24x32

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

Advertisement under Regulation 18(7) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

This advertisement (**"Offer Opening Public Announcement"**) is being issued by HSBC Securities and Capital Markets (India) Private Limited, the manager to the Offer (**"Manager"**) for and on behalf of Multibase S.A. (the **"Acquirer"**) and Dow Corning Corporation, person acting in concert with the Acquirer (**"DCC" or "PAC"**), in compliance with Regulation 18(7) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto (**"SEBI (SAST) Regulations"**) in respect of the open offer (**"Open Offer"**) to acquire up to 3,155,006 equity shares of Multibase India Limited (**"Target Company"**).

This Offer Opening Public Announcement is to be read together with and in continuation of (a) the Public Announcement dated August 19, 2016 (**"PA"**), (b) the Corrigendum to the Public Announcement dated August 25, 2016 (**"Corrigendum to the PA"**), (c) the Detailed Public Statement published on August 25, 2016 (**"DPS"**) as per the requirements of SEBI (SAST) Regulations in i) The Financial Express, English national daily – all editions, ii) Jansatta, Hindi national daily – all editions, iii) Vartaman Pravah (Gujarati-Daman edition), and iv) Mumbai Tarun Bharat (Marathi-Mumbai edition); and (d) the Letter of Offer dated November 9, 2016 (**"LoF"**).

Capitalized terms used herein but not specifically defined shall have the same meaning ascribed to such terms in the LoF.

1. The Offer Price is INR 245.65 (Rupees Two Hundred Forty Five and Paise Sixty Five Only) payable in cash in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations and subject to the terms and conditions mentioned in the PA, the Corrigendum to the PA, the DPS and the LoF. There has been no revision to the Offer Price.
2. The recommendation of the committee of independent directors (**"IDC"**) constituted by the Board of Directors of the Target Company was published on November 10, 2016 in the same newspapers in which the DPS was published. A corrigendum to the IDC's recommendations was published on November 18, 2016 in the same newspapers. Summary of the IDC's recommendations read with the corrigendum to IDC's recommendations is provided below:

a)	Members of the IDC	1. Mr. H.N. Motiwalla 2. Mr. Ashok Chhabra
b)	Recommendation on the Open Offer, as to whether the offer is fair and reasonable	The IDC is of the opinion that the Open Offer Price to the public shareholders of the Company is in accordance with the requirements of the SEBI(Substantial Acquisition of shares and Takeovers) Regulations, 2011 ("Takeover Code") and is fair and reasonable as on the Public Announcement date. However the shareholders should independently evaluate the offer and take their own informed decision.
c)	Summary of reasons for recommendation	The price Rs. 245.65 (Rupees Two Hundred Forty Five and Sixty Five Paise only) per Offer Share (the "**Offer Price**") comprises an offer price of Rs. 229.31 (Rupees Two Hundred Twenty Nine and Thirty One Paise only) determined in accordance with Regulation 8(3) of the SEBI (SAST) Regulations and an enhancement of Rs.16.34 (Rupees Sixteen and Thirty Four paise only) per Offer Share, that is, 10% (ten per cent) per annum for the period between December 10, 2015 and August 25, 2016, the date on which the detailed public statement ("**DPS**") was published, in accordance with Regulation 8(12) of the SEBI (SAST) Regulations. Based on the review of Public Announcement dated August 19, 2016, Detailed Public Statement published on August 25, 2016, Draft Letter of Offer dated September 1, 2016 and the report issued by M/s Manubhai & Shah LLP, Chartered Accountants the IDC members are of the opinion that the Offer Price of Rs. 245.65 offered by the Acquirer is fair and reasonable in terms of regulations 8(1) and 8(3) of the SEBI (SAST) Regulations, 2011.
d)	Details of Independent Advisors, if any	Manubhai & Shah LLP, Chartered Accountants, Firm Registration No.: 106041W / W100136

