by number of shares issued and outstanding excluding treasury shares  
(2) Computed as Net Income divided by weighted average number of ordinary shares on a fully diluted basis; US dollars/ share and INR/ share

\* Restated –Figures were restated upon adoption of Amendments to FRS 16 Property, Plant and Equipment and FRS 41 Agriculture: Bearer Plants

\*\* Restated –Figures were restated due to the reclassification of “Shares of results of joint ventures” from “Share of results of associates”. Figures were not adjusted for adoption of Amendments to FRS 16 Property, Plant and Equipment and FRS 41 Agriculture: Bearer Plants

The financial information set forth below has been derived from the interim condensed financial statements of the **PAC** as at and for the 9 months period ended September 30, 2017

All figures in millions

PROFIT AND LOSS STATEMENT	9 MONTHS PERIOD ENDED SEPTEMBER 30, 2017	
	LIMITED REVIEW*	
	USD	INR
Income from operations <sup>(1)</sup>	166.32	10,823.97
Other Income	57.01	3,709.86
Total Income	223.33	14,533.83
Total Expenditure	(44.57)	(2,900.54)
Profit Before Depreciation Interest and Tax	178.76	11,633.29
Depreciation	(0.71)	(46.21)
Interest	(62.72)	(4,081.85)
Profit Before Tax	115.33	7,505.23
Provision for Tax	(1.01)	(65.73)
Profit After Tax	114.32	7,439.50

Notes:

- (1) Comprising of dividend income and other revenue and interest income

*All figures in millions*

BALANCE SHEET STATEMENT	AS AT 30 SEPTEMBER 2017 LIMITED REVIEW*	
	USD	INR
<b>Sources of funds</b>		
Paid-up share capital <sup>(1)</sup>	8,737.14	568,599.16
Reserves and Surplus (excluding revaluation reserves) <sup>(2)</sup>	1,738.81	113,158.97
Net worth <sup>(3)</sup>	10,475.95	681,758.13
Loans and Borrowings (non-current)	320.19	20,837.45
Current Liabilities	2,709.43	176,325.44
<b>Total</b>	<b>13,505.57</b>	<b>878,921.02</b>
<b>Uses of Funds</b>		
Property, plant and Equipment	2.37	154.24
Investments in subsidiaries, joint ventures and in associates	9,268.30	603,165.94
Other Financial receivables	400.12	26,039.30
Current Assets	3,834.78	249,561.54
<b>Total</b>	<b>13,505.57</b>	<b>878,921.02</b>

Notes:

(1) Share Capital less treasury shares

(2) Retained earnings and other reserves; There is no revaluation reserve

(3) Net assets or Total Equity

*All figures in USD/share and INR/share*

OTHER FINANCIAL DATA	9 MONTHS PERIOD ENDED SEPTEMBER 30, 2017	
	LIMITED REVIEW*	
	USD	INR
Dividend Per Share <sup>(1)</sup>	0.02	1.43
Earnings Per Share <sup>(2)</sup>	0.02	1.18

Notes:

(1) Computed as total dividend declared divided by number of shares issued and outstanding excluding treasury shares

(2) Computed as Net Income divided by weighted average number of ordinary shares on a fully diluted basis; US dollars/ share and INR/ share

\* The interim condensed financial statements of the PAC as at and for the 9 months period ended 30 September 2017 have been prepared on a standalone basis, and in accordance with Singapore Financial Reporting Standard FRS 34 Interim Financial Reporting (**FRS 34**) and have been subjected to limited review by the PAC's auditor in accordance with Singapore Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity".

3.2.13 Wilmar International Limited's (as consolidated) Borrowings and Debt Securities as of 31 December 2017 are as follows.

*All figures in millions*

BORROWINGS AND DEBT SECURITIES	AMOUNT REPAYABLE IN ONE YEAR OR LESS OR ON DEMAND		AMOUNT REPAYABLE AFTER ONE YEAR	
	USD	INR	USD	INR
Secured	1,425.82	92,790.34	19.56	1,273.06
Unsecured	14,704.49	956,944.81	3,676.66	239,271.28

Details of collateral:

A portion of the bank term loans and short term working capital loans is secured by a pledge over property, plant and equipment, bearer plants, fixed deposits and other deposits with financial institutions, trade receivables and corporate guarantees from Wilmar International Limited and certain subsidiaries.

Wilmar International Limited's (as consolidated) bank loans and other bank deposits amounting to approximately USD 2,792,690,000 are disclosed off balance sheet as at 31 December 2017 as Wilmar International Limited (as consolidated) has transferred substantially all the risks and rewards of the cash flows arising from the deposits and have also legally been released from the responsibility for the loans.

- 3.2.14 The closing price of the equity shares of Wilmar International Limited as quoted on the Singapore Exchange Securities Trading Limited on 20 March 2018 was SGD 3.20 (Singapore Dollars three and twenty cents) (Source: Bloomberg).

#### 4. BACKGROUND OF THE TARGET COMPANY

- 4.1 The Target Company, a public limited company, was incorporated on 25 October 1995.
- 4.2 The Target Company has its registered office at BC 105, Havelock Road, Camp, Belgaum – 590001, Karnataka, India.
- 4.3 The Shares are listed on the BSE (Scrip ID: RENUKA, Scrip Code: 532670) and NSE (Symbol: RENUKA, ISIN: INE087H01022). The corporate identification number (CIN) of the Target Company is L01542KA1995PLC019046.
- 4.4 The Target Company is engaged in the business of (i) refining of raw sugar; (ii) the production of sugar and ethanol derived from sugarcane; (iii) sale, distribution, trading and/or branding of sugar and ethanol; and (iv) generation, distribution, sale and trading of electricity/ power.
- 4.5 The total voting equity share capital of the Target Company as on the date of this Draft Letter of Offer is INR 1,916,819,292 (Indian Rupees One billion nine hundred sixteen million eight hundred nineteen thousand two hundred ninety two) consisting of 1,916,819,292 (One billion nine hundred sixteen million eight hundred nineteen thousand two hundred ninety two) Shares. As on the date of this Draft Letter of Offer, there are no partly paid-up Shares. According to the shareholding pattern disclosure made by the Target Company to the Stock Exchanges on 9 March 2018, 1,229,065,179 Shares are locked-in. (Source: [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)).
- 4.6 The Target Company has not issued and allotted any securities after the date of the DPS.
- 4.7 The Emerging Share Capital has been computed as follows:

NO.	PARTICULARS	SHARES
A.	Fully paid-up Shares outstanding as on the date of the PA	1,916,819,292
B.	Partly paid-up Shares outstanding as on the date of the PA	Nil
C.	Emerging Share Capital (A+B) <sup>(1)</sup>	1,916,819,292

Note:

(1) Pursuant to the Debt Restructuring Package, a part of the outstanding debt of the Target Company has been converted into optionally convertible preference shares of the Target Company (OCPS). Under the terms of the

OCPS, the lenders would be entitled to convert the OCPS into Shares in case of occurrence certain defaults/events under the Debt Restructuring Package. Therefore, the OCPS have not been included in the computation of Emerging Share Capital as it is not contemplated that the OCPS would be converted into Shares by the 10th (Tenth) Working Day from the closure of the Tendering Period.

Accordingly, the Emerging Share Capital is INR 1,916,819,292 (Indian Rupees One billion nine hundred sixteen million eight hundred nineteen thousand two hundred ninety two) consisting of 1,916,819,292 (One billion nine hundred sixteen million eight hundred nineteen thousand two hundred ninety two) Shares.

4.8 Based on the information available on the websites of the Stock Exchanges, the Shares are frequently traded on the BSE and the NSE (within the meaning of Regulation 2(1)(j) of the SEBI (SAST) Regulations).

4.9 The table below sets out the equity share capital structure of the Target Company as of the date of this Draft Letter of Offer:

PAID-UP EQUITY SHARES	NO. OF SHARES/VOTING RIGHTS	% OF SHARES/VOTING RIGHTS
Fully paid-up equity shares	1,916,819,292	100
Partly paid-up equity shares	Nil	0
Total paid-up equity shares	1,916,819,292	100
Total voting rights	1,916,819,292	100

4.10 As of the date of this Draft Letter of Offer, there are no outstanding (i) instruments convertible into Shares issued by the Target Company that would be converted into Shares by the 10<sup>th</sup> (Tenth) working day from the closure of the tendering period for the Open Offer, or (ii) employee stock options that have vested or shall vest by the 10<sup>th</sup> (Tenth) Working Day from the closure of the Tendering Period. (Source: [www.bseindia.com](http://www.bseindia.com) and annual report of the Target Company for the financial year ended 31 March 2017).

4.11 The table below sets out the Current Promoter Group and their shareholding in the Target Company:

NAME	NO. OF SHARES	% OF TOTAL VOTING EQUITY SHARE CAPITAL
Wilmar Sugar Holdings Pte. Ltd.	739,336,351	38.57
Narendra Madhusudan Murkumbi	10,812,905	0.56
Supriya Shailesh Rojekar	4,710,000	0.25
Narendra Madhusudan Murkumbi (HUF)	2,000,000	0.10
Inika Narendra Murkumbi	1,400,000	0.07
Malvika Narendra Murkumbi	1,400,000	0.07
Vidya Murkumbi	1,228,800	0.06
Anuradha Ravindra Kulkarni	1,087,732	0.06
Dilip Vasant Rao Deshpande	315,860	0.02
Apoorva Narendra Murkumbi	50,000	0.00
Murkumbi Investments Private Limited	121,414,000	6.33
Khandepar Investments Private Limited	75,400,000	3.93
Agri Venture Trading and Investment Private Limited	37,523,170	1.96
<b>TOTAL</b>	<b>996,678,818</b>	<b>52.00</b>

Source: Shareholding pattern disclosure dated 9 March 2018, available at: [www.bseindia.com](http://www.bseindia.com).

