LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This letter of offer ("**Letter of Offer**" / "**LoF**") is sent to you as a Public Shareholder (as defined hereinafter) of Multibase India Limited. If you require any clarification about the action to be taken, you may consult your stock broker or investment consultant or the Manager (as defined hereinafter) / Registrar to the Offer (as defined hereinafter). In case you have recently sold your Equity Shares (as defined hereinafter), please hand over the LoF and the accompanying Form of Acceptance-cum-Acknowledgement and Transfer Deed to the member of BSE (as defined hereinafter) through whom the said sale was effected.

Multibase S.A.
A public limited company incorporated under the laws of France
Address: ZI Zone Industrielle Chartreuse Guiers, 38380 Entre Deux Guiers, France
(Tel: +33 (0)4 76 67 12 12, Fax: +33 (0)4 73 67 12 82)
(hereinafter referred to as the "**Acquirer**")

ALONG WITH

Dow Corning Corporation
A private limited company incorporated under the laws of the State of Michigan, U.S.A
Address: Corporate Center, 2200 W. Salzburg Rd., Auburn, Michigan 48611, U.S.A.
(Tel: + 1 989 496 4000, Fax: + 1 989 496 6663)
(hereinafter referred to as "**PAC**" / "**DCC**")

MAKE A CASH OFFER OF INR 245.65 (RUPEES TWO HUNDRED FORTY FIVE AND PAISE SIXTY FIVE ONLY) PER FULLY PAID UP EQUITY SHARE OF FACE VALUE OF INR 10 EACH, TO ACQUIRE UP TO 3,155,006 EQUITY SHARES REPRESENTING 25% OF THE VOTING SHARE CAPITAL (AS DEFINED HEREINAFTER), UNDER THE SEBI (SAST) REGULATIONS (AS DEFINED HEREINAFTER) FROM THE PUBLIC SHAREHOLDERS OF

Multibase India Limited
A public limited company incorporated under the Companies Act, 1956
Registered office: 74/ 5-6, Daman Industrial Estate, Kadaiya Village, Nani Daman,
Daman and Diu, Union Territory, PIN – 396210
Tel: +91 260 6614 400 Fax: +91 260 2221 578
(hereinafter referred to as the "**Target Company**" / "**Target**")

1. This Offer/Open Offer (as defined hereinafter) is made pursuant to and in compliance with the provisions of Regulation 4 and Regulation 5(1) of the SEBI (SAST) Regulations.
2. This Offer is not a conditional offer in terms of Regulation 19 of the SEBI (SAST) Regulations and is not subject to any minimum level of acceptance.
3. This Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
4. While as of the date of this LoF, no statutory approvals are required by the Acquirer to complete the Open Offer other than as detailed in Part VI.C below, if any other statutory approvals are required by the Acquirer and/or the PAC at a later date before the closure of the Tendering Period (as defined hereinafter), the Offer will be subject to such statutory approval(s). Also see the section "Statutory and other Approvals" under Part VI (Terms and Conditions of The Offer).
5. NRI (as defined hereinafter) and OCB (as defined hereinafter) holders of the Equity Shares, if any, must obtain all requisite approvals required to tender the Equity Shares held by them in this Offer (including, without limitation, an approval from the RBI (as defined hereinafter), since the Equity Shares tendered in the Offer will be acquired by a non-resident entity), and submit such approval along with the Form of Acceptance-cum-Acknowledgement and other documents required to accept this Offer. In the event such approvals are not submitted, the Acquirer and/or the PACs reserve the right to reject the Equity Shares tendered in this Offer.
6. If the holders of the Equity Shares of the Target Company who are not persons resident in India (including NRIs, OCBs, FIIs (as defined hereinafter) and FPIs (as defined hereinafter)) previously required any approvals (including from the RBI, the FIPB (as defined hereinafter) or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals that they would have obtained for holding the Equity Shares, to tender the Equity Shares held by them in this Offer, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer and the PACs reserve the right to reject such Equity Shares tendered in this Offer.
7. Where any statutory approval or exemption extends to some but not all of the Public Shareholders, the Acquirer shall have the option to make payment to such Public Shareholders in respect of whom no statutory approvals or exemptions are required in order to complete this Offer.
8. The Offer Price (as defined hereinafter) may be subject to revision pursuant to the SEBI (SAST) Regulations or at the discretion of the Acquirer and PAC at any time prior to three Working Days before the commencement of the Tendering Period (as defined hereinafter) in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. Where the Acquirer or the PAC has acquired any Equity Shares during the offer period at a price higher than the Offer Price, the Offer Price shall stand revised to the highest price paid for such acquisition in accordance with Regulation 8(8) of the SEBI (SAST) Regulations. However, neither the Acquirer nor the PAC shall acquire any Equity Shares during the period commencing three Working Days prior to the commencement of the Tendering Period and ending on the expiry of the Tendering Period. In the event of such revision, the Acquirer and the PAC shall (i) make corresponding increases to the Open Offer Escrow Amount (as defined hereinafter); (ii) make a public announcement in the same newspapers in which the Detailed Public Statement was published; and (iii) simultaneously with the issue of such announcement, inform SEBI (as defined hereinafter), the BSE and the Target Company (as defined hereinafter) at its registered office of such revision. Such revised Offer Price would be payable for all the Equity Shares validly tendered during the Tendering Period of the Offer.
9. In the event of withdrawal of this Offer, a public announcement will be made within 2 (Two) Working Days of such withdrawal, in the same newspapers in which the DPS has been published.
10. **There has been no competing offer as of the date of this Letter of Offer.**
11. **If there is a competing offer, the open offers under all subsisting bids will open and close on the same date.**

A copy of the Public Announcement (as defined hereinafter), the Corrigendum to Public Announcement (as defined hereinafter), the Detailed Public Statement and this Letter of Offer is also available on the website of SEBI (www.sebi.gov.in).

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
HSBC **HSBC Securities and Capital Markets (India) Private Limited** 52 / 60 MG Road, Fort, Mumbai 400 001 Tel: +91 22 2268 1840 Fax: +91 22 4914 6215/ 6216 Email: multibase.openoffer@hsbc.co.in Contact Person: Ms. Shreye Mirani/ Mr. Rishabh Garg SEBI Registration Number: INM000010353 CIN: U67120MH1994PTC081575	LINK Intime **Link Intime India Private Limited** C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai – 400 078 Tel No.: +91 22 6171 5400 Fax No.: +91 22 2596 0329 Email: multibase.offer@linkintime.co.in Contact Person: Mr. Ganesh Mhatre SEBI Registration No. : INR000004058 (Permanent) Corporate Identity Number : U67190MH1999PTC118368

The schedule of activities under the Offer is as follows:

Activity	**Schedule of activities as per the DLoF**	**Revised schedule of activities**
	Date & Day	
Date of the Public Announcement	Friday, August 19, 2016	Friday, August 19, 2016
Date of publication of the Detailed Public Statement	Thursday, August 25, 2016	Thursday, August 25, 2016
Filing of the draft letter of offer with SEBI	Thursday, September 1, 2016	Thursday, September 1, 2016
Last date for public announcement for competing offer(s)	Monday, September 19, 2016	Monday, September 19, 2016
Last date for receipt of SEBI observations on the draft letter of offer (in the event SEBI has not sought clarifications or additional information from the Manager to the Offer)	Monday, September 26, 2016	Thursday, November 3, 2016
Identified Date#	Wednesday, September 28, 2016	Monday, November 7, 2016
Last date by which the letter of offer ("Letter of Offer") is to be dispatched to the Public Shareholders whose name appears on the register of members on the Identified Date	Wednesday, October 5, 2016	Tuesday, November 15, 2016
Last date for upward revision of the Offer Price / Offer Size	Friday, October 7, 2016	Thursday, November 17, 2016
Date by which the committee of the independent directors of the Target Company shall give its recommendation to the shareholders of the Target Company for this Offer	Monday, October 10, 2016	Friday, November 18, 2016
Date of publication of Offer opening public announcement in the newspapers in which DPS has been published	Thursday, October 13, 2016	Monday, November 21, 2016
Date of commencement of the Tendering Period ("Offer Opening Date")	Friday, October 14, 2016	Tuesday, November 22, 2016
Date of closure of the Tendering Period ("Offer Closing Date")	Thursday, October 27, 2016	Monday, December 5, 2016
Last date of communicating the rejection/ acceptance and completion of payment of consideration or refund of Equity Shares to the shareholders of the Target Company	Friday, November 11, 2016	Tuesday, December 20, 2016
Last date for publication of post-Offer public announcement in the newspapers in which DPS has been published	Monday, November 21, 2016	Tuesday, December 27, 2016

**The Identified Date is only for the purpose of determining the Public Shareholders as on such date to whom the Letter of Offer would be posted. It is clarified that, subject to paragraphs2 and 3 under Statutory and Other Approvals of Part VI.C below, all the Public Shareholders (registered or unregistered) of the Target Company are eligible to participate in the Offer at any time prior to the expiry of the Tendering Period.*

RISK FACTORS

I. Risk factors relating to the Offer

The risk factors set forth below are indicative only and are not intended to provide a complete analysis of all risks as perceived in relation to the Offer or associating with the Acquirer and the PAC. The risk factors set forth below, pertain to this Offer and the Acquirer and the PAC and do not relate to the present or future business or operations of the Target Company and any other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in the participation by any Public Shareholder in the Offer. Public Shareholders are advised to consult their stockbroker, investment consultant or tax advisor for an understanding of the further risks associated with their participation in the Offer. For capitalized terms used herein, please refer to the section on Definitions and Abbreviations set out below.

- The acquisition of Equity Shares under the Offer from NRIs and erstwhile OCBs is subject to the approval or exemption from the RBI. Further, if the Public Shareholders who are not persons resident in India (including NRIs, OCBs, QFIs, FIIs and FPIs) require or had required any approvals (including from the RBI or FIPB) in respect of the Equity Shares held by them, they will be required to submit such previous approvals that they would have obtained for holding the Equity Shares, to tender the Equity Shares held by them pursuant to this Offer, along with the other documents required to be tendered to accept this Offer. In the event such prior approvals are not submitted, the Acquirer and/or PACs reserves its right to reject such Equity Shares tendered in this Offer. If the Equity Shares are held under general permission of the RBI, the non-resident Public Shareholder should state that the Equity Shares are held under general permission and clarify whether the Equity Shares are held on repatriable basis or non-repatriable basis.

- In the event of any litigation leading to a stay on the Offer by a court of competent jurisdiction, or SEBI instructing that the Offer should not proceed, the Offer may be withdrawn or the Offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, in the event of any delay, the payment of consideration to the Public Shareholders of the Target Company, whose Equity Shares are accepted under this Offer, as well as the return of Equity Shares not accepted under this Open Offer by the Acquirer and/or the PAC may be delayed.

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

- Further, Public Shareholders should note that, under the SEBI (SAST) Regulations, once Public Shareholders have tendered their Equity Shares in the Offer, they will not be able to withdraw their Equity Shares from the Offer even in the event of a delay in the acceptance of Equity Shares under the Offer and/or the dispatch of consideration.

- As on the date of this LoF, subject to Part VI.C titled “Statutory and Other Approvals” below, to the best of the knowledge of the Acquirer and PAC, there are no statutory approvals required by the Acquirer and/or the PAC to complete this Offer. However, in case of any statutory approvals being required by the Acquirer and/or the PAC at a later date before the closure of the Tendering Period, this Offer shall be subject to such approvals and the Acquirer and PAC shall make the necessary applications for such approvals. In case of delay in receipt of any statutory approvals which may be required by the Acquirer or the PAC at a later date, as per Regulation 18(11) of the SEBI (SAST) Regulations, SEBI may, if satisfied, that non-receipt of approvals was not attributable to any wilful default, failure or neglect on the part of the Acquirer or PAC to diligently pursue such approvals, grant an extension of time for the purpose of completion of this Offer, subject to the

Acquirer and the PAC agreeing to pay interest to the Public Shareholders of the Target Company, for delay beyond 10 (ten) working days from the last date of the Tendering Period, at such rate, as may be specified by SEBI from time to time. Provided where the statutory approvals extend to some but not all holders of the Equity Shares, the Acquirer and the PAC will have the option to make payment to such holders of the Equity Shares in respect of whom no statutory approvals are required in order to complete this Offer.

- This LoF has not been filed, registered or approved in any jurisdiction outside India. Recipients of this LoF who are resident in jurisdictions outside India should inform themselves of and comply with all applicable legal requirements. This Offer is not directed towards any person or entity in any jurisdiction or country where the same would be contrary to applicable laws or regulations or would subject the Acquirer and the PACs or the Manager to the Offer to any new or additional registration requirements.

- The Offer is being made for securities of an Indian company and Public Shareholders of the Target Company in the United Stated of America ("**U.S.**") should be aware that this LoF and any other documents relating to the Offer have been or will be prepared in accordance with Indian procedural and disclosure requirements, including requirements regarding the offer timetable and timing of payments, all of which differ from those in the U.S.. Any financial information included in this LoF or in any other documents relating to the Offer, has been or will be prepared in accordance with non-U.S. accounting standards that may not be comparable to financial statements of companies in the U.S. or other companies whose financial statements are prepared in accordance with U.S. generally accepted accounting principles.

- The receipt of cash pursuant to the Offer by a Public Shareholder of the Target Company may be a taxable transaction for U.S. federal income tax purposes and under applicable U.S. state and local, as well as foreign and other, tax laws. Each Public Shareholder of the Target Company is urged to consult his independent professional adviser immediately regarding the tax consequences of accepting the Offer.

- Neither the U.S. Securities Exchange Commission (the "**SEC**") nor any U.S. state securities commission has approved or disapproved the Offer, or passed any comment upon the adequacy or completeness of this LoF. Any representation to the contrary is a criminal offence in the U.S.

- Public Shareholders are advised to consult their respective tax advisors for assessing the tax liability, pursuant to this Offer, or in respect of other aspects such as the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. The Acquirer, the PAC and the Manager do not accept any responsibility (nor shall any deemed persons acting in concert with the Acquirer be responsible) for the accuracy or otherwise of the tax provisions set forth in this LoF.

- The Acquirer, the PAC and the Manager accept no responsibility for the statements made otherwise than in the LoF, the DPS (as defined hereinafter) and/or the PA (as defined hereinafter) and Corrigendum to Public Announcement (as defined hereinafter) and anyone placing reliance on any other source of information (not released by the Acquirer, the PAC or the Manager) would be doing so at his, her or their own risk.

II. Probable risks involved in associating with the Acquirer and the PAC

- None of the Acquirer, the PAC or the Manager makes any assurance with respect to the continuation of past trends in the financial performance or future performance of the Target Company.

- None of the Acquirer, the PAC or the Manager can provide any assurance with respect to the market price of the Equity Shares of the Target Company before, during or after the Offer and each of them expressly disclaim any responsibility or obligation of any kind with respect to any decision by any Public Shareholder regarding whether or not to participate in the Offer.

- The acquisition of Equity Shares pursuant to this Offer may result in the public shareholding in the Target Company falling below the level required for continued listing. While the Acquirer is required to increase public shareholding to the level specified and within the time stipulated in the SCRR (as defined hereinafter) , any failure to comply with the conditions of the SCRR and the **LODR Regulations(**as defined hereinafter) could have an adverse effect on the price and tradability of the Equity Shares.

III. Others

- SEBI may initiate appropriate action for imposing monetary penalty against the Promoter of the Target Company for non-compliance of disclosure requirements under Chapter II of SEBI (SAST) Regulations, 1997 (as defined hereinafter), if violations are established.

CURRENCY OF PRESENTATION

In this LoF, all references to "**Rs.**"/"**INR**"/ "**Rupee**" are to Indian Rupee(s), the official currency of India, all references to "**USD**"/"**US$**"/"**US Dollar**" are to United States Dollars, the official currency of the United States of America and all references to "**€**"/"**EUR**" and "**Euro**" are to the Euro respectively.

