DRAFT LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

Open Offer (the "Offer") by

Wilmar Sugar Holdings Pte. Ltd. ("Acquirer 1")

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

And

SRS Investments Pte. Ltd. ("Acquirer 2")

having its registered office at 79 Robinson Road, #16-01 CPF Building, Singapore - 068897, Telephone: +65 6223 8255; Fax: +65 6221 1568

along with the persons acting in concert

Wilmar International Limited ("PAC 1")

having its registered office at 56 Neil Road, Singapore - 088830, Telephone: +65 6216 0244; Fax: +65 6836 1709

Current Promoter Group (as defined elsewhere in this Draft Letter of Offer) ("PAC 2")

(PAC 1 and PAC 2 shall individually be referred to as a "**PAC**" and together referred to as the "**PACs**")

to acquire (in aggregate) a maximum of 243,161,683 (Two hundred and forty three million one hundred and sixty one thousand six hundred and eighty three) fully paid-up equity shares of the face value of Re 1 (Rupee One) each ("**Shares**") representing 26% (twenty six per cent) of the Emerging Voting Share Capital (as defined elsewhere in this Draft Letter of Offer) ("**Offer Size**") from the Public Shareholders

of

Shree Renuka Sugars Limited (the "Target Company")

having its registered office at BC 105, Havelock Road, Camp, Belgaum – 590001, Karnataka, India, Telephone: +91 831 240 4000; Fax: +91 831 246 9891

at a price of Rs 21.89 (Rupees Twenty one and eighty nine paise) per Share (the "Offer Price") payable in cash pursuant to the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (as amended) (the "SEBI (SAST) Regulations").

Notes:

1. The Offer is being made by the Acquirers and the PACs pursuant to Regulations 3(1), 3(2) and 4 and other applicable regulations of the SEBI (SAST) Regulations.
2. The Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of the SEBI (SAST) Regulations.
3. The Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
4. The Offer is subject to the following statutory approvals:
   i. Receipt of the approval of the Competition Commission of India ("**CCI**") under the provisions of the Competition Act, 2002 and the CCI Regulations or the expiry of any statutory time period on the expiry of which such approval is deemed to have been granted;
   ii. Receipt of the approval of Conselho Administrativo de Defesa Econômica (CADE) (Brazilian antitrust authority) or the expiry of any statutory time period on the expiry of which such approval is deemed to have been granted;
   iii. Receipt of the approval from the Foreign Investment Promotion Board ("**FIPB**") in connection with the investment made by the Target Company in National Commodity & Derivatives Exchange Limited ("**NCDEX**") provided that no such approval shall be necessary in the event, (a) the Target Company ceases to be a shareholder of more than five percent (5%) of the equity shares of NCDEX; or (b) any clarification or any change in applicable law, either by way of a circular or notification or letter or any in other manner is issued by any Governmental Authority including the FIPB or Reserve Bank of India or the ministry of commerce and industry whereby it is clarified that no approval of the FIPB is necessary for the Target Company to continue holding its current investment in NCDEX even after completion of the Preferential Allotment; and
   iv. In-principle approval from the stock exchanges for listing of the Subscription Shares (as defined elsewhere in this Draft Letter of Offer).
5. The acquisition of Shares tendered in the Offer by non-resident Indians ("**NRIs**") and overseas corporate bodies ("**OCBs**") is subject to receipt of approval from the Reserve Bank of India (the "**RBI**"). NRIs and OCBs tendering Shares in the Offer must obtain all requisite approvals required to tender the Shares held by them, in this Offer (including without limitation the approval from RBI, since the Shares validly tendered in this Offer will be acquired by non-resident entities) and submit such approvals along with the Form of Acceptance-cum-Acknowledgement (as defined under the head of Key Definitions) and other documents required to accept this Offer. Further, if holders of

Shares who are not persons resident in India including NRIs, OCBs and the FII's (each as defined under the head of Key Definitions) had required any approvals (including from the FIPB or any other regulatory body) in respect of the Shares held by them, they will be required to submit such previous approvals that they would have obtained for holding the Shares, along with the other documents required to be tendered to accept this Offer. If the approvals mentioned above, as may be applicable, are not submitted, the Acquirers and the PACs reserve the right to reject such Shares tendered in this Offer.

6. Upward revision, if any, in the Offer Price and/or Offer Size in accordance with the SEBI (SAST) Regulations shall be informed by way of a public announcement in the same newspapers where the Detailed Public Statement in relation to this Offer appeared. Such revision in the Offer Price, if any, would be applicable to all the Shares validly tendered anytime during the Tendering Period.
7. There are no competing offers as of the date of this Draft Letter of Offer.
8. A copy of the Public Announcement, the Detailed Public Statement and this Draft Letter of Offer (including the Form of Acceptance-cum-Acknowledgment) are also available on the website of the Securities and Exchange Board of India (the "**SEBI**"): www.sebi.gov.in.