4.12 Upon the conversion of CCPS into the Acquired Shares and execution of the JV Termination Agreement by the Acquirer and PAC, as detailed in paragraph 2.1.5, the Acquirer will continue to be classified as a 'promoter' of the Target Company in accordance with the ICDR Regulations. Further, in accordance with the JV Termination Agreement, the Murkumbi Group, who are also presently classified as a 'promoter' of the Target Company in accordance with the ICDR Regulations, shall be entitled, after completion of the Open Offer, to undertake all necessary steps and actions under applicable laws, including but not limited to Regulation 31A of the LODR Regulations, to declassify

itself as a 'promoter' of the Target Company.

- 4.13 The table below sets out the shareholding of the Acquirer as promoter of the Target Company upon completion:

SHARE HOLDING	ACQUIRER		PAC		TOTAL	
	NUMBER OF SHARES	%	NUMBER OF SHARES	%	NUMBER OF SHARES	%
AS ON THE DATE OF THE PA <sup>(1)</sup>	739,336,351	38.57	Nil	Nil	739,336,351	38.57
SHARES ACQUIRED BETWEEN THE DATE OF THE PA AND THIS DRAFT LETTER OF OFFER	Nil	Nil	Nil	Nil	Nil	Nil
SHAREHOLDING AS ON THE DATE OF THIS DRAFT LETTER OF OFFER	739,336,351	38.57	Nil	Nil	739,336,351	38.57
POST OFFER SHAREHOLDING AS OF THE 10TH WORKING DAY AFTER THE CLOSURE OF THE OPEN OFFER (BASED ON EMERGING SHARE CAPITAL) <sup>(2)</sup>	1,237,709,367	64.57	Nil	Nil	1,237,709,367	64.57

Notes:

(1) Acquisition of 481,843,884 (Four hundred eighty one million eight hundred forty three thousand eight hundred eighty four) Shares upon conversion of the 481,843,884 (Four hundred eighty one million eight hundred forty three thousand eight hundred eighty four) CCPS on 9 March 2018.

(2) Post offer shareholding includes Shares acquired by the Acquirer outside of the Open Offer and assumes full acceptance in the Open Offer.

- 4.14 Trading of the Shares is not currently suspended on the BSE or the NSE.
- 4.15 As of the date of this Draft Letter of Offer, there are no Shares which are not listed on either the BSE or the NSE, other than (i) the Acquired Shares, and (ii) the 489,728,828 Shares allotted to the lenders of the Target Company, as part of the implementation of the Debt Restructuring Package, for listing of each of which the Target Company has made applications to the Stock Exchanges.

- 4.16 Prior to the completion of the Open Offer, the Board of Directors comprises the following 12 (Twelve) members:

NAME OF THE DIRECTOR	DESIGNATION	APPOINTMENT DATE
Mr. Atul Chaturvedi*	Non-Executive - Non-Independent Director	24 June 2015
Mr. Bharat Kumar Mehta	Non-Executive - Independent Director	13 November 2017
Mr. Bhupatrai Premji	Non-Executive - Independent Director	22 August 2016
Mr. Dorab Mistry	Non-Executive - Independent Director	22 August 2016
Mr. Hrishikesh Parandekar	Non-Executive - Independent Director	01 April 2014
Mr. Jean-Luc Bohbot*	Non-Executive - Non-Independent Director	24 June 2015
Mr. Narendra Murkumbi	Executive Director, MD	25 October 1995
Mr. Sanjay Asher	Non-Executive - Independent Director	01 April 2014
Mr. Stephen Ho Kiam Kong*	Non-Executive - Non-Independent Director	22 August 2016
Mr. Surender Kumar Tuteja	Non-Executive - Independent Director	01 April 2014
Mr. Vijendra Singh	Executive Director	10 May 2011
Mrs. Vidya Murkumbi	Executive Director, Chairperson	25 October 1995

Source: Corporate governance disclosure for quarter ended December 2017, available at: [www.bseindia.com](http://www.bseindia.com).

\*Nominee directors of the Acquirer on the Board of Directors

- 4.17 Pursuant to the JV Termination Agreement, post the completion of the Open Offer, as detailed in paragraph 2.1.5, (i) the Board of Directors shall be reconstituted such that the Acquirer will have a majority of non-independent directors on the Board of Directors and such number of directors nominated by the Murkumbi Group will resign as may be required to give effect to the above; (ii) Mrs. Vidya Murkumbi shall resign from the position of director of the Target Company; (iii) Mr. Narendra Murkumbi shall cease to hold the executive position of Vice Chairman and Managing Director of the Target Company; and (iv) the Murkumbi Group shall be entitled to undertake all necessary steps and actions under applicable laws, including but not limited to Regulation 31A of the LODR Regulations, to declassify itself as a 'promoter' of the Target Company, thereby ceasing control of the Target Company and granting the Acquirer sole control of the Target Company.
- 4.18 The Target Company has not been a party to any scheme of amalgamation, restructuring, merger/demerger and spin off during last 3 (three) years.
- 4.19 The key consolidated financial information of the Target Company is as follows:
- 4.19.1 The financial information set forth below has been derived from the audited consolidated financial statements of the Target Company as at and for the years ended 31 March 2015, 31 March 2016 and 31 March 2017.

*All figures in INR millions*

PROFIT AND LOSS STATEMENT	YEAR ENDED 31 MARCH 2017*	YEAR ENDED 31 MARCH 2016**	YEAR ENDED 31 MARCH 2015***
	AUDITED	AUDITED	AUDITED
Income from operations	119,445.1	99,658.09	100,875.94
Other income	3,535.66	812.48	464.9
Total Income	122,980.76	100,470.57	101,340.84
Total Expenditure	-115,743.85	-102,512.66	-96,577.92
Profit/(Loss) Before Depreciation, Interest and Tax	7,236.91	-2,042.09	4,762.92

PROFIT AND LOSS STATEMENT	YEAR ENDED 31 MARCH 2017*	YEAR ENDED 31 MARCH 2016**	YEAR ENDED 31 MARCH 2015***
	AUDITED	AUDITED	AUDITED
Depreciation and amortization	-8,455.26	-7,755.77	-9,912.72
Interest	-9,317.84	-9,764.23	-9,222.22
Profit/(Loss) Before Tax	-10,536.19	-19,562.09	-14,372.02
Provision for tax <sup>(1)</sup>	-138.77	-1,471.19	-2,750.12
Exceptional Items (Forex loss)	-	-	-6,513.98
Minority Interest	-	-	-7.14
Profit/(Loss) After Tax	-10,397.42	-18,090.90	-18,128.74

\*Prepared as per Indian Accounting Standards (Ind AS)

\*\*Restated as per Ind AS

\*\*\*Prepared as per Indian Generally Accepted Accounting Standards (IGAAP)

Note:

1. Provision for tax includes Deferred Tax

All figures in INR millions

BALANCE SHEET STATEMENT	AS AT 31 MARCH 2017*	AS AT 31 MARCH 2016**	AS AT 31 MARCH 2015***
<b>Sources of funds</b>			
Paid-up share capital	945.25	928.81	928.81
Reserves and surplus (excluding revaluation reserves)	-46,927.31	-39,139.41	-24,760.44
<b>Net worth</b>	-45,982.06	-38,210.60	-23,831.63
Minority interest	17.65	18.91	15.62
Secured loans	50,461.35	34,807.04	37,936.14
Unsecured loans	-	-	-
Other non-current liabilities	4,615.42	2,834.75	2,424.07
Current liabilities	101,979.53	115,117.64	92,735.59
<b>Total</b>	<b>111,091.89</b>	<b>114,567.74</b>	<b>109,279.79</b>
<b>Use of funds</b>			
Net fixed assets	56,980.93	56,809.28	63,619.35
Investments	997.61	861.78	846.88
Net current assets	53,113.35	56,896.68	44,813.56
<b>Total</b>	<b>111,091.89</b>	<b>114,567.74</b>	<b>109,279.79</b>

\*Prepared as per Ind AS

\*\*Restated as per Ind AS

\*\*\*Prepared as per IGAAP

INR/Share except for Dividend

OTHER FINANCIAL DATA	YEAR ENDED 31 MARCH 2017*	YEAR ENDED 31 MARCH 2016**	YEAR ENDED 31 MARCH 2015***
Dividend (%) <sup>(1)</sup>	NA	NA	NA
Earnings Per Share	-11.18	-19.48	-20.39
Book Value Per Share <sup>(2)</sup>	-48.65	-41.14	-25.66

\*Prepared as per Ind AS

\*\*Restated as per Ind AS

\*\*\*Prepared as per IGAAP

Notes:

- Total dividend declared divided by paid up capital.
- Net worth divided by number of shares issued and outstanding.