In this LoF, any discrepancy in any table between the total and sums of the amount listed are due to rounding off and/or regrouping.

All financial data presented in USD or EUR in this LoF have been converted into INR for the purpose of convenience translation only.

Unless otherwise stated, the INR equivalent quoted in each case is calculated in accordance with the RBI reference rate as on the date of the PA (i.e. August 19, 2016):

1. EUR 1 = INR 75.8714
2. USD 1= INR 66.9296

(source: www.rbi.org.in)

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DEFINITIONS / ABBREVIATIONS

Particulars	Details / Definition
Acquirer	Multibase S.A.
Acquisition Window	A separate window on the BSE for acquisition of shares through Stock Exchange Mechanism
Basic Offer Price	INR 229.31 (Rupees Two Hundred Twenty Nine and Paise Thirty One only) per Offer Share, determined in accordance with Regulation 8(3) of the SEBI (SAST) Regulations
BG	The bank guarantee dated August 23, 2016 in favour of the Manager for an amount of INR 193,756,806 (Rupees One Hundred Ninety Three Million Seven Hundred Fifty Six Thousand Eight Hundred Six Only) issued by Sumitomo Mitsui Banking Corporation (acting through its branch at 13th Floor Hindustan Times House, 18 — 20 Kasturba Gandhi Marg, Connaught Place, New Delhi 110 001)
BSE	BSE Limited
Buying Broker	HSBC Securities and Capital Markets (India) Private Limited
Cash Escrow	Cash aggregating to INR 7,750,273 (Rupees Seven Million Seven Hundred Fifty Thousand Two Hundred Seventy Three only), being one percent of the Offer Size
CDSL	Central Depository Services (India) Limited
Clearing Corporation	Clearing Corporation of India Limited
Corning	Corning Incorporated
Corrigendum to Public Announcement	Corrigendum to the Public Announcement dated August 25, 2016 issued by the Manager on behalf of the Acquirer and the PAC
DCC	Dow Corning Corporation
Depository/Depositories	CDSL and NSDL
Detailed Public Statement / DPS	The detailed public statement in connection with the Offer, published on behalf of the Acquirer and the PAC on August 25, 2016
Dow Group	The companies operating under TDCC across all its markets are together classified as the Dow Group
DP	Depository Participant
Draft Letter of Offer / DLoF	Draft letter of offer filed with SEBI pursuant to Regulation 16(1) of the SEBI (SAST) Regulations on September 1, 2016
Equity Share(s)	Fully paid up equity shares of Multibase India Limited with face value of INR 10 each
FEMA	Foreign Exchange Management Act, 1999
FII	Foreign Institutional Investors
FPI	Foreign Portfolio Investors
Identified Date	The date falling on the 10th Working Day prior to the commencement of the Tendering Period for the purposes of determining the Public Shareholders to whom the LoF shall be sent
Income Tax Act	The Income tax Act, 1961, as amended
Letter of Offer/ LoF	This Letter of Offer dated November 9, 2016
LODR Regulations	Securities and Exchange Board of India (Listing Obligations and

Particulars	Details / Definition
	Disclosure Requirements) Regulations, 2015, as amended
Manager	HSBC Securities and Capital Markets (India) Private Limited
Maximum Consideration	INR 775,027,224 (Seven Hundred Seventy Five Million Twenty Seven Thousand Two Hundred Twenty Four only), being the maximum consideration payable under this Offer assuming full acceptance
NRIs	Non-resident Indians
NSDL	National Securities Depository Limited
OCBs	Overseas Corporate Bodies
Offer / Open Offer	Open offer being made by the Acquirer and the PAC to the Public Shareholders of the Target to acquire up to 3,155,006(Three Million One Hundred and Fifty Five Thousand and Six) Equity Shares, representing 25% of the Voting Share Capital, at a price of INR 245.65 (Rupees Two Hundred Forty Five and Paise Sixty Five Only)
Offer Opening Public Announcement	The announcement of the commencement of the Tendering Period to be made on behalf of the Acquirer and the PAC
Offer Price	INR 245.65 (Rupees Two Hundred Forty Five and Paise Fourteen Only) per Offer Share
Offer Shares	3,155,006 (Three Million One Hundred and Fifty Five Thousand and Six) Equity Shares, representing 25% of the Voting Share Capital
Offer Size	Up to 3,155,006 (Three Million One Hundred and Fifty Five Thousand and Six) fully paid up Equity Shares representing 25% (Twenty five percent) of the Voting Share Capital as of the 10th (Tenth) Working Day from the Closure of the Tendering Period.
Open Offer Escrow Account	The account opened with The Hongkong and Shanghai Banking Corporation Limited in accordance with Regulation 17(4) of the SEBI (SAST) Regulations
Open Offer Escrow Agent	The Hongkong and Shanghai Banking Corporation Limited
Open Offer Escrow Agreement	Escrow agreement dated August 19, 2016 entered into by the Acquirer and the PAC with Open Offer Escrow Agent and the Manager
Open Offer Escrow Amount	The Cash Escrow maintained by the Acquirer with the Open Offer Escrow Agent in accordance with the Open Offer Escrow Agreement together with the BG
PAC / DCC	Person Acting in Concert/ Dow Corning Corporation
PAN	Permanent Account Number
Promoter	Shall have the meaning ascribed to the term under the SEBI (SAST) Regulations
Promoter Group	Shall have the meaning ascribed to the term under the SEBI (SAST) Regulations
Public Announcement / PA	The public announcement in connection with the Offer dated August 19, 2016 issued by the Manager on behalf of the Acquirer and the PAC
Public Shareholder(s)	The shareholders and beneficial owners (registered or otherwise) of Equity Shares other than the Promoter and Promoter Group shareholders of the Target Company

Particulars	Details / Definition
RBI	Reserve Bank of India
Registrar to the Offer	Link Intime India Private Limited
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
SEBI (ICDR) Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
SEBI (SAST) Regulations, 1997	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as amended
Selling Broker	The selling broker of the Public Shareholders tendering their Equity Shares pursuant to this Offer
Splitco	HS Upstate Inc.
STT	Securities Transaction Tax
Target / Target Company	Multibase India Limited
TDCC	The Dow Chemicals Company
Tendering Period	November 22, 2016 to December 5, 2016, both days inclusive as defined under Regulation 2(1)(za) of the SEBI (SAST) Regulations
Transaction	The restructuring of DCC, as described in the Background to the Offer, pursuant to which Corning exchanged with DCC its 50% equity interest in DCC for 100% of the stock of Splitco
TRS	Transaction Registration Slip
Voting Share Capital	12,620,000 (Twelve Million Six Hundred Twenty Thousand) Equity Shares, being the Equity Shares as of the 10th Working Day following the closure of the Tendering Period assuming there is no change in the Voting Share Capital between the date of this Letter of Offer and such date
Working Day(s)	Shall have the same meaning ascribed to it in the SEBI (SAST) Regulations

I. DISCLAIMER CLAUSE

"IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (SAST) REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF THE TARGET COMPANY TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF THE ACQUIRER, PAC OR THE TARGET COMPANY WHOSE SHARES / CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER (MANAGER) TO THE OFFER, HSBC SECURITIES AND CAPITAL MARKETS (INDIA) PRIVATE LIMITED, HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 1, 2016 TO SEBI IN ACCORDANCE WITH THE SEBI (SAST) REGULATIONS. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER AND PAC FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER."

1. GENERAL DISCLAIMER

THIS LOF TOGETHER WITH THE DPS THAT WAS PUBLISHED ON AUGUST 25, 2016, THE PA DATED AUGUST 19, 2016 READ WITH THE CORRIGENDUM TO PUBLIC ANNOUNCEMENT PUBLISHED ON AUGUST 26, 2016, IN CONNECTION WITH THE OFFER, HAS BEEN PREPARED FOR THE PURPOSES OF COMPLIANCE WITH THE APPLICABLE LAWS AND PROVISIONS OF THE SEBI (SAST) REGULATIONS. ACCORDINGLY THE INFORMATION DISCLOSED MAY NOT BE THE SAME AS THAT WHICH WOULD HAVE BEEN DISCLOSED IF THIS DOCUMENT HAD BEEN PREPARED IN ACCORDANCE WITH THE LAWS AND REGULATIONS OF ANY JURISDICTION OUTSIDE OF INDIA. NEITHER THE DELIVERY OF THIS LETTER OF OFFER, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE TARGET COMPANY AND THE ACQUIRER, THE PAC AND PERSONS DEEMED TO BE ACTING IN CONCERT WITH THE ACQUIRER, SINCE THE DATE HEREOF OR THAT THE INFORMATION CONTAINED HEREIN IS CORRECT AS AT ANY TIME SUBSEQUENT TO THIS DATE. NOR IS IT TO BE IMPLIED THAT THE ACQUIRER, THE PAC OR ANY PERSONS DEEMED TO ACT IN CONCERT WITH THE ACQUIRER ARE UNDER ANY OBLIGATIONS TO UPDATE THE INFORMATION CONTAINED HEREIN AT ANY TIME AFTER THIS DATE.

NO ACTION HAS BEEN OR WILL BE TAKEN TO PERMIT THIS OFFER IN ANY JURISDICTION WHERE ACTION WOULD BE REQUIRED FOR THAT PURPOSE. THE LETTER OF OFFER SHALL BE DISPATCHED TO ALL PUBLIC SHAREHOLDERS WHOSE NAME APPEARS IN THE REGISTER OF MEMBERS OF THE TARGET COMPANY AND THE REGISTER OF BENEFICIAL OWNERS MAINTAINED BY THE DEPOSITORY UNDER SECTION 11 OF THE DEPOSITORIES ACT, 1996, AT THEIR STATED ADDRESS, AS OF THE IDENTIFIED DATE. HOWEVER, RECEIPT OF THE LETTER OF OFFER BY ANY SHAREHOLDER IN A JURISDICTION IN WHICH IT WOULD BE ILLEGAL TO MAKE THIS OFFER, OR WHERE MAKING THIS OFFER WOULD REQUIRE ANY ACTION TO BE TAKEN (INCLUDING, BUT NOT RESTRICTED TO, REGISTRATION OF THE LETTER OF OFFER UNDER ANY LOCAL SECURITIES LAWS), SHALL NOT BE TREATED BY SUCH

SHAREHOLDER AS AN OFFER BEING MADE TO THEM AND SHALL BE CONSTRUED BY THEM AS BEING SENT FOR INFORMATION PURPOSES ONLY. ACCORDINGLY NO SUCH SHAREHOLDER MAY TENDER HIS, HER OR ITS EQUITY SHARES IN THIS OFFER.
PERSONS IN POSSESSION OF THE LETTER OF OFFER ARE REQUIRED TO INFORM THEMSELVES OF ANY RELEVANT RESTRICTIONS IN THEIR RESPECTIVE JURISDICTIONS. ANY SHAREHOLDER WHO TENDERS HIS, HER OR ITS EQUITY SHARES IN THIS OFFER SHALL BE DEEMED TO HAVE DECLARED, REPRESENTED, WARRANTED AND AGREED THAT HE, SHE OR IT IS AUTHORIZED UNDER THE PROVISIONS OF ANY APPLICABLE LOCAL LAWS, RULES, REGULATIONS AND STATUTES TO PARTICIPATE IN THIS OFFER.

2. UNITED STATES OF AMERICA

THE OFFER IS BEING MADE FOR SECURITIES OF AN INDIAN COMPANY AND PUBLIC SHAREHOLDERS OF THE TARGET COMPANY IN THE U.S. SHOULD BE AWARE THAT THIS LOF AND ANY OTHER DOCUMENTS RELATING TO THE OPEN OFFER HAVE BEEN OR WILL BE PREPARED IN ACCORDANCE WITH INDIAN PROCEDURAL AND DISCLOSURE REQUIREMENTS, INCLUDING REQUIREMENTS REGARDING THE OFFER TIMETABLE AND TIMING OF PAYMENTS, ALL OF WHICH DIFFER FROM THOSE IN THE U.S. ANY FINANCIAL INFORMATION INCLUDED IN THIS LOF OR IN ANY OTHER DOCUMENTS RELATING TO THE OFFER HAS BEEN OR WILL BE PREPARED IN ACCORDANCE WITH NON-U.S. ACCOUNTING STANDARDS THAT MAY NOT BE COMPARABLE TO FINANCIAL STATEMENTS OF COMPANIES IN THE U.S. OR OTHER COMPANIES WHOSE FINANCIAL STATEMENTS ARE PREPARED IN ACCORDANCE WITH U.S. GENERALLY ACCEPTED ACCOUNTING PRINCIPLES. WITH RESPECT TO U.S. PUBLIC SHAREHOLDERS, THE OPEN OFFER IS BEING TREATED AS ONE TO WHICH THE “TIER I” EXEMPTION PROVIDED IN RULE 13e-4(h)(8) UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, IS APPLICABLE.

NO ACTION HAS BEEN OR WILL BE TAKEN TO PERMIT THE OPEN OFFER IN ANY JURISDICTION WHERE ACTION WOULD BE REQUIRED FOR THAT PURPOSE. THE LOF WILL BE DISPATCHED TO ALL SHAREHOLDERS WHOSE NAMES APPEAR ON THE REGISTER OF MEMBERS OF THE COMPANY AND THE REGISTER OF BENEFICIAL OWNERS MAINTAINED BY THE DEPOSITORY UNDER SECTION 11 OF THE DEPOSITORIES ACT, 1996, AT THEIR STATED ADDRESS, AS OF THE IDENTIFIED DATE, HOWEVER RECEIPT OF THE DLOF/LOF BY ANY SHAREHOLDER IN A JURISDICTION WHERE IT WOULD BE ILLEGAL TO MAKE THE OFFER, OR WHERE MAKING THE OFFER WOULD REQUIRE ANY ACTION TO BE TAKEN (INCLUDING, BUT NOT LIMITED TO, REGISTRATION OF THE LOF UNDER LOCAL SECURITIES LAWS), SHALL NOT BE TREATED BY SUCH SHAREHOLDER AS AN OFFER MADE TO THEM AND SHALL BE CONSTRUED BY THEM AS BEING SENT FOR INFORMATION PURPOSES ONLY.

THE RECEIPT OF CASH PURSUANT TO THE OFFER BY A PUBLIC SHAREHOLDER OF THE TARGET COMPANY MAY BE A TAXABLE TRANSACTION FOR U.S. FEDERAL INCOME TAX PURPOSES AND UNDER APPLICABLE U.S. STATE AND LOCAL, AS WELL AS FOREIGN AND OTHER, TAX LAWS. EACH PUBLIC SHAREHOLDER OF THE TARGET COMPANY IS URGED TO CONSULT HIS INDEPENDENT PROFESSIONAL ADVISER IMMEDIATELY REGARDING THE TAX CONSEQUENCES OF ACCEPTING THE OFFER.

II. DETAILS OF THE OFFER

Background to the Offer

1. This Offer is made by the Acquirer along with the PAC, pursuant to and in accordance with Regulation 4 and Regulation 5(1) of the SEBI (SAST) Regulations pursuant to the Transaction, resulting in an indirect change in the control of the Target Company.

2. The Acquirer is the existing Promoter of the Target Company holding 75.00% of the Voting Share Capital of the Target Company. 99.997% of the paid-up equity share capital of Acquirer is held by Dow Corning France S.A.S., which is a wholly owned subsidiary of DC Global Holdings S.a.r.l., which in turn is a wholly owned subsidiary of DCC. Prior to the transaction which has triggered the Open Offer obligations, DCC was a 50:50 joint venture between Dow Holdings LLC (merged into TDCC effective October 26, 2016) and Corning. DCC ceased to be a joint venture upon closing of the transaction (as detailed below) on June 1, 2016.

3. On December 11, 2015, TDCC announced that it had entered into a definitive agreement dated as of December 10, 2015 with Corning, DCC and Splitco to restructure the ownership of DCC. Under the terms of the agreement, Corning agreed to exchange with DCC its 50% stock interest in DCC for 100% of the stock of Splitco (the "**Transaction**").