3. The Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
4. There has been no competing offer to the Offer.
5. The LoF was dispatched on November 15, 2016 to the Public Shareholders of the Target Company, holding Equity Shares in physical and / or dematerialized form as on the Identified Date (November 07, 2016).
6. Public Shareholders are required to refer to Section VII of the LoF (*Procedure for Acceptance and Settlement of the Offer*) in relation to *inter- alia* the procedure for tendering their Equity Shares in the Open Offer and are required to adhere to and follow the procedure outlined therein.
7. Please note that the LoF along with the Form of Acceptance-cum-Acknowledgement is also available on the website of the Securities and Exchange Board of India ("**SEBI**") at http://www.sebi.gov.in/ and Public Shareholders can also apply by downloading such forms from SEBI's website. Further, in case of non-receipt/non-availability of the Form of Acceptance-cum-Acknowledgement, the application can be made on plain paper along with the following details:
   a. **In case of Equity Shares held in physical form**: Public Shareholders holding Equity Shares in physical form may participate in the Open 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 the name, address, number of Equity Shares held along with details of share certificates, registered folio number, number of Equity Shares tendered pursuant to the Open Offer and details thereof along with other relevant documents such as physical share certificates and Form SH-4.
   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 Open Offer.
   b. **In case of Equity Shares held in dematerialised form**: Public Shareholders with Equity Shares held in dematerialised form may participate in the Open Offer by approaching their broker indicating the details of Equity Shares they intend to tender in Open Offer. The Equity Shareholders holding Equity Shares in dematerialised form are not required to fill any Form of Acceptance-cum-Acknowledgement.
8. In terms of Regulation 16(1) of the SEBI (SAST) Regulations, 2011, the draft letter of offer was submitted to SEBI on September 1, 2016 ("**Draft Letter of Offer**"/ "**DLoF**"). SEBI vide its letter bearing reference number CFD/DCR/OW/2016/30191, dated November 3, 2016 issued its comments/observations ("**SEBI Observations**") on the DLoF in terms of Regulation 16(4) of SEBI (SAST) Regulations. The SEBI Observations have been incorporated in the LoF. The SEBI Observations also provide that a corrigendum should be issued prior to the Offer highlighting changes made in the Draft Letter of Offer as compared to the DPS. Such changes have been highlighted/ incorporated in paragraph 9 below in compliance with the SEBI Observations.
9. The Public Shareholders of the Target Company are requested to note the following information in relation to the Offer:
   (i) As provided in the DPS, the DLoF and the LoF, there has been a delay of 163 working days in terms of Regulation 13(2)(e) of the SEBI (SAST) Regulations in filing the PA with the BSE, and 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. 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 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.
   (ii) The PAC – DCC was held 100% by Dow Holdings LLC which was in turn a wholly owned subsidiary of The Dow Chemical Company. Dow Holdings LLC merged into The Dow Chemical Company with effect from October 26, 2016 and accordingly DCC has now become a wholly owned subsidiary of The Dow Chemical Company.
   (iii) The Acquirer has complied with 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.
   (iv) 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) 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.
   Consequent to the above, Paragraphs 1.8 and 4.8 in the DPS, and relevant paragraphs in the DLoF stand amended and shall be read as follows:
   "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."
   (vi) 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.
   (vii) It was disclosed in paragraph 5.12 of the DPS and in paragraph 3 of "Objects of the Offer" in the DLoF that:
   "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 (including the disposal of specific product portfolios/lines of the Target Company pursuant to the broader strategy of the Dow Group) 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 (including the disposal of specific product portfolios/lines of the Target Company pursuant to the broader strategy of the Dow Group) 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"
   Pursuant to the SEBI Observations, the statement "(*including the disposal of specific product portfolios/lines of the Target Company pursuant to the broader strategy of the Dow Group)*" stands deleted and the above paragraph reads as below:
   "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."
10. There have been no material changes to the Offer since the date of the PA, save as disclosed in the PA, the Corrigendum to the PA, the DPS, the LoF, and as disclosed in paragraph 9 above.
11. 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 Equity Shares validly tendered pursuant to the Offer. However if, any other statutory or other approval(s) become applicable prior to completion of the Offer, the Offer would also be subject to such other statutory or other approval(s).

Schedule of Activities

The schedule of major activities under the Open Offer is as follows:

Activity	Schedule of activities	
	Original	Revised
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 Open Offer)	Monday, September 26, 2016	Thursday, November 3, 2016*
Identified Date #	Wednesday, September 28, 2016	Monday, November 7, 2016
Last date for dispatch of LOF to the Public Shareholders whose name appeared 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 the 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 the 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 as mentioned in paragraph 2 under Part VI section B of the LoF, all the Public Shareholders (registered or unregistered) of the Target Company are eligible to participate in the Open Offer at any time prior to the expiry of the Tendering Period.

**Actual date of receipt of SEBI comments/observations.*

The Acquirer and the PAC accept full responsibility for the information contained in this Offer Opening Public Announcement and also accept responsibility for the obligations of the Acquirer laid down under the SEBI (SAST) Regulations. This Offer Opening Public Announcement is expected to be made available on the SEBI website at http://www.sebi.gov.in.

Issued by: the Manager to the Open Offer on behalf of the Acquirer and PAC

HSBC

HSBC Securities and Capital Markets (India) Private Limited
52 / 60, MG Road, Fort, Mumbai, 400 001
Tel: +91 22 6628 3899 / +91 22 2268 1255
Fax: +91 22 4914 6215/ 6216
Email: multibase.openoffer@hsbc.co.in
Contact Person: Ms. Shreye Mirani / Mr. Rishabh Rajesh Garg
SEBI Registration Number: INM000010353

Place: Mumbai
Date: November 21, 2016