- 4.19.2 The financial information set forth below is derived from the interim unaudited consolidated financial information, which has been subject to limited review by the Target Company's Statutory Auditor, as at and for the 6 (six) month period ending on September 30, 2017, are as follows:

*All figures in INR millions*

<b>PROFIT AND LOSS STATEMENT</b>	<b>6 MONTHS ENDED 30 SEPTEMBER 2017*</b>
	<b>LIMITED REVIEW</b>
Income from operations	29,725
Other income	73.00
Total Income	29,798.00
Total Expenditure	-29,636.00
Profit/(Loss) Before Depreciation, Interest and Tax	162.00
Depreciation and amortization	-655.00
Interest	-2,277.00
Profit/(Loss) Before Tax	-2,770.00
Provision for tax <sup>(1)</sup>	-884
Exceptional Items (Forex loss)	-232
Minority Interest	-
Profit/(Loss) After Tax	-2,118.00

*\*Prepared as per Ind AS*

*Note:*

1. Provision for tax includes Deferred Tax.

*All figures in INR millions*

<b>BALANCE SHEET STATEMENT</b>	<b>AS AT 30 SEPTEMBER 2017*</b>
	<b>LIMITED REVIEW</b>
<b>Sources of funds</b>	
Paid-up share capital <sup>(1)</sup>	945
Reserves and surplus <sup>(2)</sup>	26,685.00
<b>Net worth</b>	27,630.00
Minority interest	-
Secured loans	29,283.00
Unsecured loans	-
Other non-current liabilities	60.00
Current liabilities	36,513.00
<b>Total</b>	<b>93486.00</b>
<b>Use of funds</b>	
Net fixed assets	49,114.00
Investments	19,395
Net current assets	24,977.00
<b>Total</b>	<b>93,486.00</b>

*\*Prepared as per Ind AS*

*Notes:*

1. Equity share capital as at 30 September 2017.
2. Other equity.



INR/Share except for Dividend

OTHER FINANCIAL DATA	6 MONTHS ENDED 30 SEPTEMBER 2017*
	LIMITED REVIEW
Dividend (%)	NA
Earnings Per Share	-2.24
Book Value Per Share <sup>(1)</sup>	-25.66

\*Prepared as per Ind AS

Note:

1. Net worth divided by number of shares issued and outstanding.

4.19.3 The Target Company has incurred a loss for 9 (nine) months ended December 31, 2017 amounting to INR 24,792 million. For further details please refer to the unaudited financial results and limited review report for the 9 (nine) months ended 31 December 2017 available at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).

4.20 The shareholding pattern of the Target Company before and after the Open Offer is as follows:

SHAREHOLDER CATEGORY	SHAREHOLDING AND VOTING RIGHTS PRIOR TO THE CONVERSION OF CCPS/ ACQUISITION AND OPEN OFFER (A)*		SHARES / VOTING RIGHTS ACQUIRED PURSUANT THE CONVERSION OF CCPS WHICH TRIGGERED THE OPEN OFFER (B)		SHARES/VOTING RIGHTS TO BE ACQUIRED IN THIS OPEN OFFER (ASSUMING FULL ACCEPTANCES) (C)		SHARE HOLDING / VOTING RIGHTS AFTER THE CONVERSION AND OPEN OFFER (A)+(B)+(C)=(D)**	
	NO.	%	NO.	% <sup>1</sup>	NO.	% <sup>1</sup>	NO.	% <sup>1</sup>
<b>(1) Promoter group including Acquirer and PAC</b>								
<b>(a) Acquirer and PAC</b>								
<b>Acquirer</b>	257,492,467	27.24	481,843,884	25.14	498,373,016	26.00	1,237,709,367	64.57
<b>PAC</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>(b) Promoters other than (a) above</b>								
Murkumbi Group	257,342,467	27.23	Nil	Nil	Nil	Nil	257,342,467	13.43
<b>Total 1 (a+b)</b>	514,834,934	54.47	481,843,884	25.14	498,373,016	26.00	1,495,051,834	78.00
<b>(2) Public (other than parties to agreement, Acquirer and PAC)</b>								
(a) FIs/MFs/ FPIs/Banks, SFIs <sup>2</sup>	63,792,339	6.75	Nil	Nil	Nil	Nil	421,767,458	22.00
(b) Others <sup>3</sup>	366,619,307	38.79	Nil	Nil	Nil	Nil		
<b>Total 2 (a+b)</b>	430,411,646	45.53	Nil	Nil	Nil	Nil		
<b>Grand Total (1+2)</b>	945,246,580	100.00	481,843,884	25.14	498,373,016	26.00	1,916,819,292	100.00

\*Source: Shareholding pattern disclosure dated 8 March 2018, available at: [www.bseindia.com](http://www.bseindia.com)

\*\*Source: Shareholding pattern disclosure dated 9 March 2018, available at: [www.bseindia.com](http://www.bseindia.com)

Notes:

1. Based on emerging voting capital calculated based on (i) Shares acquired by the Acquirer pursuant the conversion of CCPS; and (ii) conversion, by lenders of the Target Company, of part of their outstanding debt into Shares, pursuant to the Debt Restructuring Package.

2. Includes Mutual Funds (MFs), Financial Institutions (FIs), Banks, FPIs.
3. Assuming all options vested / to be vested are exercised. Includes Bodies Corporate, NRIs, Clearing Members, Trusts, Foreign Nationals and Indian Individuals.

4.21 As on the date hereof, the Acquirer and the PAC have not acquired any Shares after the date of the PA.

4.22 The information stated in this paragraph 4, unless otherwise specified, has been obtained from publicly available sources.

## 5. OFFER PRICE AND FINANCIAL ARRANGEMENTS

### 5.1 JUSTIFICATION OF OFFER PRICE

5.1.1 The Shares are listed on the NSE and the BSE.

5.1.2 The annualized trading turnover in the Shares on the BSE and the NSE based on trading volume during the 12 (twelve) calendar months prior to the month of the PA (March 2017 to February 2018) is as given below:

STOCK EXCHANGE	NUMBER OF SHARES TRADED (A)	WEIGHTED AVERAGE NUMBER OF SHARES (B)	(A) AS % OF (B)
NSE	895,921,404	943,625,560	94.94%
BSE	196,377,312	943,670,589	20.81%

Source: [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)

5.1.3 Based on the information available on the websites of the stock exchanges, the Shares are frequently traded on the NSE and the BSE (within the meaning of Regulation 2(1)(j) of the SEBI (SAST) Regulations). The Offer Price of INR 16.29 (Indian Rupees Sixteen paise twenty nine) per fully paid-up Share has been determined and justified in terms of Regulation 8 of the SEBI (SAST) Regulations, being the highest of the following:

NO.	PARTICULARS	PRICE PER SHARE (INR)
1.	The highest negotiated price per Share for acquisition under an agreement attracting the obligation to make the Open Offer.	Not Applicable
2.	The volume weighted average price paid or payable for acquisitions, whether by the Acquirer or by any PAC during the 52 weeks immediately preceding the date of the PA.	Not Applicable
3.	The highest price paid or payable for an acquisition whether by the Acquirer or by any PAC, during the 26 weeks immediately preceding the date of the PA.	16.29
4.	The volume-weighted average market price of Shares for a period of 60 trading days immediately preceding the date of the PA as traded on the NSE, being the stock exchange where the maximum volume of trading in the Shares was recorded during such period.	16.21
5.	Where the Shares are not frequently traded, the price determined by the Acquirer, PAC, and the Manager, taking into account valuation parameters including, book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such companies.	Not Applicable

5.1.4 In view of various parameters considered and presented in the table above, in the opinion of the Acquirer, the PAC and the Manager to the Open Offer, the Offer Price, being the highest of the prices mentioned above, is justified in terms of Regulation 8 of the SEBI (SAST) Regulations.

5.1.5 Calculation of the volume-weighted average market price of Shares for a period of 60 (sixty) trading days immediately preceding the date of the PA, as traded on the NSE (as the maximum volume of trading in the Shares was recorded on the NSE during the 60 (sixty) days immediately preceding the date of the PA as per Regulation 8(2)(d) of the SEBI (SAST) Regulations) is as under:

<b>NO.</b>	<b>DATE</b>	<b>TOTAL TRADED EQUITY SHARES</b>	<b>TOTAL TURNOVER (INR LAKHS)</b>	<b>VOLUME WEIGHTED AVERAGE PRICE (INR)</b>
1.	December 11, 2017	1,802,546	30,870,612	17.13
2.	December 12, 2017	1,619,090	27,577,183	17.03
3.	December 13, 2017	3,331,498	55,127,365	16.55
4.	December 14, 2017	1,871,586	30,002,893	16.03
5.	December 15, 2017	1,103,143	17,697,695	16.04
6.	December 18, 2017	1,213,337	19,314,190	15.92
7.	December 19, 2017	7,560,592	127,714,209	16.89
8.	December 20, 2017	2,535,937	43,288,285	17.07
9.	December 21, 2017	2,454,532	41,310,467	16.83
10.	December 22, 2017	2,458,422	41,448,559	16.86
11.	December 26, 2017	1,293,926	21,699,443	16.77
12.	December 27, 2017	1,980,336	32,722,897	16.52
13.	December 28, 2017	2,308,467	37,278,309	16.15
14.	December 29, 2017	3,094,315	50,771,240	16.41
15.	January 1, 2018	7,134,944	121,447,134	17.02
16.	January 2, 2018	12,467,445	215,889,863	17.32
17.	January 3, 2018	3,722,046	63,371,205	17.03
18.	January 4, 2018	3,344,490	56,862,297	17
19.	January 5, 2018	2,968,594	50,697,136	17.08
20.	January 8, 2018	4,391,356	74,934,928	17.06
21.	January 9, 2018	2,556,837	43,192,529	16.89
22.	January 10, 2018	1,682,351	28,250,658	16.79
23.	January 11, 2018	2,213,033	37,007,913	16.72
24.	January 12, 2018	2,112,841	34,921,976	16.53
25.	January 15, 2018	2,822,914	47,280,334	16.75
26.	January 16, 2018	2,490,114	40,546,357	16.28
27.	January 17, 2018	2,662,629	42,590,433	16
28.	January 18, 2018	2,508,180	40,107,873	15.99
29.	January 19, 2018	2,812,606	44,778,472	15.92
30.	January 22, 2018	1,395,275	21,899,044	15.7
31.	January 23, 2018	1,218,786	19,011,802	15.6
32.	January 24, 2018	4,458,708	70,542,146	15.82
33.	January 25, 2018	1,802,032	28,424,790	15.77
34.	January 29, 2018	1,765,576	27,775,696	15.73
35.	January 30, 2018	3,716,131	57,730,489	15.54
36.	January 31, 2018	2,011,121	31,562,920	15.69
37.	February 1, 2018	1,042,626	16,137,412	15.48
38.	February 2, 2018	2,944,628	43,696,170	14.84
39.	February 5, 2018	4,195,928	62,587,619	14.92
40.	February 6, 2018	3,654,110	54,252,152	14.85
41.	February 7, 2018	1,229,940	18,564,375	15.09
42.	February 8, 2018	2,422,340	36,681,994	15.14
43.	February 9, 2018	5,588,449	87,906,496	15.73
44.	February 12, 2018	2,777,497	44,973,217	16.19
45.	February 14, 2018	3,015,796	47,674,614	15.81
46.	February 15, 2018	1,813,307	28,242,100	15.57
47.	February 16, 2018	1,273,438	19,830,667	15.57
48.	February 19, 2018	1,332,766	20,550,224	15.42
49.	February 20, 2018	1,492,013	22,964,945	15.39
50.	February 21, 2018	1,071,470	16,533,482	15.43
51.	February 22, 2018	1,952,003	30,459,828	15.6
52.	February 23, 2018	2,480,428	39,409,309	15.89
53.	February 26, 2018	1,468,379	23,209,491	15.81