4. On June 1, 2016, TDCC announced the closing of the Transaction as outlined above pursuant to which Corning exchanged with DCC its 50% equity interest in DCC for 100% of the stock of Splitco (which holds a 40.25% ownership interest in the Hemlock Semiconductor Group, and other assets, including approximately USD 4.8 billion in cash). In connection with the Transaction, on May 31, 2016, DCC incurred USD 4.5 billion of indebtedness in order to fund the contribution of cash to Splitco. Pursuant to the Transaction, Corning's interest and indirect voting rights in the Target Company, held indirectly through DCC, have been acquired by DCC thereby resulting in an indirect change in control over the Target Company. Accordingly, this Offer is being made under Regulation 4 and Regulation 5(1) of the SEBI (SAST) Regulations.

5. In terms of Regulation 5(2) of the SEBI (SAST) Regulations, the Transaction is neither a deemed direct acquisition, nor a specific value is attributable in the Transaction to the Equity Shares of the Target.

6. The Acquirer, together with the PAC, are making this Offer to all the Public Shareholders of the Target Company, other than the Acquirer, and the PAC, including persons deemed to be acting in concert with such parties in accordance with Regulation 7(6) of the SEBI (SAST) Regulations, to acquire up to 3,155,006 (Three Million One Hundred Fifty-Five Thousand And Six Only) Equity Shares, representing 25% of the Voting Share Capital, as of the tenth working day from the closure of the Tendering Period.

7. As of the date of the DPS and this LoF, the authorized share capital of Target Company is INR 130,000,000 (Rupees One Hundred Thirty Million Only) consisting of 13,000,000 (Thirteen Million) Shares. The Paid-up Capital is INR 126,200,000 (Rupees One Hundred Twenty Six Million Two Hundred Thousand Only) consisting of 12,620,000 (Twelve Million Six Hundred Twenty Thousand) Equity Shares of face value INR 10 each.

8. As of the date of the DPS and this LoF, the Acquirer holds 9,464,994 (Nine Million Four Hundred Sixty Four Thousand Nine Hundred Ninety Four) Equity Shares in the Target, constituting 75% of the Voting Share Capital of the Target. The Acquirer is the current Promoter of the Target Company. Other than above, the Acquirer and PAC do not hold any shares of the Target Company.

9. The Acquirer does not have any right to nominate directors on board of the Target Company. Two members of the board of directors of the Target Company i.e. Ms. Suely Yoshinori Ono Mori (Non-Executive Director), and Ms. Maithilee Kaizad Mistry (Non-Executive Director) are employed by

or deputed from various companies which are part of the Dow Group and by virtue of their employment and/or deputation they are representatives of the Dow Group and in terms of Regulation 24(4) of the SEBI (SAST) Regulations these directors have neither participated nor shall participate in any deliberations of the board of directors of the Target Company or vote on any matter in relation to the Open Offer.

10. While the Equity Shares to be tendered in this Offer shall, subject to the terms of this Offer, be acquired by the Acquirer, the PAC shall be jointly and severally liable with the Acquirer in respect of the fulfillment of the Acquirer's obligations under this Offer.

11. Neither the Acquirer nor the PAC have been prohibited by SEBI from dealing in securities, pursuant to the terms of any directions issued under Section 11B of the SEBI Act or under any other regulations made under the SEBI Act.

12. As per Regulations 26(6) and 26(7) of the SEBI (SAST) Regulations, the board of directors of the Target Company is required, upon receipt of the Detailed Public Statement, to constitute a committee of independent directors to provide their reasoned recommendations on the Offer. The reasoned recommendations are required to be published in the same newspapers in which the Detailed Public Statement was published by no later than November 18, 2016 and simultaneously a copy of such recommendations is required to be sent to SEBI, BSE, and to the Manager.

Details of the Proposed Offer

1. The Public Announcement in connection with the Offer was made on August 19, 2016 to BSE and a copy thereof was also filed with SEBI and the Target Company at its registered office. Corrigendum to Public Announcement was published on August 26, 2016 to BSE and copy thereof was also filed with SEBI and the Target Company at its registered office.

2. The Detailed Public Statement was published on August 25, 2016 in The Financial Express (all editions), Jansatta (all editions), Mumbai Tarun Bharat (Mumbai edition) and Vartaman Pravah (Daman edition). A copy of the Detailed Public Statement is also available on the website of SEBI (www.sebi.gov.in).

3. The Acquirer, together with the PAC, are making this Offer to all the Public Shareholders of the Target Company, other than the Acquirer and the PAC, including persons deemed to be acting in concert with such parties in accordance with Regulation 7(6) of the SEBI (SAST) Regulations, to acquire up to 3,155,006 (Three Million One Hundred Fifty-Five Thousand And Six Only) Equity Shares, representing 25% of the Voting Share Capital, as of the tenth working day from the closure of the Tendering Period.

4. The Offer Price will be paid in cash in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations.

5. As per Regulation 13(2)(e) of the SEBI (SAST) Regulations, in the case of indirect acquisition of shares or voting rights in, or control over the target company where none of the parameters referred to in sub-regulation (2) of Regulation 5 are met, public announcement may be made at any time within 4 (four) working days from the earlier of, the date on which the primary acquisition is contracted, and the date on which the intention or the decision to make the primary acquisition is announced in the public domain. Further, in terms of Regulation 13(4) of the SEBI (SAST) Regulations, in the case of an indirect acquisition which is not a deemed direct acquisition, a detailed public statement is required to be issued by the acquirer no later than 5 (five) working days of the completion of the primary acquisition of shares or voting rights in, or control over the company or entity holding shares or voting rights in, or control over the target company. In view of the definitive agreement for the Transaction being dated as of December 10, 2015 as announced on December 11, 2015, the public announcement ought to have been made by December 16, 2015. The PA was filed with BSE on August 19, 2016, thereby there was a delay of 163 working days in terms of Regulation 13(2)(e) of the SEBI (SAST) Regulations. Further, there has been a delay of

53 working days in issue of the DPS in terms of Regulation 13(4) of the SEBI (SAST) Regulations which was published on August 25, 2016. The underlying Transaction was a part of internal restructuring at the parent level which was not directly related to Indian operations. Accordingly, the India compliance inadvertently escaped attention and subsequently upon being advised of the possible triggering of the SEBI (SAST) Regulations on account of the underlying Transaction, the Acquirer and PAC took steps to initiate the process of this Offer. In view of the said delay in making the PA and issue of DPS, the Acquirer and PAC have, in compliance with the SEBI (SAST) Regulations, provided the enhancement in the Offer Price as described in the following paragraph.

6. The Offer is being made at a price of INR 245.65 (Rupees Two Hundred Forty Five And Paise Sixty Five Only) ("**Offer Price**") per Equity Share which comprises a basic offer price of INR 229.31 (Rupees Two Hundred Twenty Nine and Paise Thirty One only) in accordance with Regulation 8(3) of the SEBI (SAST) Regulations ("**Basic Offer Price**") and an enhancement of INR 16.34 (Rupees Sixteen and Paise Thirty Four only) per Equity Share that is 10% (ten per cent) per annum for the period between December 10, 2015 and the date of the DPS (inclusive of both dates), in accordance with Regulation 8(12) of the SEBI (SAST) Regulations.

7. The acquisition of the Offer Shares from NRIs and erstwhile OCBs is subject to the approval or exemption from the RBI. Where any such statutory approval or exemption extends to some but not all of the Public Shareholders, the Acquirer shall have the option to make payment to such Public Shareholders in respect of whom no statutory approvals or exemptions are required in order to complete this Offer.

8. The Offer Price may be subject to revisions pursuant to the SEBI (SAST) Regulations or at the discretion of the Acquirer and the PAC at any time prior to three Working Days before the commencement of the Tendering Period in accordance with Regulation 18(4) of the SEBI (SAST) Regulations.

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

10. The Offer is not conditional on any minimum level of acceptance by the Public Shareholders of the Target Company in terms of Regulation 19(1) of the SEBI (SAST) Regulations and is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations. Further, there is no differential price being offered for the Equity Shares tendered in this Offer.

11. The Equity Shares will be acquired by the Acquirer fully paid-up, free from all liens, charges, equitable interests and encumbrances and shall be tendered together with all rights attached thereto, including all rights to dividends, bonuses and rights offers, if any, declared hereafter, and the tendering Public Shareholder shall have obtained any necessary consents for it to sell the Equity Shares on the foregoing basis.

12. All Equity Shares validly tendered by the Public Shareholders pursuant to the Open Offer will be accepted at the Offer Price by the Acquirer, in accordance with the terms and conditions contained in the DPS and the LoF.

13. The Equity Shares of the Target Company are listed on BSE. As per Regulation 38 of the LODR Regulations read with Rule 19A of the SCRR, the Target Company is required to maintain public shareholding of at least 25% as determined in accordance with the SCRR, as a requirement for continued listing. Consequent to acquisition of Equity Shares pursuant to this Offer, the public shareholding in the Target Company, may fall below the level required for continued listing. To the extent the post Offer holding of the Acquirer in the Target Company exceeds the maximum permissible non-public shareholding specified under the SCRR, the Acquirer undertakes to reduce its shareholding to the level stipulated in the SCRR within the time specified in the SCRR.

14. The Acquirer and the PAC have not acquired any Equity Shares between the date of the PA and the date of this LoF.

15. The Manager to the Open Offer shall not deal on its own account in the Equity Shares of the Target Company during the offer period.

Object of the Acquisition / Offer

1. The Acquirer is the current Promoter of the Target Company holding 75.00% of the Voting Share Capital of the Target Company. This Offer is being made by the Acquirer and the PAC pursuant to completion of the Transaction resulting in an indirect change in control of the Target Company.

2. The Target is engaged in the business of manufacturing (i) filled reinforced and modified polymeric compounds of thermoplastics (ii) alloys, blends and composites of one or more polymer with or without other additives, chemicals, pigments, stabilisers, coupling agents, elastomers, fillers as may be required by the process and (iii) various types of rubber compounds and formulations by mixing rubber or thermoplastics or such additives as may be required for the purpose. The Acquirer proposes to continue with the existing activities.

3. In terms of Regulation 25(2) of the Regulations, the Acquirer and the PAC do not currently have any intention to alienate, restructure, dispose of or otherwise encumber any assets of the Target Company in the succeeding two years from the completion of this Offer, except in the ordinary course of business and other than as already agreed, disclosed and / or publicly announced by Target Company. The Acquirer undertakes that it will not restructure, sell, lease, dispose of or otherwise encumber any substantial assets of the Target Company other than in the ordinary course of business and other than as already agreed, disclosed and / or publicly announced by the Target Company, except with the prior approval of the shareholders of the Target Company through a special resolution, passed by way of postal ballot.

III. BACKGROUND OF THE ACQUIRER AND THE PAC

(A) ACQUIRER – Multibase S.A.

1. The Acquirer is a public limited company, registered under the laws of France with its registered office at ZI Zone Industrielle Chartreuse Guiers, 38380 Entre Deux Guiers, France (company registration number: 055 502 868 RCS Grenoble. It was originally incorporated on July 2, 1934 as Paturle S.A.. Its name was subsequently changed to Groupe Multibase S.A. in December 2002, and subsequently to Multibase S.A in April 2005.

2. The Acquirer is a leading polymer compounding firm providing customized compound solutions, tolling service and product development, with global customers in the automotive, household appliances, packaging, construction and the sports and leisure markets. The Acquirer has production facilities in France, USA and India through its subsidiaries and in China through an affiliated company.

3. As on the date of the DPS and this LoF, the fully paid-up equity share capital of the Acquirer was EUR 9,697,224 (Euros Nine Million Six Hundred Ninety Seven Thousand Two Hundred Twenty Four Only), equivalent to INR 735,741,961 (Rupees Seven Hundred Thirty Five Million Seven Hundred Forty One Thousand Nine Hundred Sixty One only) comprising 404,051 shares of EUR 24 each.

4. The shareholding pattern of the Acquirer on the date of this LoF is as follows:

S. No.	Name	No. of Shares	% shareholding
1	Dow Corning France S.A.S	404,039	99.9970%
2	M. Regis Nicolet	10	0.0025%
3	Jean Francois Damour	1	0.0002%
4	Saros S.A.	1	0.0002%
	Total	404,051	100.0000%

   99.997% of the fully paid-up equity voting share capital of the Acquirer is held by Dow Corning France S.A.S. while the balance 0.003% of the fully paid-up equity voting share capital of the Acquirer is held by local nominee shareholders as disclosed in the table above. Dow Corning France S.A.S. is a company registered under the laws of France and is a wholly owned subsidiary of DC Global Holdings S.a.r.l., registered with the Trade Luxembourg Registry under nr. B 160.837, which in turn is a wholly owned subsidiary of DCC. DCC is the person acting in concert with the Acquirer for the purpose of the Open Offer and is registered in Michigan, United States of America and was a wholly owned subsidiary of Dow Holdings LLC, a limited liability company in Delaware, which was in turn 100% held by TDCC as on the date of the PA and DPS. Effective October 26, 2016 Dow Holdings LLC was merged into TDCC, with TDCC remaining as the surviving entity. Subsequent to this merger DCC has become a wholly owned subsidiary of TDCC. TDCC is the ultimate parent company of the Dow Group including the Acquirer and the PAC. TDCC is a widely held listed company with a diverse public shareholding base. No person has a controlling ownership interest in TDCC. Public filings do not identify any person as the promoter of TDCC. TDCC has no direct equity interest in any Indian company, nor in their assets or properties or business. TDCC has no direct presence in India; it does not carry on any business directly in India and it does not directly own any property or assets in India. The companies operating under TDCC across all its markets are together classified as the "**Dow Group**".

5. The equity shares of the Acquirer are not listed on any stock exchange in India or overseas.

6. As of the date of the DPS and this LoF, the Acquirer holds 9,464,994 (Nine Million Four Hundred Sixty Four Thousand Nine Hundred Ninety Four) Equity Shares in the Target, constituting 75% of the Voting Share Capital of the Target. The Acquirer is the current Promoter of the Target Company.

7. The Acquirer has complied with the provisions of Chapter V of SEBI (SAST) Regulations with respect to the Target Company.

   SEBI vide its letter dated September 2, 2002 to Target Company, at that time named Synergy Multibase Limited, communicated the order made in the enquiry / adjudication proceedings held against the Target Company as per SEBI (Procedure for holding inquiry and imposing penalties by Adjudicating officer) Rules, 1995, under clause (b) of Section 15A of the SEBI Act for contravention by Target Company of sub-regulations (2) and (4) of Regulation 6 (for the year 1997) and sub-regulation 3 of regulation 8 (for the years 1998 and 1999) of the SEBI (SAST) Regulations, 1997 in the matter of failure in making requisite disclosures to The Stock Exchange, Mumbai, the Ahmedabad Stock Exchange and Vadodara Stock Exchange. The Adjudicating Officer imposed a penalty of Rs.30,000/- only (Rupees Thirty Thousand only) on the Target Company and the Target Company paid the penalty within the stipulated timeline. The Acquirer may not have subsequently complied with the provisions of Chapter II of the SEBI (SAST) Regulations, 1997.

   SEBI may initiate appropriate action against the Acquirer in terms of the SEBI (SAST) Regulations, 1997 and SEBI (SAST) Regulations and provisions of the SEBI Act for any non-compliance/delayed compliance of Chapter II of SEBI (SAST) Regulations, 1997 and Chapter V of SEBI (SAST) Regulations.

8. The Acquirer and the PACs have not acquired any Shares after the date of PA i.e. August 19, 2016 and up to the date of this Letter of Offer.