NO.	DATE	TOTAL TRADED EQUITY SHARES	TOTAL TURNOVER (INR LAKHS)	VOLUME WEIGHTED AVERAGE PRICE (INR)
54.	February 27, 2018	1,799,544	28,326,149	15.74
55.	February 28, 2018	714,054	11,154,827	15.62
56.	March 1, 2018	3,059,282	48,804,514	15.95
57.	March 5, 2018	1,535,776	24,327,730	15.84
58.	March 6, 2018	1,612,005	25,278,532	15.68
59.	March 7, 2018	5,157,519	79,364,552	15.39
60.	March 8, 2018	5,418,078	82,393,023	15.21
	<b>TOTAL</b>	165,937,112	2,668,972,760	
<b>Volume Weighted Average Price (total turnover divided by total traded equity shares)</b>				16.21

Source: [www.nseindia.com](http://www.nseindia.com)

- 5.1.6 There have been no corporate actions by the Target Company warranting adjustment of any of the relevant price parameters under Regulation 8(9) of the SEBI (SAST) Regulations. (Source: [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com))
- 5.1.7 The Acquirer and the PAC are permitted to make upward revisions in the Offer Price at any time prior to 3 (three) Working Days before the commencement of the Tendering Period in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. Further, in the event of further acquisition of Shares by the Acquirer and/or the PAC during the Offer Period, whether by way of market purchases or otherwise, at a price higher than the Offer Price, the Offer Price will be revised upwards to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8) of the SEBI (SAST) Regulations. However, the Acquirer and the PAC shall not acquire any Shares after 27 April 2018, i.e., the 3<sup>rd</sup> (third) Working Day prior to the commencement of the Tendering Period, i.e., 4 May 2018, and until the closure of the Tendering Period, i.e., 17 May 2018. Any upward revision in the Offer Price and/or offer size, on account of competing offers, if any, or otherwise, may be done at any time prior to the commencement of the last 3 (three) Working Days before the date of commencement of the Tendering Period i.e. by 4 May 2018 and will be notified to Public Shareholders in accordance with Regulation 18(4) of the SEBI (SAST) Regulations.
- 5.1.8 In the event of such revision, the Acquirer and the PAC shall be required to: (a) make corresponding increases to the amounts kept in the Cash Escrow Account, as set out in paragraph 5.2.3; (b) make a public announcement in the newspapers where the DPS was published; and (c) simultaneously with the issue of such announcement inform SEBI, the BSE, the NSE and the Target Company at its registered office of such revision.
- 5.1.9 If the Acquirer and/or the PAC acquires Shares during the period of 26 (twenty six) weeks after the closure of the Tendering Period at a price higher than the Offer Price, then the Acquirer and the PAC shall pay the difference between the highest acquisition price and the Offer Price, to all Public Shareholders whose Offer Shares have been accepted in the Open Offer within 60 (sixty) days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another open offer under the SEBI (SAST) Regulations, or pursuant to the SEBI (Delisting of Equity Shares) Regulations, 2009 or open market purchases made in the ordinary course on the stock exchanges, not being a negotiated acquisition of Shares in any form.
- 5.1.10 The Offer Price will be paid in cash in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations, and subject to the terms and conditions mentioned in the PA, the DPS and this Draft Letter of Offer.

## 5.2 **FINANCIAL ARRANGEMENTS**

- 5.2.1 The total funding requirement for the Open Offer (assuming full acceptances), i.e. for the acquisition of 498,373,016 (Four hundred ninety eight million three hundred seventy three thousand sixteen only) Shares at the Offer Price, is INR 8,118,496,431 (Indian Rupees Eight billion one hundred eighteen million four hundred ninety six thousand four hundred thirty one), assuming full acceptance of this

#### Open Offer (**Total Consideration**).

- 5.2.2 In case of any upward revision in the Offer Price and or the Offer Size, the cash in the Cash Escrow Account and the Bank Guarantee shall be increased by the Acquirer prior to effecting such revision, in terms of Regulation 17(2) of the SEBI (SAST) Regulations.
- 5.2.3 Pursuant to Regulation 17(1) of the SEBI (SAST) Regulations, the Acquirer and the Manager to the Open Offer have, entered into an escrow agreement dated 22 February 2018 with DBS Bank Limited, acting through its New Delhi branch at Capitol Point, Baba Kharak Singh Marg, Connaught Place, New Delhi - 110 001 (**Escrow Agent**), in terms of which the Acquirer has opened an escrow account (**Cash Escrow Account**) with the Escrow Agent. The Acquirer has deposited into the Cash Escrow Account: (i) an unconditional, irrevocable and on demand bank guarantee dated 12 March 2018, valid for a period commencing from the date of the PA until at least 30 (Thirty) days after the closure of the Open Offer, in favour of the Manager from DBS Bank Ltd. acting through its New Delhi branch at Capitol Point, Baba Kharak Singh Marg, Connaught Place, New Delhi - 110 001 (**BG Issuer**), having bank guarantee No: 820-02-0065419 for an amount of INR 1,561,932,959 (Indian Rupees One billion five hundred sixty one million nine hundred thirty two thousand nine hundred fifty nine) (**Bank Guarantee**) being higher than the amount required under Regulation 17(1) of the SEBI (SAST) Regulations (i.e., 25% (Twenty five per cent) of the first INR 5,000,000,000 (Indian Rupees Five Billion) of the Total Consideration and 10% (Ten per cent) on the amount of the Total Consideration over and above INR 5,000,000,000 (Indian Rupees Five Billion)); and (ii) a sum of INR 81,193,296 (Indian Rupees Eighty one million one ninety three thousand two hundred ninety six) in the Cash Escrow Account being higher than the amount required under Regulation 17(4) of the SEBI (SAST) Regulations (i.e., 1% (one per cent) of the Total Consideration) ((i) and (ii) together referred to as the **Escrow Deposit**). The receipt of the Escrow Deposit in the Cash Escrow Account has been confirmed by the Escrow Agent through a confirmation letter dated 13 March 2018. The Manager to the Open Offer has been authorized by the Acquirer to solely operate the Cash Escrow Account and realize the value of the Bank Guarantee and the monies lying to the credit of the Cash Escrow Account in terms of the SEBI (SAST) Regulations.
- 5.2.4 The Acquirer has also made a fixed deposit of USD 130,000,000 (US Dollar One hundred thirty million) (equivalent to INR 8,452,587,000 (Indian Rupees Eight billion four hundred fifty two million five hundred eighty seven thousand) based on RBI reference rate of USD 1 = INR 65.0199 as of 12 March 2018) with DBS Bank Ltd. at its MBFC Branch, Singapore, which represents not less than 100% (One hundred per cent) of the Total Consideration. Such fixed deposit shall be used solely for the purposes of fulfilling the Acquirer's payment obligations under the Open Offer.
- 5.2.5 Nirav Samani (having membership no. 129596) for N. D. Samani & Co., Chartered Accountants (FRN: 131802W), having his address at 301-3rd Floor, Ravi Arcade, Teen Batti Chowk, Dwarka-361335, Gujarat, India, Tel. No. +91 2892 235544, have vide his letter dated 12 March 2018, certified on the basis of the fixed deposit receipt received from DBS Bank Ltd. and on the basis of a confirmation received from the Acquirer that use of proceeds from the said fixed deposit will be used solely for the purpose of fulfilling its total funding requirement for the Open Offer, has satisfied himself that the Acquirer has adequate and firm financial resources to enable it to meet its financial obligations relating to the Open Offer.
- 5.2.6 Based on the above, the Manager to the Open Offer confirms that firm arrangements for funds and money for payment through verifiable means are in place to fulfill the Open Offer obligations of the Acquirer and the PAC.
- 5.2.7 In terms of Regulation 22(2A), the Acquirer has completed its subscription to the Acquired Shares and the Acquired Shares are being kept in the Demat Escrow Account. The Manager to the Open Offer will have the right to operate the Demat Escrow Account. The Acquirer shall not exercise any voting rights with respect to the Acquired Shares kept in the Demat Escrow Account in compliance with Regulation 22(2A) of the SEBI (SAST) Regulations. Upon fulfillment of all the Open Offer related formalities, the Acquired Shares will be transferred to the DP account of the Acquirer and the Demat Escrow Account will be closed.
- 5.2.8 The Acquirer and the PAC shall be, severally and jointly, responsible for ensuring compliance with the provisions of the SEBI (SAST) Regulations.