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

Name	**Date of Appointment**	**Designation**	**Qualifications & Experience**
Patrick McLeod	March 9, 2016	Director and Chairman	Mr. McLeod joined DCC in 1987 as a Process Engineer in the Barry, South Wales plant. In 1988, he moved to Belgium and held a variety of positions in Process Engineering, Finance, and Supply Chain Management before taking the position of European Commercial Manager for Paper and Process Industries. In 2002, Mr. McLeod became the Global Industry Director for the Textiles Industry within DCC. Late in 2006, Mr. McLeod was the former CEO of Multibase S.A.- where he was responsible for developing a specialty thermoplastic compounding business by leading a global organization and by leveraging its unique footprint of activities in the Americas, Europe and Asia. Mr. McLeod holds a Masters degree in Engineering from Imperial College, London University.
Philippe Lachavanne	September 29, 2016	Managing Director	Mr. Lachavanne joined Multibase S.A. in 2006 as Global Segment Leader for automotive business out of Saint-Laurent du Pont site. In this role, he managed worldwide non safety automotive sales for the plant of Saint Laurent and coordinated sales for Multibase S.A.'s three other legal entities. In 2013 he moved to the role of Quality and Continuous Improvement Manager for Saint-

Name	Date of Appointment	Designation	Qualifications & Experience
			Laurent du Pont site. In this role he managed a team of 10 employees. In 2015, he came back to sale department as a channel partner Manager and Key account manager for automotive customers. Mr. Lachavanne holds a Master in Sciences and Technologies from university of Chambery – (France) and a Postgraduate in Quality Management University Lyon III (France)
Bernard Simon	April 19, 2010	Director	Mr. Simon joined Multibase S.A. in April 2010. Mr. Simon has 28 years of experience in DCC and TDCC. He was the Seneffe site manager. Since August 2013, he has been the finishing manufacturing director for Europe and Asia Mr. Simon has a Master's degree in Chemical Engineering from the Université de Bruxelles (ULB), Belgium.
Gerard Marquet	June 3, 2013	Director	Mr. Marquet joined DCC in 1977 and has held since then various roles in the Finance Function. Currently, Mr. Marquet is Finance Manager, EMEAI. He holds a Master in Economics from the Catholic University of Louvain, Belgium and a Master in Business Administration from Cornell Unviversity, U.S.A.

There are no common directors on the board of the Acquirer and the Target Company.

10. As of the date of this LoF, the directors of the Acquirer, and the key managerial employees of the Acquirer do not hold any Equity Shares or voting rights in the Target Company.

11. Two members of the board of directors of the Target Company- Ms. Suely Yoshinori Ono Mori (Non-Executive Director), and Ms. Maithilee Kaizad Mistry (Non-Executive Director) are employed by or deputed from various companies which are part of the Dow Group and by virtue of their employment and/or deputation they are representatives of the Dow Group and in terms of Regulation 24(4) of the SEBI (SAST) Regulations, these directors have neither participated nor shall participate in any deliberations of the board of directors of the Target Company or vote on any matter in relation to the Open Offer. The Acquirer is the current promoter and majority shareholder of the Target Company and reserves the right to seek reconstitution of the Board of Directors of the Target Company after/upon completion of the Offer in accordance with the provisions of applicable laws. However, as on the date of the Letter of Offer, Acquirer does not intend/propose to make any changes in the Board of Directors of the Target Company after/upon the completion of the Offer.

12. The Target enters into various related party transactions in the course of its business with the Acquirer and with other subsidiaries of DCC, as detailed below. According to the Annual Report of the Target Company for the years ended March 31, 2016 and March 31, 2015, the Acquirer has entered into various related party transactions with the Target Company. Details of the related party transactions which took place in the financial year ended March 31, 2016 and March 31, 2015, are disclosed in the related party disclosures in the Annual Report of the Target Company for the year ended March 31, 2016. The Acquirer has certain related party transactions with the Target Company as set out below:

Nature of transaction (Amount in INR)	Transaction during	
	2015-16	**2014-15**
Purchase of goods	62,678,888	29,970,891
Sale of goods	16,131	63,574
Income from shared services operations	1,922,140	3,380,177
Others	-	-

Source: Annual Report of the Target for the financial years ended March 31, 2016 and March 31, 2015. Full details of the disclosures made by the Target on its related party transactions is available on pages 63-64 in its Annual Report for the year ended March 31, 2016. The Annual Report of the Target may be obtained from the Target's website: http://www.multibaseindia.com/pdf/Multibase%20Annual%20report%202015-16.pdf

13. The Acquirer has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under section 11B of the SEBI Act or under any other regulations made under the SEBI Act.

14. For the purpose of this LoF, the Acquirer's key financial information based on its audited consolidated financial statements as of and for the financial years ended December 31, 2013, December 31, 2014 and December 31, 2015 audited by PricewaterhouseCoopers, the statutory auditors of the Acquirer, and its interim unaudited consolidated financial statements as of and for three months ended March 31, 2016, which have been subject to limited review in accordance with International Standard on Review Engagements 2410 by PricewaterhouseCoopers, are as follows:

Profit & Loss Statement	**As at and for financial year ended 31-Dec-13**		**As at and for financial year ended 31-Dec-14**		**As at and for financial year ended 31-Dec-15**		**As at and for 3 months period ended March 31, 2016**	
	(EUR million)	**(INR million)**	**(EUR million)**	**(INR million)**	**(EUR million)**	**(INR million)**	**(EUR million)**	**(INR million)**
Income from operations(1)	79.9	6,058.6	83.5	6,333.3	85.6	6,497.0	22.4	1,698.9
Other income	1.7	132.1	1.0	72.1	1.0	76.2	0.2	14.0
Total income	**81.6**	**6,190.7**	**84.4**	**6,405.4**	**86.6**	**6,573.2**	**22.6**	**1,712.9**
Total expenditure(2)	75.7	5,744.5	74.3	5,640.6	71.8	5,445.8	18.0	1,369.4
Profit Before Depreciation Interest and Tax	**5.9**	**446.2**	**10.1**	**764.8**	**14.9**	**1,127.4**	**4.5**	**343.5**
Depreciation	2.2	170.5	1.5	111.2	1.3	101.5	0.3	21.7
Interest	0.6	47.8	0.5	35.0	0.4	28.7	0.2	15.5
Other expenses	0.2	16.4	0.6	44.9	0.8	60.0	0.2	13.3
Other income	0.3	21.8	0.9	65.6	0.5	38.1	0.0	0.2
Profit before taxation	**3.1**	**233.3**	**8.4**	**639.3**	**12.9**	**975.2**	**3.9**	**293.2**
Taxation	0.8	58.5	2.9	216.5	4.3	327.5	1.3	99.6
Profit after taxation	**2.3**	**174.8**	**5.6**	**422.9**	**8.5**	**647.8**	**2.6**	**193.6**

(1) Net revenue as disclosed in the financial statements
(2)Excluding depreciation as disclosed in the financial statements

Balance sheet statement	As at and for financial year ended 31-Dec-13		As at and for financial year ended 31-Dec-14		As at and for financial year ended 31-Dec-15		As at and for 3 months period ended March 31, 2016	
	(EUR million)	(INR million)	(EUR million)	(INR million)	(EUR million)	(INR million)	(EUR million)	(INR million)
Sources of funds								
Paid up share capital(1)	11.1	840.4	11.1	840.4	11.1	840.4	11.1	840.4
Reserves and Surplus (excluding revaluation reserves)	14.3	1,087.5	19.9	1,510.4	28.4	2,158.2	31.0	2,351.7
Networth	**25.4**	**1,927.9**	**31.0**	**2,350.8**	**39.5**	**2,998.5**	**42.1**	**3,192.1**
Secured Loans	10.8	817.8	10.8	817.8	0.0	0.0	0.0	0.4
Unsecured loans	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Other liabilities and provisions	1.7	128.3	1.8	133.7	1.7	129.6	1.7	128.6
Total	**37.9**	**2,874.1**	**43.5**	**3,302.3**	**41.2**	**3,128.1**	**43.8**	**3,321.2**
Uses of funds								
Net fixed assets	12.1	917.3	12.4	939.3	12.5	950.3	12.4	939.4
Investments	9.6	725.3	9.6	725.9	9.6	725.9	9.6	725.9
Other assets(4)	2.0	148.8	0.0	0.0	0.0	0.0	Nil	Nil
Net current assets	13.7	1,040.2	21.3	1,617.3	19.1	1,451.5	21.8	1,655.5
Total Miscellaneous expenditure not written off	0.6	42.5	0.3	19.7	0.0	0.3	0.0	0.3
Total	**37.9**	**2,874.1**	**43.5**	**3,302.3**	**41.2**	**3,128.1**	**43.8**	**3,321.2**

(1) Includes additional paid-in capital as disclosed in the financial statements

(2)Includes legal reserves, statutory or contractual reserves, retained earnings and net income for the period, as disclosed in the financial statements

(3) Bank Loans and borrowings and bonds as disclosed in the financial statements

(4)Loan assets as disclosed in the financial statements

(5)Comprises deferred charges, Bond redemption premiums, and foreign exchange gains and losses disclosed on the assets side of the financial statements

Other financial data	As at and for financial year ended December 31, 2013		As at and for financial year ended December 31, 2014		As at and for financial year ended December 31, 2015		As at and for 3 months period ended March 31, 2016	
	(EUR)	(INR)	(EUR)	(INR)	(EUR)	(INR)	(EUR)	(INR)
Dividend (%)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Earnings/(Loss) per share	5.70	432.50	13.79	1046.53	21.13	1603.16	6.32	479.14

Notes:

1) *Since the financial statements of the Acquirer are prepared in Euro (“**EUR**”), the functional currency of the Acquirer, they have been converted into INR for purpose of convenience of translation. INR to EUR conversion has been assumed at a rate of 1 EUR = INR 75.8714 as on August 19, 2016, the date of the PA (Source: Reserve Bank of India).*

2) *The consolidated financial information set forth above (with the exception of earnings per share (“**EPS**”), see note below) has been extracted from the audited consolidated financial statements of the Acquirer as of and for years ended December 31, 2013, December 31, 2014 and December 3, 2015 prepared in accordance with professional standards applicable in France and audited by PricewaterhouseCoopers. The interim consolidated financial information set forth above for the three months ended March 31, 2016 has been extracted from the unaudited condensed financial statements prepared in accordance with French GAAP, which have been subject to limited review in accordance with International Standard on Review Engagements 2410 by PricewaterhouseCoopers, the statutory auditors of the Acquirer.*

3) *EPS has been calculated for the purpose of this LoF as the profit after tax for the period divided by the number of ordinary shares outstanding as at the balance sheet date of the relevant period. EPS is not disclosed in either the audited consolidated financial statements of the Acquirer or its unaudited interim financial statements.*

15. The Acquirer does not have any contingent liabilities as disclosed in its financial statements for the year ended December 31, 2015.

16. Status of corporate governance: Acquirer is a public limited company and is required to comply with applicable corporate governance requirements under the laws of France.

17. Acquirer is not required to appoint a Compliance Officer.

(B) PAC – Dow Corning Corporation ("DCC")

1. DCC is a private company limited by shares, registered under the laws of the State of Michigan, U.S.A with its principal place of business at Corporate Center, 2200 W. Salzburg Rd., Auburn, Michigan 48611, United States of America (company registration number:158765). It was incorporated on February 17, 1943 as Dow Corning Corporation.

2. As on date of the PA and the DPS, the PAC was a wholly owned subsidiary of Dow Holdings LLC, a limited liability company in Delaware, which in turn was a wholly owned subsidiary of TDCC. Effective October 26, 2016 Dow Holdings LLC was merged into TDCC, with TDCC remaining as the surviving entity. Subsequent to this merger DCC has become a wholly owned subsidiary of TDCC. TDCC is the ultimate parent company of the Dow Group including the Acquirer and the PAC. The companies operating under TDCC across all its markets are together classified as the "**Dow Group**". The Acquirer is an indirect subsidiary of the PAC.

3. The PAC is a company specialized in silicon-based technology and innovation and is headquartered in the United States. It primarily develops and produces polymers and other materials based on silicon chemistry. DCC offers more than 7,000 products and services via its Dow Corning® and XIAMETER® brands, serving more than 25,000 customers globally. DCC provides performance-enhancing products and solutions to meet the needs of customers in virtually every major industry and to improve the daily lives of nearly a billion of the world's people.

4. As on the date of the DPS and this LoF, the fully paid-up equity share capital of the PAC was USD 6,250,000 (US Dollars Six Million Two Hundred Fifty Thousand Only), equivalent to INR 418,310,000 (Rupees Four Hundred Eighteen Million Three Hundred Ten Thousand Only) comprising 1,250,000 shares of USD 5 each.

5. The shareholding pattern of the PAC on the date of this LoF is as follows:

S. No.	Name	No. of Shares	% shareholding
1	TDCC	1,250,000	100.00%
	Total	1,250,000	100.00%

6. The shares of the PAC are not listed on any stock exchange in India or overseas.

7. As of the date of the DPS and this LoF, the PAC, its directors, and its key managerial employees do not hold any Equity Shares or voting rights in the Target Company.

8. Since the PAC does not and has never owned any Equity Shares, the provisions of Chapter II of the SEBI (SAST) Regulations, 1997 and Chapter V of the SEBI (SAST) Regulations do not apply to the PAC.

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

Name	Date of Appointment	Designation	Qualifications & Experience
Mauro G. Gregorio	June 1, 2016	Director, President & Chief Executive Officer	Mr. Gregorio joined DCC in 2016. Prior to his current role, Mr. Gregorio started with TDCC as an intern in the Technical Service and Development (TS&D) department in Brazil in 1984. Since then, he has served in numerous leadership roles, including President of the Feedstocks and Energy business of TDCC. He was also the President of TDCC's Energy Solutions, which included Energy, Oil, Gas & Mining and Alternative Energy. Prior to his move in Energy he served in a dual role in TDCC's Performance Plastics division. He was Business Vice President for the global Hygiene & Medical business, a Commercial Vice President for North America, Vice President for Plastics in Europe, global business director for Alternative Feedstocks; global Business Director for Engineering Plastics; Director of the Plastics Commercial Distribution Channels in North America and product Director for High Density Polyethylene and Propylene in Latin America. Mr. Gregorio has also served in functional leadership positions such as the Plastics Supply Chain manager for Latin America. Mr. Gregorio earned a Bachelor of Science degree in chemical engineering from Escola de Engenharia Maua in Brazil and a Master of Business Administration degree from Northwood University in Michigan.
Joseph Donald Sheets	June 1, 2016	Director & Vice Chairman	Mr. Sheets joined DCC in 1982 and has since held a variety of professional roles in accounting, finance, marketing and management. In 2001, Mr. Sheets was named General Manager for Web Businesses and led the development of the XIAMETER® brand offering – a web-based business model designed for customers who want efficiency in purchasing high quality products at market-driven prices. Mr. Sheets served as Vice President and Chief Financial Officer from 2013 to June, 2016. Mr. Sheets holds a Bachelor of Arts degree from Albion College and a Masters of Business Administration degree from the University of

Name	Date of Appointment	Designation	Qualifications & Experience
			Michigan.
Joe E. Harlan	August 1, 2012	Director	Joe E. Harlan is Vice Chairman and Chief Commercial Officer for TDCC. As Chief Commercial Officer, Mr. Harlan drives TDCC's global Marketing and Sales strategy and organization. He also has executive oversight of TDCC's presence in North America, Latin America, and Asia Pacific. Mr. Harlan joined TDCC in September, 2011, bringing three decades of diverse geographic, business, operational and customer experience to the organization from 3M Corporation where he was Executive Vice President of the Consumer and Office business. In 2012, he added executive oversight of TDCC's Chemicals, Energy and Performance Materials businesses and oversight responsibility for TDCC Asia Pacific. Prior to 3M, Mr. Harlan spent 20 years with the General Electric Company (GE), where he held various finance, business development, and operational roles in their Plastics, Appliance and Medical Systems businesses, eventually serving as vice president and CFO of GE Lighting. In 2001, Mr. Harlan joined 3M as Vice President, Financial Planning. He then spent two years in Japan with Sumitomo 3M Limited, its Japanese subsidiary, where he served first as executive vice president, and then as president and chairman of the board. He became executive vice president of the 3M Electro and Communications business based in Austin, Texas, in 2004. Mr. Harlan holds a bachelor's degree in finance from Indiana University at Bloomington, Indiana.
Charles J. Kalil	January 1, 2008	Director	Mr. Kalil is Executive Vice President and General Counsel of TDCC. He is a member of the company's Executive Leadership Committee, Management Committee, and serves on the Sustainability and People operational teams within TDCC. Mr. Kalil began his legal career in 1976 as an Assistant U.S. Attorney in the U.S. Department of Justice, Eastern District of Michigan. Mr.

Name	Date of Appointment	Designation	Qualifications & Experience
			Kalil joined TDCC in 1980 as an attorney in Environmental Law. In 1982 he was named General Counsel of Petrokemyia, a joint venture between TDCC and SABIC, headquartered in Rotterdam, The Netherlands. He moved to Geneva, Switzerland in 1983 as Regional Counsel to the Middle East/Africa region and returned to Midland in 1986 where he held various Litigation and Finance roles. Mr. Kalil was named General Counsel and Area Director of Government and Public Affairs for TDCC Latin America in 1992, initially in Coral Gables, Florida and later in Sao Paulo, Brazil. In 1997 he took a special assignment managing TDCC's global litigation related to INSITE technology. In 2000 Mr. Kalil was named Assistant General Counsel for Corporate Financial Law and was primarily responsible for obtaining regulatory approvals for the UCC acquisition. In 2003, Mr. Kalil was named Associate General Counsel and Director, Corporate Legal Affairs, which included responsibility for Corporate Financial Law, Mergers and Acquisitions, Affiliated Companies and Insurance and Global Litigation. In November 2004, he was appointed Corporate Vice President and General Counsel, and was named Corporate Secretary in July 2005. He was appointed Senior Vice President in March 2007. In February 2008, he was promoted to Executive Vice President, at which time he assumed additional responsibility for Government Affairs. Mr. Kalil is a board member for numerous subsidiary and affiliated companies including DCC, Sadara Chemical Company, Dorinco Reinsurance Company and Liana Limited; a member of the Board of Directors of Oman Petrochemical Industries Company LLC (2004-2011); a member of The Conference Board's Council of Chief Legal Officers; a founding advisory board member of the RAND Center for Catastrophic Risk Management and Compensation; and a member of the Board of Directors, Institute for Legal Reform, U.S. Chamber of Commerce. Recipient of the 2010 Bridge Builder of the Year Award, American Arab Chamber of Commerce.

Name	Date of Appointment	Designation	Qualifications & Experience
			He holds a Bachelor of Arts degree from Michigan State University and a Juris Doctor degree from Georgetown University Law Center. He is a member of the District of Columbia Bar and the State Bar of Michigan. He is admitted to practice before several U.S. Circuit Courts of Appeals and the U.S. Supreme Court.
Howard I. Ungerleider	October 25, 2013	Director, Chairman	Mr. Ungerleider is Vice Chairman and Chief Financial Officer of TDCC. Mr. Ungerleider is a member of TDCC's Office of the Chairman and CEO and has executive oversight for Dow AgroSciences, TDCC's Corporate Strategy Development, Corporate Planning, Finance, and Information Technology & Business Services. Mr. Ungerleider joined TDCC in 1990 and his career has spanned a wide variety of commercial, business, financial, geographic, functional and enterprise-level leadership roles. In 1997, he relocated to TDCC's European headquarters in Switzerland, where he had management responsibilities for several of TDCC's specialty polyolefin brands. Mr. Ungerleider was named Business Director for TDCC's global Wire and Cable Compounds business in 2000, and in 2004, he became the Global Director of Integrated Supply Chain for Plastics, Performance Chemicals and Thermosets. In 2006, he was appointed North American Commercial Vice President for TDCC's $6 billion Basic Plastics business portfolio. From 2008 to 2011, Mr. Ungerleider served as Vice President of Investor Relations, where he was responsible for creating and driving an investor outreach program about TDCC's strategic transformation and performance in the midst of the worst global economic crisis in decades. In this role, he was also a member of the Finance leadership team, providing counsel and support to TDCC's Chief Financial Officer. He was named President for TDCC's Performance Plastics Division in 2011. In 2012, he was named Executive Vice President of TDCC's Advanced Materials Division and

Name	Date of Appointment	Designation	Qualifications & Experience
			joined TDCC's senior-most executive team. Under his leadership, the Advanced Materials businesses grew to more than $11 billion in sales across more than 130 countries. He was elected as CFO by the Board of Directors in 2014; he was named Vice Chairman in 2015. Mr. Ungerleider earned a Bachelor's degree from the University of Texas in Austin and a Master's degree in Business Administration from University of California in Los Angeles.
Attiganal N. Sreeram	November 24, 2014	Director	Dr. Sreeram is Senior Vice President and Chief Technology Officer for TDCC. Dr. Sreeram served as Vice President of R&D for Dow Advanced Materials prior to assuming his current role. He joined TDCC in June 2006 as Vice President of Core R&D. Prior to joining TDCC, Dr. Sreeram served as the Global Technology Director and Chief Technology Officer for DuPont Electronic Technologies. Prior to this, he served as Vice President of Worldwide Technology for Cookson Electronics, and before that he led the Electronic and Flat Display Program for Sarnoff Corporation. Dr. Sreeram earned his doctorate degree from the Department of Materials Science & Engineering at Massachusetts Institute of Technology (M.I.T.), and his master's degree in Glass Science from Alfred University in New York. He is also a graduate of the ceramics engineering program from the Indian Institute of Technology – BHU in Varanasi, India.

There are no common directors on the board of the PAC and the Target Company.

10. Two members of the board of directors of the Target Company- Ms. Suely Yoshinori Ono Mori (Non-Executive Director), and Ms. Maithilee Kaizad Mistry (Non-Executive Director) are employed by or deputed from various companies which are part of the Dow Group and by virtue of their employment and/or deputation they are representatives of the Dow Group and in terms of Regulation 24(4) of the SEBI (SAST) Regulations, these directors have neither participated nor shall participate in any deliberations of the board of directors of the Target Company or vote on any matter in relation to the Open Offer.

11. The Target enters into various related party transactions with the PAC and its subsidiaries, as detailed below. According to the Annual Report of the Target Company for the years ended March 31, 2016 and March 31, 2015, the PAC has entered into various related party transactions with the Target Company. Details of the related party transactions which took place in the financial year ended March 31, 2016 and March 31, 2015, are disclosed in the related party disclosures in the Annual Report of the Target Company for the year ended March 31, 2016. The PAC has certain related party transactions with the Target Company as set out below:

(Amounts in INR)

Nature of transaction	**Transaction during**	
	2015-16	**2014-15**
Purchase of goods	359,142	891,437
Support charging & testing fees	11,577,749	8,446,601
Royalty	3,805,378	2,510,112
Misc Payable written back		360,841

Source: Annual Report of the Target for the financial years ended March 31, 2016 and March 31, 2015. Full details of the disclosures made by the Target on its related party transactions is available on pages 63-64 in its Annual Report for the year ended March 31, 2016. The Annual Report of the Target may be obtained from the Target's website: http://www.multibaseindia.com/pdf/Multibase%20Annual%20report%202015-16.pdf

12. For the purpose of this LoF, the PAC's key financial information based on its audited consolidated financial statements as of and for the financial years ended December 31, 2013, December 31, 2014 and December 31, 2015 audited by PricewaterhouseCoopers, the statutory auditors of the PAC, and its interim unaudited consolidated financial statements as of and for three months ended March 31, 2016, which have been subject to review of interim financial information based on the standards of the Public Company Accounting Oversight Board (United States) and in accordance with auditing standards generally accepted in the United States of America applicable to reviews of interim financial information, by PricewaterhouseCoopers, are as follows:

Profit & Loss Statement	**As at and for financial year ended 31-Dec-13**		**As at and for financial year ended 31-Dec-14**		**As at and for financial year ended 31-Dec-15**		**As at and for 3 months period ended March 31, 2016**	
	(USD million)	**(INR million)**	**(USD million)**	**(INR million)**	**(USD million)**	**(INR million)**	**(USD million)**	**(INR million)**
Income from operations (1)	5,710.5	382,201.5	6,221.3	416,389.1	5,649.3	378,105.4	1,316.4	88,106.1
Other income	--	-	--	--	--	--	--	--
Total income	**5,710.5**	**382,201.5**	**6,221.3**	**416,389.1**	**5,649.3**	**378,105.4**	**1,316.4**	**88,106.1**
Total expenditure(2)	4,577.0	306,336.8	6,291.9	421,114.4	4,233.0	283,313.0	1,016.8	68,054.0
Profit Before Depreciation Interest and Tax	**1,133.5**	**75,864.7**	**(70.6)**	**(4,725.2)**	**1,416.3**	**94,792.4**	**299.6**	**20,052.1**
Depreciation(3)	490.1	32,802.2	491.3	32,882.5	419.5	28,077.0	103.0	6,893.7
Interest expense	45.7	3,058.7	49.0	3,279.6	52.1	3,487.0	15.7	1,050.8
Other income /(expense)(4)	69.8	4,671.7	1,317.5	88,179.7	(5.5)	(368.1)	(8.6)	(575.6)
Profit before taxation	**667.5**	**44,675.5**	**706.6**	**47,292.5**	**939.2**	**62,860.3**	**172.3**	**11,532.0**
Taxation	233.8	15,648.1	132.0	8,834.7	303.9	20,339.9	48.8	3,266.2
Profit after taxation(5)	**433.7**	**29,027.4**	**574.6**	**38,457.7**	**635.3**	**42,520.4**	**123.5**	**8,265.8**

(1) Net Sales as disclosed in the financial statements of the PAC
(2) Excluding depreciation and amortization as disclosed in the financial statements of the PAC

(3) Depreciation and amortization as disclosed in the financial statements of the PAC
(4) Sum of interest income, other non- operating income/(expense) and implant liability adjustments as disclosed in the financial statements of the PAC
(5) Prior to non-controlling interest share in net income as disclosed in the financial statements of the PAC

Balance sheet statement	**As at and for financial year ended 31-Dec-13**		**As at and for financial year ended 31-Dec-14[(1)]**		**As at and for financial year ended 31-Dec-15**		**As at and for 3 months period ended March 31, 2016**	
	(USD million)	**(INR million)**	**(USD million)**	**(INR million)**	**(USD million)**	**(INR million)**	**(USD million)**	**(INR million)**
Sources of funds								
Paid up share capital	12.5	836.6	12.5	836.6	12.5	836.6	12.5	836.6
Reserves and Surplus (excluding revaluation reserves)	3,160.0	211,497.5	2,980.2	199,463.6	3,295.4	220,559.8	3,459.7	231,556.3
Networth	**3,172.5**	**212,334.2**	**2,992.7**	**200,300.2**	**3,307.9**	**221,396.4**	**3,472.2**	**232,393.0**
Non controlling interest	606.1	40,566.0	634.0	42,433.4	631.4	42,259.3	620.9	41,556.6
Secured Loans	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Unsecured loans[(2)]	1,016.4	68,027.2	952.4	63,743.8	790.9	52,934.6	790.0	52,874.4
Other non current liabilities	6,240.4	417,667.5	5,120.9	342,739.8	4,529.6	303,164.3	4,498.3	301,069.4
Total	**11,035.4**	**738,594.9**	**9,700.0**	**649,217.1**	**9,259.8**	**619,754.7**	**9,381.4**	**627,893.3**
Uses of funds								
Net fixed assets[(3)]	7,378.5	493,840.1	5,539.6	370,763.2	5,206.0	348,435.5	5,176.0	346,427.6
Investments	96.3	6,445.3	86.1	5,762.6	90.2	6,037.0	88.4	5,916.6
Net current assets	2,729.0	182,650.9	3,008.4	201,351.0	3,196.3	213,927.1	3,331.0	222,942.5
Other non current assets	831.6	55,658.7	1,065.9	71,340.3	767.3	51,355.1	786.0	52,606.7
Total	**11,035.4**	**738,594.9**	**9,700.0**	**649,217.1**	**9,259.8**	**619,754.7**	**9,381.4**	**627,893.3**

(1) Restated figures as appearing in the audited consolidated financial statements as of and for the financial year ended December 31 2015
(2) Sum of Long-term debt and current maturities of long-term debt as disclosed in the financial statements of the PAC
(3)Net fixed assets includes goodwill and net intangible assets as disclosed in the financial statements of the PAC

Other financial data	**As at and for financial year ended 31-Dec-13**		**As at and for financial year ended 31-Dec-14**		**As at and for financial year ended 31-Dec-15**		**As at and for 3 months period ended March 31, 2016**	
	(USD)	**(INR)**	**(USD)**	**(INR)**	**(USD)**	**(INR)**	**(USD)**	**(INR)**
Dividend (%)	53.1%	53.1%	48.8%	48.8%	50.6%	50.6%	NIL	NIL
Earnings/(Loss) per share	150.52	10,074	205.12	13,729	225.20	15,073	44.68	2,990

Notes:

1. *Since the financial statements of the PAC are prepared in United States Dollars ("**USD**"), the functional currency of the PAC, they have been converted into INR for purpose of convenience of translation. INR to USD conversion has been assumed at a rate of 1 USD = INR 66.9296 as on August 19, 2016, the date of the PA (Source: Reserve Bank of India).*

2. *The consolidated financial information set forth above has been extracted from the audited consolidated financial statements of the PAC as of and for years ended December 31, 2013, December 31, 2014 and December 31, 2015 prepared in conformity with accounting principles generally accepted in the United States of America and audited by PricewaterhouseCoopers. The interim consolidated financial information set forth above for the three months ended March 31, 2016 has been extracted from the unaudited condensed financial statements prepared in accordance with accounting principles generally accepted in the United States of America, which have been subject to limited review based on the standards of the Public Company Accounting Oversight Board (United States) and in accordance with auditing standards generally accepted in the United States of America, applicable to reviews of interim financial information, by PricewaterhouseCoopers, the statutory auditors of the PAC.*

13. Major contingent liabilities for the PAC are disclosed as follows:

    In 1995, DCC, then a 50:50 joint venture between TDCC and Corning, voluntarily filed for protection under Chapter 11 of the U.S. Bankruptcy Code in order to resolve DCC's breast implant liabilities and related matters (the "**Chapter 11 Proceeding**"). DCC emerged from the Chapter 11 Proceeding on June 1, 2004 and is implementing the Joint Plan of Reorganization (the "**Plan**"). The Plan provides funding for the resolution of breast implant and other products liability litigation covered by the Chapter 11 Proceeding and provides a process for the satisfaction of commercial creditor claims in the Chapter 11 Proceeding. As of June 1, 2016, DCC became a wholly owned subsidiary of TDCC. Further details of DCC's commitments and contingencies pertaining to DCC Chapter 11 related matters can be found on Page 30, 31 and 32 of the Form 10-Q filing ("**Filing**") made by TDCC with the United States Securities Exchange Commission ("**SEC**") for the quarterly period ended June 30, 2016. The Filing may be obtained from the US SEC's website: https://www.sec.gov/Archives/edgar/data/29915/000002991516000098/dow-q2x6302016.htm

14. Status of corporate governance: PAC is a private company and is required to comply with applicable corporate governance requirements under the laws of the State of Michigan, U.S.A.

15. The PAC is not required to appoint a Compliance Officer.

IV. BACKGROUND OF THE TARGET COMPANY

1. The Target is a public limited company incorporated under the name Synergy Polymers Limited on December 17, 1991 under the Companies Act, 1956. The name of Synergy Polymers Limited was changed to Synergy Multibase Limited ("**SML**") with effect from October 30, 1996. SML shifted its registered office from State of Gujarat to Union Territory of Daman on March 2, 2001. On September 12, 2007, SML changed its name to Multibase India Limited. The current registered office of the Target Company is at 74/5-6, Daman Industrial Estate, Kadaiya Village, Nani Daman, Daman (U.T.), India – 396 210.