## **6. TERMS AND CONDITIONS OF THE OPEN OFFER**

- 6.1 The Open Offer is being made by the Acquirer and the PAC to all Public Shareholders. The Letter of Offer, together with the Form of Acceptance-cum-Acknowledgement and Securities Transfer Form (for the Public Shareholders holding Offer Shares in the physical form) will be issued to those Public Shareholders whose names appear on the register of members of the Target Company and to the beneficial owners of the Offer Shares whose names appear as beneficiaries on the beneficial record of the respective depositories, at the close of business on the Identified Date (i.e., 18 April 2018). Owners of Offer Shares who are not registered as Public Shareholders are also eligible to participate in the Open Offer at any time during the Tendering Period.
- 6.2 Every Public Shareholder, regardless of whether such person held Offer Shares on the Identified Date, or has not received the Letter of Offer, is entitled to participate in the Open Offer.
- 6.3 The Acquirer shall accept the Offer Shares tendered pursuant to the Open Offer subject to the following:
- 6.3.1 Applications in respect of Offer Shares that are the subject matter of litigation or any proceedings before statutory authorities, wherein the Public Shareholders may be prohibited from transferring the Offer Shares during the pendency of such litigation or proceedings, are liable to be rejected if directions or orders regarding these Offer Shares are not received together with the Offer Shares tendered under the Open Offer. The applications in some of these cases may be forwarded (as per the discretion of the Acquirer) to the concerned statutory authorities for further action by such authorities. Offer Shares that are subject to any charge, lien or encumbrance are liable to be rejected in the Open Offer.
- 6.3.2 The Acquirer will only acquire Offer Shares which are free from all liens, charges and encumbrances and together with all rights attached thereto, including the right to all dividends, bonus and rights declared hereafter.
- 6.4 The Open Offer is not conditional and is not subject to any minimum level of acceptance. The acceptance of the Open Offer must be unconditional and should be entirely at the discretion of the Public Shareholders. Each Public Shareholder to whom the Open Offer is being made, is free to offer his Offer Shares, in whole or in part, while accepting the Open Offer.
- 6.5 The acceptance of the Open Offer must be unconditional, should be absolute and unqualified, and should be on the enclosed Form of Acceptance-cum-Acknowledgement and Securities Transfer Form (for the Public Shareholders holding Offer Shares in the physical form) and sent along with the other documents duly filled in and signed by the applicant Public Shareholder(s). By accepting this Open Offer, the Public Shareholders confirm that they are not persons acting in concert with the Acquirer or the PAC, for the purpose of this Open Offer.
- 6.6 The Tendering Period will open on 4 May 2018 and close on 17 May 2018.
- 6.7 Public Shareholders who have accepted the Open Offer by tendering their Offer Shares and requisite documents in terms of the PA, the DPS and the Letter of Offer are not entitled to withdraw such acceptance during the Tendering Period.
- 6.8 If the Offer Shares tendered in the Open Offer are more than the Offer Shares to be acquired under the Open Offer, the acquisition of Offer Shares from each Public Shareholder will be on a proportionate basis as detailed in paragraph 7.16.
- 6.9 The Acquirer and the PAC will not be responsible for any loss of share certificate(s) and the Open Offer acceptance documents during transit and the Public Shareholders are advised to adequately safeguard their interests in this regard.
- 6.10 Accidental omission to dispatch the Letter of Offer to any person to whom the Open Offer has been made or non-receipt of the Letter of Offer by any such person shall not invalidate the Open Offer in any way.

## 6.11 **STATUTORY AND OTHER APPROVALS**

- 6.11.1 The following approvals have been obtained by the Acquirer in connection with its acquisition of the Acquired Shares and the Offer Shares:
- (a) Receipt of the unconditional approval of the Competition Commission of India (CCI) under the provisions of the Competition Act, 2002 and regulations of the CCI, which was received on 9 February 2018;
  - (b) Receipt of other competition or anti-trust approvals required in jurisdictions other than India, including the approval of Conselho Administrativo de Defesa Econômica (CADE) (Brazilian antitrust authority) which was granted on 11 December 2017; and
  - (c) In-principle approval from the Stock Exchanges for listing of the Acquired Shares which was received from each of the NSE and the BSE on 23 February 2018.
- 6.11.2 The acquisition of Offer Shares tendered in the Open Offer by NRIs, OCBs and any other non-resident holders of Offer Shares may be subject to approval/exemption from the RBI. Such non-resident holders of Offer Shares tendering Offer Shares in the Open Offer must obtain all requisite approvals required to tender the Offer Shares held by them, in this Open Offer (including without limitation the approval from RBI (if applicable), since the Offer Shares validly tendered in this Open Offer will be acquired by non-resident entities) and submit such approvals along with the Form of Acceptance-cum-Acknowledgement (for the Public Shareholders holding Offer Shares in the physical form) and other documents required to accept this Open Offer. Further, if holders of Offer Shares who are not persons resident in India including NRIs, OCBs, and FPIs had required any approvals (including from the RBI or any other regulatory body) in respect of the Offer Shares held by them, they will be required to submit such previous approvals that they would have obtained for holding the Offer Shares, along with the Form of Acceptance-cum-Acknowledgement (for the Public Shareholders holding Offer Shares in the physical form) and other documents required to be tendered to accept this Open Offer. If the approvals mentioned above, as may be applicable, are not submitted, the Acquirer and the PAC reserve the right to reject such Offer Shares tendered in this Open Offer. If the Offer Shares are held under general permission of the RBI, non-resident holders of Offer Shares should state that the Offer Shares are held under such general permission and clarify whether the Offer Shares are held on repatriable basis or non-repatriable basis.
- 6.11.3 To the best of knowledge and belief of the Acquirer and the PAC, as of the date of this Draft Letter of Offer, there are no further statutory approval(s) pending to implement the Open Offer. The relevant statutory approvals required for the Acquirer's investment in the Target Company, as indicated at paragraph 6.11.1, have been obtained. However, in case an unforeseen requirement for any other statutory approval arises before the closure of the Tendering Period, this Open Offer shall be subject to such further approvals and the Acquirer and/ or the PAC shall make the necessary applications for such approvals.
- 6.11.4 In case of delay in receipt of any statutory approvals mentioned above or which may be required by the Acquirer and/or the PAC at a later date, pursuant to Regulation 18(11) of the SEBI (SAST) Regulations, SEBI may, if satisfied, that non-receipt of approvals was not attributable to any willful default, failure or neglect on the part of the Acquirer and/or the PAC to diligently pursue such approvals, grant an extension of time for the purpose of completion of this Open Offer, subject to the Acquirer and the PAC agreeing to pay interest to the Public Shareholders at such rate, as may be specified by the SEBI from time to time. Provided where the statutory approvals extend to some but not all holders of the Offer Shares, the Acquirer and/or the PAC will have the option to make payment to such holders of the Offer Shares in respect of whom no statutory approvals are required in order to complete this Open Offer.
- 6.11.5 The Acquirer and the PAC will have the right to withdraw this Open Offer in accordance with Regulation 23 of the SEBI (SAST) Regulations, in the event that any statutory approvals become applicable and are not granted. In the event of withdrawal of this Open 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 NSE, the SEBI and the Target Company at its registered office.

## 7. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OPEN OFFER

- 7.1. All Public Shareholders, registered or unregistered, whether holding Offer Shares in dematerialized form or physical form, whether locked-in or non-locked in Shares, are eligible to participate in the Open Offer any time before closure of the Tendering Period. Pursuant to the SEBI Stock Exchange Mechanism Circular, tendering of shares which are locked-in has to be effected off-market. In connection with the Debt Restructuring Package, the Target Company's lenders have agreed not to sell Shares acquired by them upon conversion of debt through off-market sales.
- 7.2. Persons who have acquired the Offer Shares but whose names do not appear in the register of members of the Target Company on the Identified Date or unregistered owners or those who have not received the Letter of Offer, may participate in this Open Offer by submitting an application on a plain paper giving details regarding their shareholding and confirming their consent to participate in this Open Offer on the terms and conditions of this Open Offer as set out in Public Announcement, the DPS and the Letter of Offer. Alternatively, such holders of the Offer Shares may apply in the Form of Acceptance-cum Acknowledgement in relation to this Open Offer that will be annexed to the Letter of Offer, which may also be obtained from the SEBI website ([www.sebi.gov.in](http://www.sebi.gov.in)) or the Registrar to the Open Offer.
- 7.3. The Open Offer will be implemented by the Acquirer and PAC through a stock exchange mechanism made available by the Stock Exchanges, in the form of separate window as provided under the SEBI (SAST) Regulations, the SEBI Stock Exchange Mechanism Circular and notices / guidelines issued by designated stock exchange and the Clearing Corporation of India Limited (**Clearing Corporation**) in relation to the mechanism / process for acquisition of shares through stock exchange pursuant to the tender offers under takeovers as amended and updated from time to time.
- 7.4. BSE shall be the designated stock exchange (**Designated Stock Exchange**) for the purpose of tendering Offer Shares in the Open Offer.
- 7.5. The facility for acquisition of shares through Stock Exchange mechanism pursuant to the Open Offer shall be available on the Designated Stock Exchange in the form of a separate window (**Acquisition Window**). The Acquisition Window will facilitate placing of sell orders. The Selling Brokers can enter orders for demat Offer Shares as well as physical Offer Shares.
- 7.6. All the Public Shareholders who desire to tender their Offer Shares under the Open Offer would have to approach their respective stock brokers (**Selling Broker(s)**), during the normal trading hours of the secondary market during the Tendering Period.
- 7.7. Offer Shares and other relevant documents should not be sent to the Acquirer, the PAC, or the Target Company.
- 7.8. The Acquirer has appointed Edelweiss Securities Limited (**Buying Broker**) for the Open Offer through whom the purchases and settlement of Offer Shares tendered in this Open Offer shall be made. Contact details of the Buying Broker are as follows:

Name: Edelweiss Securities Limited

CIN: U67110AP1993PLC052266

SEBI Registration Number: BSE – INB011193332; NSE - INE231193310

Address: Corporate Office: Edelweiss House  
Off. C.S.T. Road, Kalina,  
Santacruz (East)  
Mumbai - 400 098

Contact Person: Mr. Atul Benke

Telephone: +91 22 4009 4400; Direct No. - +91 22 6623 3325



Facsimile: +91 22 2286 4411

Email: [atul.benke@edelweissfin.com](mailto:atul.benke@edelweissfin.com)

- 7.9. During the Tendering Period, the tender of the Offer Shares by the Public Shareholders in this Open Offer will be placed through their respective Selling Brokers during normal trading hours of the secondary market.
- 7.10. The cumulative quantity tendered shall be displayed on the Designated Stock Exchange website throughout the trading session at specific intervals by the Designated Stock Exchange during Tendering Period.
- 7.11. Modification/cancellation of orders will not be allowed during the Tendering Period.
- 7.12. Public Shareholders can tender their shares only through a broker with whom the shareholder is registered as client (KYC Compliant). In the event Seller Broker(s) are not registered with the Designated Stock Exchange or if a Public Shareholder does not have any stock broker, then that Shareholder can approach any stock broker registered with the Designated Stock Exchange and can make a bid by using quick unique client code (UCC) facility through such registered stock broker after submitting the details as may be required by the stock broker to be in compliance with applicable law and regulations. In case a Public Shareholder is not able to bid using quick UCC facility through any other stock broker registered with the Designated Stock Exchange, such Public Shareholder may approach the Buying Broker viz. Edelweiss Securities Limited, to bid by using quick UCC facility. The Public Shareholder approaching stock broker registered with the Designated Stock Exchange (with whom he does not have an account) may have to submit following details:

7.12.1. In case Public Shareholder is an individual

- (a) If Public Shareholder is registered with KYC Registration Agency (**KRA**) - Forms required:
- Central Know Your Client (**CKYC**) form including Foreign Account Tax Compliance Act (**FATCA**), In-Person Verification (**IPV**), Original Seen and Verified (**OSV**) if applicable
  - Know Your Client (**KYC**) form Documents required (all documents self-attested):
    - Bank details (cancelled cheque)
  - Demat details only if Offer Shares are in demat mode (demat master /latest demat statement)
- (b) If Shareholder is not registered with KRA: Forms required:
- CKYC form including FATCA, IPV, OSV if applicable
  - KRA form
  - KYC form Documents required (all documents self-attested):
    - PAN card copy
    - Address proof
    - Bank details (cancelled cheque)
  - Demat details only if Offer Shares are in demat mode (demat master /latest demat statement)

It may be noted that other than submission of above forms and documents, in person verification may be required.

7.12.2. In case Public Shareholder is a Hindu Undivided Family (**HUF**):

- (a) If Shareholder is KRA registered: Forms required:
- CKYC form of *Karta* including FATCA, IPV, OSV if applicable
  - KYC form documents required (all documents self-attested):
    - Bank details (cancelled cheque)
  - Demat details only if Offer Shares are in demat mode (demat master /latest demat statement)

statement)

(b) If Public Shareholder is not registered with KRA: Forms required:

- CKYC form of *Karta* including FATCA, IPV, OSV if applicable
- KRA form
- KYC form documents required (all documents self-attested):
  - PAN card copy of HUF and *Karta*
  - Address proof of HUF and *Karta*
  - HUF declaration
  - Bank details (cancelled cheque)
- Demat details only if Offer Shares are in demat mode (demat master /latest demat statement)

It may be noted that other than submission of above forms and documents, in person verification may be required.

7.12.3. In case of Public Shareholder other than Individual and HUF:

(a) If Shareholder is KRA registered: Form required

- KYC form documents required (all documents certified true copy)
  - Bank details (cancelled cheque)
- Demat details only if Offer Shares are in demat mode (demat master /latest demat statement)
- FATCA, IPV, OSV if applicable
- Latest list of directors/authorised signatories/partners/trustees
- Latest shareholding pattern
- Board resolution/partnership declaration
- Details of ultimate beneficial owner along with PAN card and address proof
- Last 2 years financial statements

(b) If Public Shareholder is not KRA registered: Forms required:

- KRA form
- KYC form Documents required (all documents certified true copy):
  - PAN card copy of company/ firm/trust
  - Address proof of company/ firm/trust
  - Bank details (cancelled cheque)
- Demat details only if Offer Shares are in demat mode (demat master /latest demat statement)
- FATCA, IPV, OSV if applicable
- Latest list of directors/authorised signatories /partners/trustees
- PAN card copies and address proof of directors/ authorised signatories/ partners/ trustees
- Latest shareholding pattern
- Board resolution/partnership declaration
- Details of ultimate beneficial owner along with PAN card and address proof
- Last 2 years financial statements
- Memorandum of association/partnership deed /trust deed

Additionally, registered Public Shareholders holding Offer Shares in physical form must also provide the documents mentioned in paragraph 7.14.

It may be noted that above mentioned list of documents is an indicative list. The requirement of documents and procedures may vary from broker to broker.

### **7.13. PROCEDURE FOR TENDERING OFFER SHARES HELD IN DEMATERIALISED FORM**

- 7.13.1. The Public Shareholders who are holding Offer Shares in electronic/ dematerialised form and who desire to tender their Offer Shares in this Open Offer shall approach their respective Selling Broker indicating to their Selling Broker the details of Offer Shares such Public Shareholder intends to tender in this Open Offer. Public Shareholders should tender their Offer Shares before market hours close on the last day of the Tendering Period.
- 7.13.2. The Selling Broker would be required to place an order/bid on behalf of the Public Shareholders who wishes to tender Offer Shares in the Open Offer using the Acquisition Window. Before placing the order/bid, the Public Shareholder would be required to transfer the tendered Offer Shares to the Clearing Corporation, by using the early pay-in mechanism as prescribed by the Designated Stock Exchange or the Clearing Corporation, prior to the Seller Broker placing the order/bid.
- 7.13.3. Upon placing the order, the Selling Broker shall provide TRS generated by the stock exchange bidding system to the Public Shareholder. TRS will contain details of order submitted, such as bid ID No., DP ID, Client ID, no. of Offer Shares tendered, etc.
- 7.13.4. Modification/cancellation of orders will not be allowed during the Tendering Period.
- 7.13.5. For custodian participant, orders for demat Offer Shares early pay-in is mandatory prior to confirmation of order by the custodian. The custodians shall either confirm or reject orders not later than the time provided by the Designated Stock Exchange on the last day of the Tendering Period. Thereafter, all unconfirmed orders shall be deemed to be rejected.
- 7.13.6. The details of settlement number for early pay-in of Offer Shares shall be informed in the issue opening circular that will be issued by the Designated Stock Exchange / Clearing Corporation, before the opening of the Open Offer.
- 7.13.7. The Public Shareholders will have to ensure that they keep their DP account active and unblocked to successfully facilitate the tendering of the Offer Shares and to receive credit in case of return of Offer Shares due to rejection or due to prorated Offer.
- 7.13.8. The cumulative quantity tendered shall be made available on the website of the Designated Stock Exchange ([www.bseindia.com](http://www.bseindia.com)) throughout the trading sessions and will be updated at specific intervals during the Tendering Period.

### **7.14. PROCEDURE FOR TENDERING OFFER SHARES HELD IN PHYSICAL FORM**

- 7.14.1. The Public Shareholders who are holding the Offer Shares in physical form and who wish to tender their Offer Shares in this Open Offer shall approach the relevant Selling Broker and submit complete set of documents for verification procedure as mentioned below:
- (a) Form of Acceptance-cum-Acknowledgment duly completed and signed in accordance with the instructions contained therein, by sole/joint shareholders whose name(s) appears on the share certificate(s) and in the same order and as per the specimen signature lodged with the Target Company;
  - (b) Original share certificate(s);
  - (c) Valid Securities Transfer Form(s) duly signed as transferor(s) by the sole/joint shareholder(s) in the same order and as per specimen signatures lodged with the Target Company and duly witnessed at the appropriate place;
  - (d) Self-attested PAN Card copy (in case of Joint holders, PAN card copy of all transferors);
  - (e) Any other relevant document such as power of attorney, corporate authorization (including board resolution/ specimen signature); and
  - (f) Self-attested copy of address proof such as valid Aadhar card, voter ID, passport etc.