2. The Target is engaged in the business of manufacturing (i) filled reinforced and modified polymeric compounds of thermoplastics; (ii) alloys, blends and composites of one or more polymer with or without other additives, chemicals, pigments, stabilisers, coupling agents, elastomers, fillers as may be required by the process; and (iii) various types of rubber compounds and formulations by mixing rubber or thermoplastics or such additives as may be required for the purpose.

3. The Acquirer is the current Promoter of the Target Company.

4. All the Equity Shares of the Target are listed on BSE. (Scrip ID: MULTIBASE; Scrip Code: 526169; ISIN: INE678F01014), and are not currently suspended from trading.

5. The corporate identification number of the Target Company is L01122DD1991PLC002959.

6. The Equity Shares of the Target are frequently traded in terms of Regulation 2(1)(j) of the SEBI (SAST) Regulations.

7. The capital structure of the Target Company as on the date of this LoF is as follows:

Particulars	**No. of Equity Shares and voting rights**	**% of Voting Share Capital**
Fully paid up Equity Shares	12,620,000	100.00
Partly paid up Equity Shares	Nil	Nil
Employee stock options outstanding	Nil	Nil
Total paid-up equity shares	12,620,000	100.00
Total voting rights	**12,620,000**	**100.00**

8. As on the date of this Letter of Offer, there are no outstanding instruments (warrants, Compulsorily Convertible Debentures, Compulsorily Convertible Preference Shares, Optionally Convertible Debentures or Preference Shares or Partially Convertible Debentures) that are convertible into Equity Shares. As of the date of this Letter of Offer, there are no partly paid up equity shares or equity shares under lock-in in the share capital of the Target Company.

9. The details of the board of directors of the Target Company as of the date of this Letter of Offer are provided below:

S. No.	Name	Date of Appointment	Designation	Director Identification Number
1.	Harish Narendra Motiwalla	October 27, 2009	Independent director, Chairperson	00029835
2.	Ashok Chhabra	October 27, 2009	Independent director	00059677
3.	Deepak Arun Dhanak	June 29, 2010	Managing Director	03157491
4.	Suely Yoshinori Ono Mori	February 13, 2015	Non-Executive Director	07046468
5.	Maithilee Kaizad Mistry	August 3, 2016	Non-Executive Director	02152619

Two members of the board of directors of the Target Company- Ms. Suely Yoshinori Ono Mori (Non-Executive Director), and Ms. Maithilee Kaizad Mistry (Non-Executive Director) are employed by or deputed from various companies which are part of the Dow Group and by virtue of their employment and/or deputation they are representatives of the Dow Group and in terms of Regulation 24(4) of the SEBI (SAST) Regulations, these directors have neither participated nor shall participate in any deliberations of the board of directors of the Target Company or vote on any matter in relation to the Open Offer.

Mr. Krishna Hanumant Joshi who was a Non-Executive Director liable to retire by rotation on the board of directors of the Target Company has ceased to be a Director with effect from September 28, 2016 as he did not seek re-appointment in the Annual General Meeting of Target Company held on the aforesaid date.

10. The details of the experience and qualification of the board of directors of the Target Company is as follows:

1. Mr. Harish Narendra Motiwalla

Mr. Harish Narendra Motiwalla, aged 71 years, has served as Independent director of Multibase India Limited since October 27, 2009.

He also serves as senior partner of M/s. H. N. Motiwalla & Co, and as an independent director on the board of Excel Industries, Hitech Plast Ltd., Siyaram Silk Mills Limited, Balkrishna Synthetics Ltd., and LIC Nomura MF Trustee Co. Pvt. Ltd.

He is an experienced finance professional, and a fellow member of the Institute of Chartered Accountants of India.

He has been Past Chairman of Western India Regional Council of the Institute of Chartered Accountants of India. He has represented the Institute as a Chairman of Auditing Practices Committee for various committees of the Reserve Bank of India.

He has co-authored various books viz.: Tax Audit Manual, Tax deducted at source Law & Practice (Published by Wadhwa & Co.),) Guidance Note on Tax Audit u/s. 44AB of the Income tax Act, Issues on Tax Audit, History of the Accounting Profession in India, Vol. II.

Mr. Motiwalla holds a Bachelor’s degree in law and a Bachelor’s degree in commerce.

Mr. Motiwalla holds NIL Equity Shares in the Target Company as of the date of this LoF.

2. Mr. Ashok Chhabra

Mr. Ashok Chhabra, aged 64 years, has been serving as an Independent director of Multibase India Limited since October 2009. He has been General Counsel of Procter & Gamble India for over 20 years. He retired as Regional Legal Head of P&G, Singapore in 2009. During tenure with P&G he has held position of Executive Director of P&G India; Director of Gillette India.. He practices law since 2009 in areas of Securities & Company Laws. His clients include well-known companies.

Mr. Ashok Chhabra holds NIL Equity Shares in the Target Company as of the date of this LoF.

3. Mr. Deepak Arun Dhanak

Mr. Dhanak, aged 44 years, has served as Managing Director at Multibase India Limited from June 29, 2010.

Mr. Dhanak has 19 years of experience.

He is Engineering Graduate from College of Engineering & Technology, Akola and Diploma holder in Chemical Engineering. He has an MDBA from Symbiosis Institute of Management Studies, Pune.

Mr. Dhanak holds One Equity Share in the Target Company as of the date of this LoF.

4. Ms. Suely Yoshinoro Ono Mori

Ms. Mori, aged 56 years, has served as Non-executive Director at Multibase India Limited since February 13, 2015.

Ms. Mori is an attorney with 20 years of experience in management of the law department in the Asia region of a major privately held corporation, and provision of legal services as well as supporting ethics and compliance, and regulatory compliance. She has over six years of experience in private legal practice in major law firms as a commercial attorney, with experience in dispute resolution.

Ms. Mori has a B.A. in Microbiology and holds a degree in Business law and IP law.

Ms. Mori holds NIL Equity Shares in the Target Company as of the date of this LoF.

5. Ms. Maithilee Kaizad Mistry

Ms. Mistry, aged 43 years, has served as Non-executive Director at Multibase India Limited from August 3, 2016.

Ms. Mistry has 18 years of experience. She started her career with Deloitte Haskins and Sells where she was part of the Auditing team and then went on to work with Cognis Ahura Pvt. Ltd., as finance controller.

Ms. Mistry then joined as CFO in Omya India Pvt Ltd., a company with major growth focus in India, where she held regional roles. Besides finance she has also been responsible for other functions such as legal, IT and HR. Her current assignment is with Dow Chemical International Pvt. Ltd. She also serves as a director on the Board of Dow Agrosciences India Private Limited.

Ms. Mistry is a Chartered Accountant.

Ms. Mistry holds NIL Equity Shares in the Target Company as of the date of this LoF.

11. There have been no mergers, de-mergers or spin offs involving the Target Company in the preceding three financial years (namely the financial years ending March 31, 2016, 2015 and 2014).

12. Brief audited standalone financials of the Target Company as of and for the financial years ended March 31, 2014, March 31, 2015 and March 31, 2016, are provided below:

(in INR million except EPS)

Profit & Loss Statement	**As at and for financial year ended March 31, 2014**	**As at and for financial year ended March 31, 2015**	**As at and for financial year ended March 31, 2016**
Income from operations	545.6	616.5	706.2
Other Income	8.2	12.3	15.7
Total Income	**553.8**	**628.8**	**721.9**
Total Expenditure	473.9	512.3	564.7
Profit Before Depreciation Interest and Tax	**79.9**	**116.4**	**157.2**
Depreciation	4.7	7.1	6.0
Interest	0.0	0.0	0.0
Profit Before Tax	**75.2**	**109.4**	**151.2**
Provision for Tax	24.4	37.1	52.4
Profit After Tax	**50.8**	**72.2**	**98.8**

Balance Sheet	**As at and for financial year ended March 31, 2014**	**As at and for financial year ended March 31, 2015**	**As at and for financial year ended March 31, 2016**
Sources of funds			
Paid up share capital	126.2	126.2	126.2
Reserves and Surplus (excluding revaluation reserves)	214.2	285.4	384.2
Networth	**340.4**	**411.6**	**510.4**
Secured loans	0.0	0.0	0.0
Unsecured loans	0.0	0.0	0.0
Other non current liabilities	5.2	5.6	7.6
Total	**345.6**	**417.2**	**518.0**
Uses of funds			
Net fixed assets	50.4	52.7	78.8
Investments	0.0	0.0	0.0
Other non- current assets (long term loans and advances)	9.5	9.9	10.1
Net current assets	285.8	354.6	429.0
Total miscellaneous expenditure not written off	0.0	0.0	0.0
Total	**345.6**	**417.2**	**518.0**

Other financial data	As at and for financial year ended March 31, 2014	As at and for financial year ended March 31, 2015	As at and for financial year ended March 31, 2016
Dividend (%)	NIL	NIL	NIL
Earnings/ Loss per share	4.02	5.72	7.88

Source: The financial information set forth above has been extracted from the Target Company's audited standalone financial statements as at and for years ended March 31, 2014, March 31, 2015 and March 31, 2016.
The financial statements of the Target Company as at and for the years ended March 31, 2016 and March 31, 2015 have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 as applicable.
The financial statements of the Target Company as at and for the year ended March 31, 2014 have been prepared to comply in all material respects with the accounting standard notified under the Companies (Accounting Standards) Rules, 2006 (as amended), and the relevant provisions of the Companies Act, 1956.
The financial statements have been audited by M/s. Deloitte Haskins & Sells, Chartered Accountants (Firm Registration Number 17364W), the Target Company's statutory auditors.

Details of the contingent liabilities in the Target Company as of March 31, 2016 are provided below:

SL. No.	Nature of the Contingent Liability	Estimated Amount (INR)
1	Claims against the Company not acknowledged as debt	
	Income tax demand, including interest and penalty and net off amount paid under protest	4,782,073

(Source: Notes to consolidated financial statements as appearing in the Multibase India Limited Annual Report 2015-16)

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

Shareholders' Category	Shareholding & voting rights prior to agreement / acquisition and Offer (A)		Shareholding & voting rights to be acquired which triggered the SEBI (SAST) Regulations (B)		Shares / voting rights to be acquired / (sold) in the Offer (assuming full acceptance) (C)		Shareholding / voting rights after the acquisition and Offer (D) = (A) + (B) + (C)	
	No.	%	No.	%	No.	%	No.	%
(1) Promoter Group including the Acquirer and PAC								
a. Parties to agreement, if any	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b. Promoters other than a. above								
b1. Acquirer	9,464,994	75.00	Nil	Nil	3,155,006	25.00	12,620,000	100.00
b2. PAC	Nil		Nil	Nil	Nil	Nil	Nil	Nil
b3. Other Promoters	Nil		Nil	Nil	Nil	Nil	Nil	Nil
Total (1) (a+b)	*9,464,994*	*75.00*	*Nil*	*Nil*	*3,155,006*	*25.00*	*12,620,000*	*100.00*
(2) Parties to agreement other than (1) above	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Shareholders' Category	Shareholding & voting rights prior to agreement / acquisition and Offer (A)		Shareholding & voting rights to be acquired which triggered the SEBI (SAST) Regulations (B)		Shares / voting rights to be acquired / (sold) in the Offer (assuming full acceptance) (C)		Shareholding / voting rights after the acquisition and Offer (D) = (A) + (B) + (C)	
	No.	%	No.	%	No.	%	No.	%
(3) Public (other than parties to agreement, Acquirer and PAC)								
a. FIs / MFs / FIIs / Banks / SFIs	26,855	0.21	Nil	Nil	(3,155,006)	(25.00)	Nil	Nil
b. Others	3,128,151	24.79	Nil	Nil				
Total (3) (a+b)	*3,155,006*	*25.00*	*Nil*	*Nil*	*(3,155,006)*	*(25.00)*	*Nil*	*Nil*
Grand Total	12,620,000	100.00	Nil	Nil	Nil	Nil	12,620,000	100.00

(Source: BSE– Pre-offer shareholding is as of September 30, 2016)

14. The Target vide certificate dated August 31, 2016 to the Manager to the Offer has confirmed that it has complied with the provisions of Chapter II of the SEBI (SAST) Regulations, 1997 and Chapter V of SEBI (SAST) Regulations with respect to the Target Company for the applicable period. SEBI may initiate appropriate action against the Target Company and the promoters of the Target Company in terms of the SEBI (SAST) Regulations, 1997 and SEBI (SAST) Regulations and provisions of the SEBI Act for any non-compliance/delayed compliance of Chapter II of SEBI (SAST) Regulations, 1997 and Chapter V of SEBI (SAST) Regulations.

V. OFFER PRICE AND FINANCIAL ARRANGEMENTS

Justification of Offer Price

1. The Offer is in accordance with Regulation 4 and Regulation 5(1) of the SEBI (SAST) Regulations.

2. The Offer Price is INR 245.65 (Rupees Two Hundred Forty Five and Paise Sixty Five Only) Per Equity Share.

3. The Offer Price will be paid in cash in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations.

4. The Equity Shares are listed on BSE (Scrip ID: MULTIBASE; Scrip Code: 526169; ISIN: INE678F01014).

5. The annualized trading turnover, based on the trading volume in the Equity Shares of the Target Company on the BSE during August 1, 2015 to July 31, 2016 (that is, 12 (twelve) calendar months preceding the month in which the PA was issued), is as set out below. Also provided below is the annualized trading turnover, based on the trading volume in the Equity Shares of the Target Company on the BSE from December 1,2014, to November 30, 2015 (that is, 12 (twelve) calendar months preceding December 2015- the month in which the Transaction announcement was made).

Stock Exchange	Number of Equity Shares traded during the 12 (twelve) calendar months prior to the month in which the PA was issued	Total number of listed Equity Shares during this period	Annualized trading turnover (as a % to total listed Equity Shares)
BSE	2,401,511	12,620,000	19.03%

Stock Exchange	Number of Equity Shares traded during the 12 (twelve) calendar months prior to the month in which the Transaction was announced	Total number of listed Equity Shares during this period	Annualized trading turnover (as a % to total listed Equity Shares)
BSE	5,155,328	12,620,000	40.85%

(Source: BSE)

6. Based on the above, the Equity Shares are frequently traded in terms of Regulation 2(1)(j)of the SEBI (SAST) Regulations.