- 7.14.2. The Selling Broker should place bids on the Designated Stock Exchange platform with relevant details as specified on physical share certificate(s). The Selling Broker(s) shall print the TRS generated by the exchange bidding system. The TRS will contain the details of order submitted like Folio No., Certificate No., Dist. Nos., Number of Offer Shares etc.
- 7.14.3. After placement of order, the Selling Broker(s)/ Public Shareholders must ensure delivery of the Form of Acceptance-cum-Acknowledgement, TRS, original share certificate(s), valid Securities Transfer Form(s) and other documents specified in paragraph 7.12 either by registered post or courier or hand delivery to the Registrar to the Open Offer (at the address mentioned on the cover page). The envelope should be superscribed as “**Shree Renuka Sugars Limited Open Offer**”. Share certificates for the physical shares must reach the Registrar to the Open Offer within 2 (two) days from bidding by the Seller Broker. One copy of the TRS will be retained by Registrar to the Open Offer and it will provide acknowledgement of the same to the Selling Broker.
- 7.14.4. Public Shareholders holding physical Offer Shares should note that physical Offer Shares will not be accepted unless the complete set of documents specified in paragraph 7.12 is submitted. Acceptance of the physical Offer Shares in the Open Offer shall be subject to verification by the Registrar to the Open Offer. On receipt of the confirmation from the Registrar to the Open Offer, the bid will be accepted else rejected and accordingly the same will be depicted on the exchange platform.
- 7.14.5. In case any person has submitted Offer Shares in physical form for dematerialisation, such Public Shareholders should ensure that the process of getting the Offer Shares dematerialised is completed well in time so that they can participate in the Open Offer before the Offer Closing Date.

**The Public Shareholders holding Offer Shares in demat mode are not required to fill any Form of Acceptance. The Public Shareholders holding Offer Shares in physical mode will be required to fill the respective Form of Acceptance. The Public Shareholders holding Offer Shares in physical mode will be sent respective Forms of Acceptance along with the Letter of Offer. Detailed procedure for tendering such Offer Shares will be included in the Form of Acceptance. Form of Acceptance will not be sent to the Public Shareholders holding Offer Shares in demat mode.**

**7.15. PROCEDURE FOR TENDERING THE SHARES IN CASE OF NON-RECEIPT OF LETTER OF OFFER**

- 7.15.1. Public Shareholders who have acquired Offer Shares but whose names do not appear in the register of members of the Target Company on the Identified Date, or unregistered owners or those who have acquired Offer Shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Open Offer.
- 7.15.2. A Public Shareholder may participate in the Open Offer by approaching their Selling Broker and tender Offer Shares in the Offer as per the procedure mentioned in the Letter of Offer or in the relevant Form of Acceptance-cum-Acknowledgment.
- 7.15.3. The Letter of Offer along with a Form of Acceptance-cum-Acknowledgement, will be dispatched to all the Public Shareholders, whose names appear on the register of members of the Target Company, and the Letter of Offer will be dispatched to all the beneficial owners of the Offer Shares in dematerialized form whose names appear on the beneficial records of the respective depositories, in either case, at the close of business hours on the Identified Date.
- 7.15.4. In case of non-receipt of the Letter of Offer, such Public Shareholders may download the same from the SEBI website ([www.sebi.gov.in](http://www.sebi.gov.in)) or obtain a copy of the same from the Registrar to the Open Offer on providing suitable documentary evidence of holding of the Offer Shares.
- 7.15.5. The Letter of Offer along with the Form of Acceptance-cum-Acknowledgment would also be available at SEBI's website ([www.sebi.gov.in](http://www.sebi.gov.in)) and Public Shareholders can also apply by downloading such forms from the said website.
- 7.15.6. Alternatively, in case of non-receipt of the Letter of Offer, shareholders holding the Offer Shares may

participate in the Open Offer by providing their application in plain paper in writing signed by all shareholder(s), stating name, address, number of shares held, client ID number, DP name, DP ID number, number of shares tendered and other relevant documents as mentioned in paragraphs 7.12, 7.13 and 7.14 along with Form SH-4 (in case of Offer Shares being held in physical form). Such Public Shareholders have to ensure that their order is entered in the electronic platform to be made available by the Designated Stock Exchange before the closure of the Open Offer.

#### **7.16. ACCEPTANCE OF OFFER SHARES**

- 7.16.1. Registrar to the Open Offer shall provide details of order acceptance to Clearing Corporation within specified timelines.
- 7.16.2. In the event that the number of Offer Shares (including demat Offer Shares and physical Offer Shares) validly tendered by the Public Shareholders under the Open Offer exceeds the Offer Size, the Acquirer shall accept those Offer Shares validly tendered by the Public Shareholders on a proportionate basis in consultation with the Manager to the Open 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 Offer Shares from a Public Shareholder shall not be less than the minimum marketable lot, or the entire holding if it is less than the marketable lot. The minimum marketable lot of the Target Company is 1 (one) Share.

#### **7.17. SETTLEMENT PROCESS**

- 7.17.1. On closure of the Open Offer, reconciliation for acceptances shall be conducted by the Manager to the Open Offer and the Registrar to the Open Offer and the final list of accepted Offer Shares tendered in this Open Offer shall be provided to the Designated Stock Exchange to facilitate settlement on the basis of Offer Shares transferred to the Clearing Corporation.
- 7.17.2. The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.
- 7.17.3. For Offer Shares accepted under the Open Offer, the Clearing Corporation will make direct funds payout to respective eligible Public Shareholders. If shareholders' bank account details are not available or if the funds transfer instruction is rejected by RBI/bank, due to any reason, then such funds will be transferred to the concerned Selling Broker settlement bank account for onward transfer to the respective Public Shareholders.
- 7.17.4. In case of certain client types viz. NRI, Foreign Clients etc. (where there are specific RBI and other regulatory requirements pertaining to funds pay-out) who do not opt to settle through custodians, the funds pay-out would be given to their respective Selling Broker's settlement accounts for releasing the same to the respective Public Shareholder's account onwards.
- 7.17.5. The Public Shareholders will have to ensure that they keep the DP account active and unblocked to receive credit in case of return of Offer Shares, due to rejection or due to non-acceptance of the shares under the Open Offer.
- 7.17.6. Excess demat Offer Shares or unaccepted demat Offer Shares, if any, tendered by the Public Shareholders would be returned to them by the Clearing Corporation. Any excess physical Offer Shares pursuant to proportionate acceptance/ rejection will be returned back to the Public Shareholders directly by the Registrar to the Open Offer by registered post. The Target Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Offer Shares, in case the Offer Shares accepted by the Acquirer are less than the Offer Shares tendered in the Open Offer by the Public Shareholders holding Offer Shares in physical form.
- 7.17.7. The Seller Broker(s) would also issue a contract note for the Offer Shares accepted in the Open Offer.
- 7.17.8. The direct credit of Offer Shares shall be given to the demat account of the Acquirer and / or PAC as indicated by the Buying Broker.
- 7.17.9. Once the basis of acceptance is finalised, the Clearing Corporation would facilitate clearing and

settlement of trades by transferring the required number of Offer Shares to the demat account of Acquirer and/or PAC.

- 7.17.10. In case of partial or non-acceptance of orders, the balance demat Offer Shares shall be returned directly to the demat accounts of the Public Shareholders. However, in the event of any rejection of transfer to the demat account of the Public Shareholder for any reason, the demat Offer Shares shall be released to the securities pool account of their respective Selling Broker and the Selling Broker will thereafter transfer the balance Offer Shares to the respective Public Shareholders.
- 7.17.11. Any Offer Shares that are subject matter of litigation or are held in abeyance due to pending court cases / attachment orders / restriction from other statutory authorities wherein the Public Shareholder may be precluded from transferring the Offer Shares during pendency of the said litigation are liable to be rejected if directions / orders regarding these Offer Shares are not received together with the Offer Shares tendered under the Open Offer.
- 7.17.12. If Public Shareholders bank account details are not available or if the fund transfer instruction is rejected by Reserve Bank of India or bank, due to any reasons, then the amount payable to Public Shareholders will be transferred to the Selling Broker for onward transfer to the Public Shareholder.
- 7.17.13. Public Shareholders who intend to participate in the Open Offer should consult their respective Selling Broker for any cost, applicable taxes, charges and expenses (including brokerage) that may be levied by the Selling Broker upon such Public Shareholders for tendering Offer Shares in the Open Offer (secondary market transaction). The Open Offer consideration received by the Public Shareholders, in respect of accepted Offer Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Acquirer accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Public Shareholders.

#### **7.18. SETTLEMENT OF FUNDS / PAYMENT CONSIDERATION**

- 7.18.1. The Buying Broker will transfer the funds pertaining to the Open Offer to the Clearing Corporation's bank account as per the prescribed schedule.
- 7.18.2. The payment will be made to the Buying Broker for settlement. For Offer Shares accepted under the Open Offer, the Public Shareholder / Selling Broker / custodian participant will receive funds payout in their settlement bank account.
- 7.18.3. The funds received from the Buyer Broker by the Clearing Corporation will be released to the Public Shareholder / Selling Broker (s) as per secondary market pay out mechanism.
- 7.18.4. In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirer for payment of consideration to the Public Shareholders who have accepted the Open Offer within such period, subject to Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI (SAST) Regulations.