7. The Offer Price of INR 245.65 (Rupees Two Hundred Forty Five and Paise Sixty Five Only) Per Equity Share is justified in terms of Regulation 8(3) of the SEBI (SAST) Regulations, being the highest of the following parameters:

SL. No.	Details	Amounts in INR per share
(a)	Highest negotiated price per share, if any, of the target company for any acquisition under the agreement attracting the obligation to make a public announcement of an open offer	Not Applicable
(b)	The volume-weighted average price paid or payable for any acquisition, whether by the acquirer or by any person acting in concert with him, during the 52 (fifty-two) weeks immediately preceding the earlier of, the	Not Applicable

	date on which the underlying Transaction is contracted, and the date on which the intention or the decision to make the Underlying Transaction is announced in the public domain	
(c)	Highest price paid or payable for any acquisition, whether by the acquirer or by any person acting in concert with him, during the 26 (twenty-six) weeks immediately preceding the earlier of, the date on which the underlying Transaction is contracted, and the date on which the intention or the decision to make the underlying Transaction is announced in the public domain	Not Applicable
(d)	Highest price paid or payable for any acquisition, whether by the acquirer or by any person acting in concert with him, between the earlier of, the date on which the underlying Transaction is contracted, and the date on which the intention or the decision to make the Underlying Transaction is announced in the public domain, and the date of the public announcement of the open offer for shares of the Target made under these regulations	Not Applicable
(e)	Volume-weighted average market price of the shares for a period of 60 (sixty) trading days immediately preceding the earlier of, the date on which the underlying Transaction is contracted, and the date on which the intention or the decision to make the underlying Transaction is announced in the public domain, as traded on the stock exchange where the maximum volume of trading in the shares of the target company are recorded during such period, provided such shares are frequently traded	INR 229.31
(f)	Per Equity Share value computed under Regulation 8(5) of the SEBI (SAST) Regulations	Not applicable

Notes:

1) *The Offer Price would be revised in the event of any corporate action such as bonus, rights, split, etc., if the record date for effecting such corporate actions falls within three Working Days prior to the commencement of the Tendering Period of the Open Offer*
2) *In terms of Regulation 8(12) of the SEBI (SAST) Regulations, in case of an indirect acquisition, the basic offer price shall stand enhanced by an amount equal to 10% (ten per cent) per annum for the period between the earlier of the date on which the primary acquisition is contracted or the date on which the intention or the decision to make the primary acquisition is announced in the public domain, and the date of the detailed public statement, provided that such period is more than 5 (five) working days. The intention to make the primary acquisition as per definitive agreements dated December 10, 2015 between the concerned parties was announced in the public domain on December 11, 2015. Therefore, an enhanced amount for the period from December 10, 2015 to August 25, 2016 (both dates inclusive) is INR 16.34 (Rupees Sixteen and Paise Thirty Four Only). Hence, the Offer Price has been enhanced to INR 245.65 (Rupees Two Hundred Forty Five and Paise Sixty Five Only).*

8. The Offer Price may be subject to revision pursuant to the SEBI (SAST) Regulations or at the discretion of the Acquirer and the PAC, at any time prior to three Working Days before the commencement of the Tendering Period in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. Where the Acquirer or the PAC has acquired any Equity Shares during the offer period at a price higher than the Offer Price, the Offer Price shall stand revised to the highest price paid for such acquisition in accordance with Regulation 8(8) of the SEBI (SAST) Regulations. However, neither the Acquirer nor the PAC shall acquire any Equity Shares during the period commencing three Working Days prior to the commencement of the Tendering Period and ending on the expiry of the Tendering Period. In the event of such revision, the Acquirer and the PAC shall (i) make corresponding increases to the Open Offer Escrow Amount; (ii) make a public announcement of such revision in the same newspapers in which the Detailed Public Statement was published; and (iii) simultaneously with the issue of such announcement, inform SEBI, BSE and the Target Company at its registered office of such revision. Such revised Offer Price would be payable for all the Equity Shares validly tendered during the Tendering Period of the Offer.

9. 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.

10. There has been no revision in the Offer Price or the Offer Size as of the date of this LoF.

Financial Arrangements

1. The Offer Size is INR 775,027,224 (Rupees Seven Hundred Seventy Five Million Twenty Seven Thousand Two Hundred Twenty Four only) ("**Maximum Consideration**").

2. In accordance with Regulation 17 of the SEBI (SAST) Regulations, an escrow arrangement has been created in the form of a BG and Cash Escrow.

3. The Acquirer and the PAC have provided a BG dated August 23, 2016 issued by Sumitomo Mitsui Banking Corporation (acting through its branch at 13th Floor Hindustan Times House, 18 - 20 Kasturba Gandhi Marg, Connaught Place, New Delhi 110 001) in favor of the Manager for an amount of INR 193,756,806 (Rupees One Hundred Ninety Three Million Seven Hundred Fifty Six Thousand Eight Hundred Six Only) being twenty-five percent of the Maximum Consideration. Additionally, the Acquirer and the PAC have entered into an escrow agreement dated August 19, 2016 with The Hongkong and Shanghai Banking Corporation Limited (acting through its office at 11th Floor, Building 3, NESCO - IT Park, NESCO Complex, Western Express Highway, Goregaon (East), Mumbai 400063) ("**Open Offer Escrow Agent**") and the Manager ("**Open Offer Escrow Agreement**") pursuant to which and in accordance with Regulation 17(4) of the SEBI (SAST) Regulations, the Acquirer and the PAC have deposited cash aggregating to INR 7,750,273 (Rupees Seven Million Seven Hundred Fifty Thousand Two Hundred Seventy Three only), being one percent of the Maximum Consideration ("**Cash Escrow**"), in the escrow account ("**Open Offer Escrow Account**") opened with the Open Offer Escrow Agent. The Cash Escrow, together with the BG, constitutes the escrow amount ("**Open Offer Escrow Amount"**). The Open Offer Escrow Amount has been computed in accordance with Regulation 17(1) of the SEBI (SAST) Regulations. The Manager has been authorized to operate the Open Offer Escrow Account on the terms set out in the Open Offer Escrow Agreement.

4. The Manager has been duly authorized pursuant to the terms of the SEBI (SAST) Regulations to realize the BG to meet the obligations of the Acquirer and the PAC in connection with the Offer. The BG has come into force on August 23, 2016 and shall remain valid until expiry of 200 (Two Hundred) days from August 23, 2016, that is up to March 11, 2017 or the completion of the Open Offer under the SEBI (SAST) Regulations and an additional period of 30 (Thirty) days after completion of payment of consideration to all Public Shareholders who have successfully tendered their shares in acceptance of the Open Offer and in accordance with the terms of the Open Offer. The Acquirer and the PAC undertake to extend the validity of the BG for such period as may be required and in no event shall the BG be terminated prior to thirty days from the date of completion of payment of the consideration to Public Shareholders who have successfully tendered their Equity Shares in the Offer.

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

6. The Open Offer Escrow Agent is neither an associate company nor a group company of the Acquirer, the PAC or the Target.

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

8. The source of funds to meet the Acquirer's and PAC's obligations under this Offer is foreign funds, comprising of a combination of internal accruals of the Acquirer and undrawn amount of the Facility (as defined hereinafter). The PAC has entered into a reimbursement agreement ("**Facility**") with Sumitomo Mitsui Banking Corporation. The undrawn amount of the Facility stood at US$19.294 million (equivalent to INR 1,291.34 million) as of August 19, 2016, the date of the PA. The Facility is valid till April 30, 2017, and the PAC is entitled to extend the Facility for additional periods of 365 days each, as and when required by the PAC, by making a written request to Sumitomo Mitsui Banking Corporation for extension of the Facility.

9. Bansal Bansal & Co. Chartered Accountants having its office at 120, Building No. 6, Mittal Industrial Estate, Andheri Kurla Road, Andheri (East), Mumbai, have confirmed, by way of their certificate dated August 19, 2016, that the PAC has sufficient means and capability for the purpose of meeting their obligations under the Open Offer.

10. The Acquirer and the PAC have, by certificates dated August 19, 2016, given undertakings to the Manager to the Open Offer to meet their financial obligations under this Offer.

11. Based on the above, the Manager is satisfied that firm arrangements have been put in place by the Acquirer and the PAC to fulfill their obligations in relation to this Offer through verifiable means in accordance with the SEBI (SAST) Regulations.

VI. TERMS AND CONDITIONS OF THE OFFER

A. Operational Terms and Conditions

1. In terms of the tentative schedule of activities, the Tendering Period for the Offer is expected to commence on November 22, 2016 and is expected to close on December 5, 2016.

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

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

4. The Identified Date for this Offer as per the tentative schedule of activities is November 7, 2016.

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

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

7. The Target Company has no Equity Shares which are locked-in.

B. Eligibility for accepting the Offer

1. The Letter of Offer shall be sent to all Public Shareholders holding Equity Shares whose names appear in the register of the Target Company or the register of beneficial owners maintained by the Depository under Section 11 of the Depositories Act, 1996 on the Identified Date.

2. All Public Shareholders, registered or unregistered, who own Equity Shares and are able to tender such Equity Shares in this Offer at any time before the closure of the Tendering Period are eligible (subject to paragraphs 2 and 3 of Part VI.C- Statutory and Other Approvals – below) to participate in this Offer.

3. The Public Announcement together with the Corrigendum to Public Announcement, the Detailed Public Statement, the Letter of Offer and the Form of Acceptance-cum-Acknowledgement will also be available on SEBI's website (www.sebi.gov.in). In case of non-receipt of the Letter of Offer, Public Shareholders, including those who have acquired Equity Shares after the Identified Date, if they so desire, may download the Letter of Offer or the Form of Acceptance-cum-Acknowledgement from SEBI's website.

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

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

6. The Acquirer / PACs reserve the right to revise the Offer Price upwards before the commencement of the last 3 (three) Working Days prior to the commencement of the Tendering Period, i.e., up to November 17, 2016, in accordance with the SEBI (SAST) Regulations and the revision, if any, in the Offer Price would be announced in the same newspapers where the DPS was published. The Acquirer / PACs would pay such revised price for all the Equity Shares validly tendered at any time during the Offer and accepted under the Offer in accordance with the terms of the DPS and the LoF.

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

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

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

C. Statutory and Other approvals

1. To the best of the knowledge of the Acquirer and the PAC, there are no statutory or other approvals required to complete the acquisition of the Offer Shares as on the date of this Letter of Offer, except as set out below. If, however, any other statutory or other approval becomes applicable prior to completion of the Offer, the Offer would also be subject to such other statutory or other approval(s).

2. NRI and OCB Shareholders, if any, must obtain all requisite approvals required to tender the Equity Shares held by them, in this Offer and submit such approvals along with the documents required to accept this Offer.

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

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

5. Subject to the receipt of statutory and other approvals, the Acquirer and PAC shall complete all procedures relating to this Offer within 10 (ten) working days from the date of closure of the Tendering Period in respect of those Public Shareholders whose shares are validly tendered and accepted for acquisition by the Acquirer and PAC, provided that where the statutory approvals extend to some but not all holders of Equity Shares, the Acquirer and PAC have the option to make payment to such holders of Equity Shares in respect of whom no statutory approvals are required to complete this Offer.

6. In case of delay/non-receipt of any statutory approvals which may be required by the Acquirer or PAC at a later date, as per Regulation 18(11) of the SEBI (SAST) Regulations, SEBI may, if satisfied that non-receipt of the requisite approvals was not attributable to any willful default, failure or neglect on the part of the Acquirer/PAC to diligently pursue such approvals, grant extension of time for the purpose of completion of this Offer, subject to the Acquirer and/ or the PAC agreeing to pay interest to the Public Shareholders as directed by SEBI in terms of Regulation 18(11) of the SEBI (SAST) Regulations, to the Acquirer and the PAC to make the payment of the consideration to the Public Shareholders whose Equity Shares have been accepted in the Offer.

7. If any of the statutory approvals specified in the Detailed Public Statement or those which become applicable prior to completion of the Offer are not received, or in the event the statutory approvals are refused, the Acquirer and PAC shall have the right to withdraw this Offer in terms of Regulation 23 of the SEBI (SAST) Regulations. In the event of such withdrawal, an announcement will be made by the Acquirer and PAC (through the Manager) within 2 (two) working days of such withdrawal, in the same newspapers in which the DPS has been published and such announcement will also be sent to SEBI, BSE and the registered office of the Target Company.

VII. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER

1. The Offer is made to the Public Shareholders as defined in this LoF. While the LoF shall be dispatched to the Public Shareholders of the Target Company whose name appears in the register of members and the register of beneficial owners maintained by the Depository under section 11 of the Depositories Act, 1996 as of the Identified Date, all Public Shareholders of the Target Company may (subject to paragraphs 2 and 3 of Part VI. C – Statutory and Other Approvals – above) tender their Equity Shares in the Offer. Accordingly, all Public Shareholders, whether holding Equity Shares in dematerialized form or physical form, registered or unregistered, are eligible to participate in this Offer at any time during the Tendering Period (subject to paragraphs 2 and 3 of Part VI. C – Statutory and Other Approvals) above. No indemnity is needed from unregistered Public Shareholders.

2. This Offer will be implemented through a Stock Exchange Mechanism made available by the Stock Exchanges in the form of a separate window ("**Acquisition Window**") as provided under the SEBI (SAST) Regulations and SEBI circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015.

3. BSE shall be the Designated Stock Exchange for the purpose of tendering Equity Shares in this Offer.

4. The facility for acquisition of shares through Stock Exchange Mechanism pursuant to the Offer shall be available on the BSE in the form of an Acquisition Window.

5. The Acquirer/ PAC have appointed HSBC Securities and Capital Markets (India) Private Limited ("**Buying Broker**") for this Offer through whom the purchases and settlement of the Equity Shares tendered in this Offer shall be made.

6. The contact details of the Buying Broker are set out below:
   HSBC Securities and Capital Markets (India) Private Limited
   52/60 Mahatma Gandhi Road,
   Fort,
   Mumbai- 400001
   Contact person: Nilesh Pravinchandra Mehta; Tel: +91 22 4112 6516.

7. All Public Shareholders who desire to tender their Equity Shares under this Offer would have to intimate their respective stock brokers ("**Selling Broker**") within the normal trading hours of the secondary market, during the Tendering Period.

8. The cumulative quantity tendered shall be displayed on the exchange website throughout the trading session at specific intervals by the BSE during the Tendering Period.

9. Public Shareholders can tender their shares only through a broker with whom the Public Shareholder is registered as client (KYC Compliant).

10. **Procedure to be followed by Public Shareholders holding shares in the dematerialized form:**
    (i) The Public Shareholders who are holding the Equity Shares in demat form and who desire to tender their Equity Shares in this Offer shall approach their Selling broker indicating to their Selling Broker the details of Equity Shares they intend to tender in Open Offer.

    (ii) The Selling Broker shall provide early pay-in of demat shares (except for custodian participant orders) to the Clearing Corporation before placing the orders and the same shall be validated at the time of order entry.

    (iii) The Seller member would be required to transfer the number of Equity Shares by using the settlement number and the procedure prescribed by the Clearing Corporation for the transfer of Equity Shares to the Special Account of the Clearing Corporation before placing the bids / order and the same shall be validated at the time of the order entry. The details of the

Special Account of Clearing Corporation shall be informed in the issue opening circular that will be issued by BSE / Clearing Corporation.

(iv) For custodian participant, orders for demat Equity 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 close of trading hours on the last day of the Offer Period. Thereafter, all unconfirmed orders shall be deemed to be rejected.

(v) The details of settlement number for early pay-in of Equity Shares shall be informed in the issue opening circular that will be issued by BSE / Clearing Corporation, before the opening of the Offer.

(vi) Upon placing the order, the Selling Broker(s) shall provide transaction registration slip ("**TRS**") generated by the exchange bidding system to the Public Shareholder. TRS will contain details of order submitted like bid ID No., depository participant ("**DP**")ID, client ID, no. of Equity Shares tendered etc.

(vii) The Public Shareholders will have to ensure that they keep the DP account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Open Offer.

(viii)The Public Shareholders holding Equity Shares in demat mode are not required to fill any Form of Acceptance-cum-Acknowledgement. The Public Shareholders are advised to retain the acknowledged copy of the TRS till the completion of Offer Period.

11. **Procedure to be followed by Public Shareholders holding Equity Shares in the physical form**:

(i) Public Shareholders who are holding physical Equity Shares and intend to participate in the Offer will be required to approach their respective Selling Broker along with the complete set of documents for verification procedures to be carried out including the:

a. Form of Acceptance-cum-Acknowledgement duly signed (by all Equity Shareholders in case shares are in joint names) in the same order in which they hold the Equity Shares;

b. Original share certificates;

a. Valid share transfer deed(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 ;

b. Self-attested copy of the Public Shareholder's PAN Card (in case of joint holders, PAN card copy of all transferors);

c. Any other relevant documents such as (but not limited to):
    - Duly attested power of attorney if any person other than the Equity Shareholder has signed the relevant Form of Acceptance-cum-Acknowledgement;
    - Notarized copy of death certificate / succession certificate or probated will, if the original Public Shareholder has deceased
    - Necessary corporate authorisations, such as Board Resolutions etc., in case of companies

f. In addition to the above, if the address of the Public Shareholder has undergone a change from the address registered in the register of members of the Target Company, the Public Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: Valid Aadhar Card, Voter Identity card or Passport.

(ii) Selling Broker should place order on the Acquisition Window with relevant details as mentioned on the physical share certificate(s). Upon placing the order, the Selling Broker shall provide a TRS generated by the exchange bidding system to the Shareholder. TRS will contain the details of order submitted like folio no., certificate no., distinctive no., no. of Equity Shares tendered etc.

(iii) After placement of order, the Selling Broker must ensure delivery of the Form of Acceptance-cum-Acknowledgement, TRS, original share certificate(s), valid share transfer form(s) and other documents (as detailed above) either by registered post or courier or hand delivery to the Registrar to the Offer (at the address mentioned on the cover page not later than 2 (two) days from the Offer Closing Date (by 5 PM). The envelope should be superscribed as "MULTIBASE INDIA LIMITED – OPEN OFFER". One copy of the TRS will be retained by Registrar to the Offer and it will provide acknowledgement of the same to the Selling Broker.

(iv) Public Shareholders holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the physical Equity Shares by the Acquirer shall be subject to verification as per the SEBI (SAST) Regulations and any further directions issued in this regard. Registrar to the Offer will verify such orders based on the documents submitted on a daily basis and till such time the BSE shall display such orders as "unconfirmed physical bids". Once, Registrar to the Offer confirms the orders it will be treated as "Confirmed Bids".

(v) In case any Public Shareholder has submitted Equity Shares in physical form for dematerialisation, such Public Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Offer before the Offer Closing Date.

12. Modification / Cancellation of orders will not be allowed during the period the Offer is open.

13. **Procedure for tendering the shares in case of non-receipt of Letter of Offer**:

(i) Persons who have acquired Equity Shares but whose names do not appear in the register of members of the Target Company and the register of beneficial owners maintained by the Depository under section 11 of the Depositories Act, 1996 on the Identified Date, or unregistered owners or those who have acquired Equity Shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Offer.

(ii) A Public Shareholder may participate in the Offer by approaching their Selling Broker and tender Equity Shares in the Open Offer as per the procedure mentioned in this Letter of Offer or in the Form of Acceptance–cum-Acknowledgement.

(iii) The Letter of Offer along with Form of Acceptance cum-Acknowledgement will be dispatched to all the Public Shareholders of the Target Company as of the Identified Date.

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

(v) Alternatively, in case of non-receipt of the Letter of Offer, Public Shareholders holding Equity Shares in the Target Company may participate in the Offer by providing their application in plain paper in writing signed by the Public Shareholder (signed by all joint holders in case Equity Shares are jointly held), stating name, address, number of shares held, client ID number, DP name, DP ID number, number of Equity Shares tendered and other relevant documents such as physical share certificate and Form SH-4 in case of Equity Shares being held in physical form.

(vi) Such Public Shareholders have to ensure that their order is entered in the electronic platform to be made available by BSE before the closure of the Offer.

14. Accidental omission of non-receipt of this Letter of Offer by, or accidental omission to dispatch the Letter of Offer to any Public Shareholder, shall not invalidate the Offer in any way.

15. The settlement of fund obligation for demat and physical Equity Shares shall be effected through existing settlement accounts of Selling Broker. The payment will be made to the Buying Broker for settlement.

16. For Equity Shares accepted under the Open Offer, the Selling Broker / custodian participant will receive funds payout in their settlement bank account.

17. The Selling Brokers / custodian participants would pay the consideration to their respective clients. The funds received from Buying Broker by the Clearing Corporation will be released to the Selling Broker(s) as per secondary market pay-out mechanism.

18. Public Shareholders who intend to participate in the Offer should consult their respective Selling Broker for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Selling Broker upon the Public Shareholders for tendering Equity Shares in the Offer (secondary market transaction).

19. The consideration received by the Public Shareholders from their respective Selling Broker, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Acquirer/PAC accept no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Public Shareholder.

VIII. NOTE ON TAXATION

THE SUMMARY OF THE TAX CONSIDERATIONS IN THIS SECTION ARE BASED ON THE CURRENT PROVISIONS OF THE TAX LAWS OF INDIA AND THE REGULATIONS THEREUNDER, THE JUDICIAL AND THE ADMINISTRATIVE INTERPRETATIONS THEREOF, WHICH ARE SUBJECT TO CHANGE OR MODIFICATION BY SUBSEQUENT LEGISLATIVE, REGULATORY, ADMINISTRATIVE OR JUDICIAL DECISIONS. ANY SUCH CHANGES COULD HAVE DIFFERENT TAX IMPLICATIONS.

IN VIEW OF THE PARTICULARISED NATURE OF TAX CONSEQUENCES, SHAREHOLDERS ARE REQUIRED TO CONSULT THEIR TAX ADVISORS FOR THE APPLICABLE TAX PROVISIONS INCLUDING THE TREATMENT THAT MAY BE GIVEN BY THEIR RESPECTIVE TAX OFFICERS IN THEIR CASE, AND THE APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE.

THE ACQUIRER, PAC OR MANAGER DO NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR OTHERWISE OF SUCH ADVICE. THEREFORE, SHAREHOLDERS CANNOT RELY ON THIS ADVICE AND THE SUMMARY TAX IMPLICATIONS RELATING TO THE TREATMENT OF INCOME TAX SET OUT BELOW SHOULD BE TREATED AS INDICATIVE AND FOR GUIDANCE PURPOSES ONLY.

1. **Capital gains:**
   Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 (twelve) months will not be subject to capital gains tax in India if STT has been paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the equity shares are sold. Further, any gain realised on the sale of listed equity shares held for a period of 12 (twelve) months or less, which are sold will be subject to short term capital gains tax provided the transaction is chargeable to STT.

2. **Tax Deduction at Source:**
   (i) In case of Resident Shareholders:
   In absence of any specific provision under the Income Tax Act, the Acquirer/ PAC shall not deduct tax on the consideration payable to resident shareholders pursuant to the said Offer.
   (ii) In the case of Non Resident Shareholders:
   Since the Offer is through the stock exchange, the responsibility of discharge of the tax due on the gains (if any) is on the non-resident shareholder. It is therefore recommended the non-resident shareholder may consult their custodians/ authorised dealers/ tax advisors appropriately.

IX. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection by Public Shareholders at the office of the Manager at 6th floor, HSBC Building, 52/60, Fort, Mumbai -400001, on any Working Day (except Saturdays and Sundays) during the period from the date of commencement of the Tendering Period until the date of expiry of the Tendering Period.

1. Copy of the certificate of incorporation, memorandum of association and articles of association or equivalent constitutional documents of the Acquirer and the PAC.

2. Certificate dated August 19, 2016 from Bansal Bansal & Co. Chartered Accountants having their office at 120, Building No. 6, Mittal Industrial Estate, Andheri Kurla Road, Andheri (East), Mumbai – 400 059, certifying that the PAC has adequate financial resources to meet their obligations under this Offer.

3. Copy of audited consolidated financial statements for the Acquirer and the PAC for the years ended December 31, 2013, December 31, 2014 and December 31, 2015, and interim unaudited consolidated financial statements for three months ended March 31, 2016, which have been subject to limited review.

4. Copy of annual report and audited financial statements of the Target for the three financial years ending on March 31, 2014, March 31, 2015 and March 31, 2016, and interim unaudited financial statements for three months ended June 30, 2016, which have been subject to limited review.

5. Letter dated August 22, 2016 from the Open Offer Escrow Agent confirming the receipt of the cash deposit in the Open Offer Escrow Account.

6. BG issued by Sumitomo Mitsui Banking Corporation in favour of the Manager.

7. Certified true copy of the 8-K filing report dated 10 December 2015 which contains the execution version of the agreement for the primary Transaction.

8. Copy of Public Announcement submitted to BSE on August 19, 2016 together with Corrigendum to Public Announcement submitted on August 26, 2016.

9. Copy of the Detailed Public Statement published by the Managers on behalf of the Acquirer and the PAC on August 25, 2016.

10. Copy of the Offer Opening Public Announcement published by the Manager on behalf of the Acquirer and the PAC on November 21, 2016.

11. Published copy dated [•] of the recommendation made by the committee of the independent directors of the Target Company in relation to the Offer.

12. SEBI observation letter no. CFD/DCR/OW/2016/30191 dated November 3, 2016 on the Draft Letter of Offer.

13. Open Offer Escrow Agreement dated August 19, 2016, between the Acquirer, the PAC, the Manager and the Open Offer Escrow Agent.

X. DECLARATION BY THE ACQUIRER AND THE PAC

1. The Acquirer and the PAC and their respective directors accept full responsibility for the information contained in the LoF (other than such information as has been obtained from public sources or provided or confirmed by the Target Company).

2. The Acquirer and the PAC also accept full responsibility for their obligations under the Offer and shall be jointly and severally liable for ensuring compliance with the SEBI (SAST) Regulations.

3. The person(s) signing this LoF are duly and legally authorized by the Acquirer and the PAC, as applicable, to sign the LoF.

SIGNED FOR AND ON BEHALF OF MULTIBASE S.A.

Sd/-

Authorized Signatory

Place: France
Date: November 9, 2016

SIGNED FOR AND ON BEHALF OF DOW CORNING CORPORATION

Sd/-

Authorized Signatory

Place: United States
Date: November 9, 2016

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT

(FOR EQUITY SHARES HELD IN PHYSICAL FORM BEING TENDERED)

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

All Public Shareholders holding Equity Shares in physical form are required to fill this Form of Acceptance-Cum-Acknowledgement and send this form along with the enclosures to their respective broker.
Capitalized terms and expressions used herein but not defined shall have the same meaning as ascribed to them in the Letter of Offer

(Broker to send this form with TRS and enclosures to Link Intime India Private Limited at the correspondence address mentioned below)

Folio No.:
Name:

Address:

Zip / Pin Code:

Principal Place of Business:

TENDERING PERIOD FOR THE OFFER	
OPENS ON	Tuesday, November 22, 2016
CLOSES ON	Monday, December 5, 2016

Tel No. (including ISD Code): **Fax No.:** **Email:**

To,	Status of the Public Shareholder (Please tick whichever is applicable)			
Link Intime India Private Limited C-13, Pannalal Silk Mills Compound LBS Marg, Bhandup (West), Mumbai – 400 078 Tel No.: +91 22 6171 5400 Fax No.: +91 22 2596 0329 Email: multibase.offer@linkintime.co.in Contact Person: Mr. Ganesh Mhatre	☐ Individual	☐ Company	☐ FII / FPI - Corporate	☐ FII / FPI - Others
	☐ QFI	☐ FVCI	☐ Partnership / Proprietorship firm / LLP	☐ Private Equity Fund
	☐ Pension / Provident Fund	☐ Sovereign Wealth Fund	☐ Foreign Trust	☐ Financial Institution
	☐ NRIs / PIOs - repatriable	☐ NRIs / PIOs - non-repatriable	☐ Insurance Company	☐ OCB
	☐ Domestic Trust	☐ Banks	☐ Association of person / Body of individual	☐ Any others, please specify:__________________

Dear Sir / Madam,

Sub:
OPEN OFFER (THE "OPEN OFFER" OR "OFFER") FOR ACQUISITION OF UP TO 3,155,006 (THREE MILLION ONE HUNDRED FIFTY-FIVE THOUSAND AND SIX ONLY) FULLY PAID UP EQUITY SHARES OF FACE VALUE OF INR 10 (RUPEES TEN) EACH ("EQUITY SHARES"), REPRESENTING 25% (TWENTY FIVE PERCENT) OF THE FULLY DILUTED VOTING EQUITY SHARE CAPITAL ("VOTING SHARE CAPITAL") OF MULTIBASE INDIA LIMITED ("TARGET COMPANY" OR "TARGET") FROM THE PUBLIC SHAREHOLDERS OF THE TARGET BY MULTIBASE S.A. (THE "ACQUIRER") ALONG WITH DOW CORNING CORPORATION ("DCC" OR "PAC") IN ITS CAPACITY AS A PERSON ACTING IN CONCERT WITH THE ACQUIRER

I / We refer to the Letter of Offer dated November 10, 2016, for acquiring the Equity Shares held by me / us in Multibase India Limited. Capitalised terms not defined here shall have the meanings ascribed to them under the Letter of Offer.

I / We, the undersigned, have read the Public Announcement, the Corrigendum to Public Announcement, the Detailed Public Statement and the Letter of Offer and understood its contents and unconditionally accepted the terms and conditions as mentioned therein.

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

Sr. No.	Folio No.	Certificate No.	Distinctive Nos.		No. of Equity Shares
			From	To	
Total No. of Equity Shares					

Please attach additional sheets of paper and authenticate the same if the space is insufficient.

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

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

I / We also note and understand that the obligation on the Acquirer and the PAC to pay the purchase consideration arises only after verification of the certification, documents and signatures submitted along with this Form of Acceptance-cum-Acknowledgment by the Public Shareholders.

I / We confirm that there are no tax or other claims pending against us which may affect the legality of the transfer of Equity Shares or render the transfer of Equity Shares void or voidable against taxes under the Income Tax Act, 1961. I / We are not debarred from dealing in Equity Shares.

I / We confirm that in the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided / to be provided by me / us, I / we will indemnify the Acquirer and the PAC for such income tax demand (including interest, penalty, etc.) and pay the same when due directly to the tax authorities and provide the Acquirer and the PAC with all information / documents that may be necessary and co-operate in any proceedings before any income tax / appellate authority.

I / We note and understand that the original share certificate(s) and valid share transfer deed will be held in trust for me / us by the Registrar to the Offer until the time the Acquirer and the PAC pay the purchase consideration as mentioned in the Letter of Offer. I / We also note and understand that the Acquirer and the PAC will pay the purchase consideration only after verification of the documents and signatures.

I / We authorise the Acquirer and the PAC to accept the Equity Shares so offered or such lesser number of Equity Shares which they may decide to accept in consultation with the Manager to the Offer and in terms of the Letter of Offer and I / we further authorize the Acquirer and the PAC to return to me / us, share certificate(s) in respect of which the offer is not found valid / not accepted without specifying the reasons thereof.

I / We authorize the Acquirer and the PAC to split / consolidate the share certificates comprising the Equity Shares that are not acquired to be returned to me / us and for the aforesaid purposes the Acquirer and the PAC is hereby authorized to do all such things and execute such documents as may be found necessary and expedient for the purpose.

I / We agree to indemnify and keep harmless the Acquirer and the PAC against any loss, damages, harm, costs, charges and expenses (including reasonable legal fees at actuals) by reason of any pledged Equity Shares tendered by me / us being purchased by the Acquirer and the PAC including, but not limited to, any breach of the abovementioned representation and warranty.

PUBLIC SHAREHOLDERS AND THEIR SELLING BROKERS ARE REQUESTED TO NOTE THAT THE FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT / EQUITY SHARES THAT ARE RECEIVED BY THE REGISTRAR AFTER THE CLOSE OF THE OFFER i.e. DECEMBER 5, 2016, SHALL NOT BE ACCEPTED UNDER ANY CIRCUMSTANCES AND HENCE ARE LIABLE TO BE REJECTED.

Yours faithfully,

Signed and Delivered,

	Full name(s) of the holder	PAN	Signature(s)
First / Sole Holder			
Joint Holder 1			
Joint Holder 2			
Joint Holder 3			

Note: In case of joint holdings, all holders must sign. In case of body corporate, the company seal should be affixed and necessary Board resolutions should be attached.

Place: ____ Date: _______________________

---Tear along this line ---

Acknowledgement Slip **Multibase India Limited - Open Offer** **Sr. No. _______________**

Received from Mr. / Ms. / M/s.____

Address: ____

Physical shares: Folio No. _________________________

Stamp of Registrar to the Offer

Form of Acceptance-cum-Acknowledgement along with (Please put tick mark in the box whichever is applicable):

☐ Physical shares: No. of shares ______________; No. of certificates enclosed_______________; Share Transfer Form

☐ TRS No.

☐ Other documents (please specify)

Date of Receipt _______________________________ Signature of Official ________________________________