#### **7.19. COMPLIANCE WITH TAX REQUIREMENTS**

##### **7.19.1. Taxability of Capital Gain in the hands of the Public Shareholder**

- (a) As per the current provisions of the Income Tax Act, 1961 (**Income Tax Act**) unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India either as capital gains under Section 45 of the Income Tax Act or as business profits, depending on the facts and circumstances of the case. Further, Section 2(14) of the Income Tax Act has provided for deemed characterization to securities held by FPIs as capital assets and therefore, the gains arising in the hands of FPIs will be taxable in India as capital gains.
- (b) **Pending Tax Legislation:** On 1 February 2018, the Government of India presented the Finance Bill, 2018 (**Finance Bill**) before the lower house of the Indian Parliament. The Finance Bill proposes the imposition of an income tax on long-term capital gains on the sale or transfer of equity shares that are listed on a recognized stock exchange, which have been

held for more than one year and have been subject to securities transaction tax (**STT**) upon acquisition and sale. Gains of this nature were, in the past, exempt from capital gains taxation. The proposed amendment provides that this tax of 10% (ten per cent) (exclusive of any tax surcharge and cess that would be applied) would be payable only if the capital gains exceed INR 100,000 (Indian Rupees one hundred thousand) in the financial year. Gains that arise on shares purchased prior to 1 February 2018 shall be grandfathered for the notional gains earned on such shares till 31 January 2018. For computing capital gains under the grandfathered regime, the cost of acquisition of the asset will be the higher of (i) actual purchase price; and (ii) lower of (A) highest price of the equity share on the stock exchange as on 31 January 2018; and (B) sale consideration for the shares.

Accordingly, if Public Shareholders earn capital gains in excess of INR 100,000 (Indian Rupees one hundred thousand) in the fiscal year (01 April to 31 March), tax would be payable. Unless voted down, the proposal would become effective on sale of equity shares made on or after 1 April 2018. In addition, the Finance Bill proposes to enhance the cess payable on tax and surcharge from 3% (three per cent) to 4% (four per cent) of the tax and surcharge amount.

- (c) Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less, which are sold, will be subject to short term capital gains tax and STT.
- (d) Taxability of capital gain arising to a non-resident in India from the sale of equity shares shall be determined basis the provisions of the Income Tax Act or the Double Taxation Avoidance Agreement entered between India and the country of which the non-resident seller is resident, subject to satisfaction of certain prescribed conditions.

#### **7.19.2. Business Income**

- (a) Under current Indian tax laws and regulations, income arising from the sale of equity shares in an Indian company may be taxable in India as income from business, depending on the Public Shareholder.

#### **7.19.3. Tax Deduction at Source**

- (a) Resident Public Shareholders:

In absence of any specific provision under the IT Act, the Acquirer and the PAC are not required to deduct tax on the consideration payable to the Public Shareholders pursuant to tendering of the Shares under the Open Offer.

- (b) Non-Resident Shareholders:

- (i) In case of FPIs:

Section 196D of the IT Act provides for specific exemption from withholding tax in case of capital gains arising in hands of FPIs. Thus, no withholding of tax is required in case of consideration payable to FPIs.

- (ii) In case of non-resident Public Shareholder (other than FPIs):

Section 195(1) of the IT Act provides that any person responsible for paying to a nonresident, any sum chargeable to tax is required to deduct tax at source (including applicable surcharge and cess). Subject to regulations in this regard, wherever applicable and it is required to do so, tax at source (including applicable surcharge and cess) shall be deducted at appropriate rates as per the IT Act. In doing this, the Acquirer and the PAC will be guided by generally followed practices and make use of data available in the records of the Registrar to the Open Offer except in cases where the non-resident Public Shareholders provide a specific mandate in this regard.

- (c) In accordance with the Frequently Asked Questions (FAQs) regarding taxation of long-term

capital gains proposed in the Finance Bill, ordinarily, under Section 195 of the IT Act, tax is required to be deducted on payments made to non-residents, at the rates prescribed in Part-II of the First Schedule to the Finance Act. In terms of the said provisions, tax at the rate of 10% (Ten percent) will be deducted from payment of long-term capital gains to a non-resident tax payer (other than an FPI). The capital gains will be required to be computed in accordance with Clause 31 of the Finance Bill.

(d) Since the tendering of the Shares under the Open Offer is through recognized stock exchanges in India, the responsibility of discharge of the tax due on the gains (if any) is primarily on the tendering non-resident Public Shareholder given that practically it is very difficult to withhold taxes. It is therefore important for the non-resident Public Shareholders to suitably compute such gains (if any) on their transactions and immediately pay taxes in India in consultation with their custodians, authorized dealers and/or tax advisors, as appropriate.

(e) Rate of Surcharge and Cess:

In accordance with the current provisions of the IT Act, in addition to the basic tax rate, surcharge, education cess and secondary and higher education cess are leviable. Further, under the provisions in the Finance Bill, in addition to the basic tax rate, surcharge, health and education cess are leviable.

**THE ABOVE DISCLOSURE ON TAXATION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND IS NOT A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE DISPOSAL OF THE SHARES. THIS DISCLOSURE IS NEITHER BINDING ON ANY REGULATORS NOR CAN THERE BE ANY ASSURANCE THAT THEY WILL NOT TAKE A POSITION CONTRARY TO THE COMMENTS MENTIONED HEREIN. HENCE, THE PUBLIC SHAREHOLDERS SHOULD CONSULT WITH THEIR OWN TAX ADVISORS FOR THE TAX PROVISIONS APPLICABLE TO THEIR PARTICULAR CIRCUMSTANCES.**

#### **7.19.4. THE TAX RATE AND OTHER PROVISIONS MAY UNDERGO CHANGES**

#### **7.19.5. Others**

- (a) Notwithstanding the details provided above, all payments will be made to Public Shareholders subject to compliance with prevailing tax laws.
- (b) The tax deducted by the Acquirer and / or the PAC while making payment to a Public Shareholder may not be the final tax liability of such Public Shareholder and shall in no way discharge the obligation of the Public Shareholder to appropriately disclose the amounts received by it, pursuant to this Open Offer, before the income tax authorities.
- (c) The Acquirer and / or the PAC and the Manager to the Open Offer do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth herein above.

**PUBLIC SHAREHOLDERS ARE ADVISED TO CONSULT THEIR TAX ADVISORS FOR TAX TREATMENT ARISING OUT OF THE PROPOSED OFFER THROUGH TENDER OFFER AND APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE. THE ACQUIRER OR THE PAC DO NOT ACCEPT NOR HOLD ANY RESPONSIBILITY FOR ANY TAX LIABILITY ARISING TO ANY PUBLIC SHAREHOLDER AS A REASON OF THIS OFFER.**

### **8. DOCUMENTS FOR INSPECTION**

8.1 The following documents are available for inspection to the Public Shareholders at the office of the Manager to the Open Offer, i.e., 14<sup>th</sup> Floor, Edelweiss House, Off. C.S.T Road, Kalina, Mumbai – 400 098, Maharashtra, India; between 11am and 6pm on all Working Days during the Tendering Period:

8.1.1. Copies of the certificate of incorporation and constitutional documents of the Acquirer and the



PAC;

- 8.1.2. Chartered Accountant certificate certifying the adequacy of financial resources with the Acquirer to fulfill the obligations under the Open Offer;
- 8.1.3. Copy of the cash escrow agreement dated 22 February 2018, entered into among the Acquirer, the Escrow Agent, and the Manager to the Open Offer (**Cash Escrow Agreement**);
- 8.1.4. Copy of the Bank Guarantee issued by the BG Issuer;
- 8.1.5. Copy of the letter issued by the Escrow Agent confirming the amounts kept in the Cash Escrow Account – Cash and the Bank Guarantee in favour of the Manager to the Open Offer, in accordance with the terms of the Cash Escrow Agreement;
- 8.1.6. Copy of the share escrow agreement dated 26 February 2018, entered into among the Acquirer, Edelweiss Broking Limited, and the Manager to the Open Offer, for opening of the Demat Escrow Account for the purposes of the Open Offer;
- 8.1.7. Copy of the JV Termination Agreement;
- 8.1.8. Copy of the notice of conversion dated 9 March 2018 issued by the Acquirer;
- 8.1.9. Copy of the resolution of the Board of Directors dated 24 February 2018, approving the Debt Restructuring Package;
- 8.1.10. Copies of the audited annual reports of the Acquirer and the PAC for the last 3 (three) financial years;
- 8.1.11. Copies of the audited annual reports of the Target Company for the last 3 (three) financial years;
- 8.1.12. Copies of the PA, the DPS, and the Open Offer opening advertisement;
- 8.1.13. Copy of the recommendation made by the Target Company's committee of independent directors, as issued under Regulation 26(7) of the SEBI (SAST) Regulations; and
- 8.1.14. Copy of the letter from SEBI containing its comments on the Draft Letter of Offer.

**9. DECLARATION BY THE ACQUIRER AND THE PAC**

- 9.1 The Acquirer and the PAC along with their respective directors (where applicable) accept the responsibility for the obligations of the Acquirer as laid down in terms of the SEBI (SAST) Regulations. The Acquirer and the PAC accept full responsibility for all the information contained in this Draft Letter of Offer in relation to them, and they shall not be responsible for any other information contained in this Draft Letter of Offer. All information pertaining to the Target Company has been obtained from publicly available sources and the accuracy thereof has not been independently verified by the Acquirer, the PAC or the Manager to the Open Offer.
- 9.2 Each of the Acquirer and the PAC shall be, severally and jointly, responsible for ensuring compliance with the provisions of the SEBI (SAST) Regulations.
- 9.3 The person(s) signing this Draft Letter of Offer are duly and legally authorized by the Acquirer and the PAC to sign this Draft Letter of Offer.

Signed by

**For and on behalf** of Wilmar Sugar Holdings Pte. Ltd. (as Acquirer)

Sd/-  
**Authorized Signatory**

**For and on behalf** of Wilmar International Limited (as PAC)

Sd/-  
**Authorized Signatory**

**Date: 22 March 2018**  
**Place: Singapore**