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
Standard Chartered **Standard Chartered Bank** **SEBI Registration #:** INM000010817 **Address**: 7/F, Crescenzo, BKC, Bandra (E), Mumbai – 400 051 **Tel**: +91 22 6115 9014 **Fax**: +91 22 6115 7600 **Email**: RenukaOpenOffer@sc.com **Website**: www.sc.com **Contact Person**: Nalin Rana	KARVY Computershare **Karvy Computershare Private Limited** **SEBI Registration #**: INR000000221 **Address**: Plot No 17 to 24, Vithalrao Nagar, Hi-Tech City Road, Madhapur, Hyderabad – 500 081 **Tel**: +91 40 2342 0818-828 **Fax**: +91 40 2343 1551 **Email**: murali.m@karvy.com **Website**: www.karvycomputershare.com **Contact Person**: Mr. M. Muralikrishna

SCHEDULE OF MAJOR ACTIVITIES RELATING TO THE OFFER

ACTIVITY	SCHEDULE (DAY AND DATE)
Issuance of the PA (as defined below)	Thursday, February 20, 2014
Publication of the DPS (as defined below) in the newspapers	Friday, February 28, 2014
Filing of this Draft Letter of Offer with SEBI	Friday, March 07, 2014
Last date for the public announcement of a competing offer being made[1]	Monday, March 24, 2014
Last date for receipt of comments from SEBI on the draft Letter of Offer (in the event SEBI has not sought clarification or additional information from the Manager to the Offer)	Tuesday, April 01, 2014
Identified Date[2]	Wednesday, April 02, 2014
Last date by which the Letter of Offer is required to be dispatched to the Public Shareholders (as defined below)	Friday, April 11, 2014
Last date for upward revision of the Offer Price/Offer Size	Tuesday, April 15, 2014
Last day by which the independent committee of the board of directors of the Target Company shall give its recommendation[3]	Wednesday, April 16, 2014
Last date of publication of the Offer opening Public Announcement	Thursday, April 17, 2014
Date of commencement of the Tendering Period (Offer Opening Date)	Monday, April 21, 2014
Date of expiry of the Tendering Period (Offer Closing Date)	Monday, May 05, 2014
Date by which all requirements including payment of consideration would be completed	Tuesday, May 20, 2014
Last date for publication of post-Offer public announcement in the newspapers in which the DPS has been published	Tuesday, May 27, 2014

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

Note: Duly signed Form of Acceptance-cum-Acknowledgment/transfer deed(s) together with share certificate(s) (in case of physical shares) or copies of delivery instruction slips (in case of dematerialized shares) should be dispatched by registered post/courier or hand delivered to the Registrar to the Offer or its collection centers so as to reach on or before Closure of the Tendering Period (i.e., before Monday, May 05, 2014).

RISK FACTORS

The risk factors set forth below pertain only to the Offer and are not intended to be a complete analysis of all risks in relation to the Offer or in association with the Acquirers, the PACs or the Target Company, but are only indicative. The risk factors set forth below do not relate to the present or future business or operations of the Target Company and any other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a Public Shareholder in the Offer. The Public Shareholders are advised to consult their stock brokers, tax, legal advisors or investment consultants, if any, for analyzing all the risks with respect to their participation in the Offer.

A. RISKS RELATING TO THE PROPOSED TRANSACTION

1. In accordance with the terms and conditions of the PAA (as defined under the head of Key Definitions) and the JVA (as defined under the head of Key Definitions) entered into by and amongst the Target Company, the Acquirer 1, Acquirer 2, PAC 1 and PAC 2, completion of the Proposed Transaction (as defined under paragraph 2.1.1) is conditional upon fulfillment of the conditions precedent set out under the PAA (which are required to be completed before October 20, 2014), inter alia, including obtaining applicable statutory approvals. Please refer to paragraph 2.1.2 for the salient features of the PAA. If any of such conditions precedent is not fulfilled (and not waived by Acquirer 1) then Acquirer 1, Target Company and PAC 2 shall have the right to rescind the PAA and choose not to proceed with the Proposed Transaction. The Acquirers reserve the right to withdraw the Offer in accordance with Regulation 23 of the SEBI (SAST) Regulations.

2. The Proposed Transaction is also subject to completion risks as would be applicable to similar transactions.

B. RISKS RELATING TO THE OFFER

1. If: (a) there is any litigation leading to a stay/injunction on the Offer or that restricts/restrains the Acquirers/PACs from performing their obligations hereunder; (b) SEBI instructs the Acquirers/PACs not to proceed with the Offer; (c) a binding order of a court or governmental authority of competent jurisdiction is received directing the withdrawal of the Offer; or (d) there is a delay in receipt of the statutory approvals, then the Offer process may be withdrawn in accordance with SEBI (SAST) Regulations or delayed beyond the schedule of activities indicated in this Draft Letter of Offer. If the Offer process is delayed beyond the indicated schedule of activities, the payment of consideration to the Public Shareholders whose Shares are accepted under the Offer, as well as the return of the Shares not accepted under the Offer, by the Acquirers/PACs may also get delayed.

2. The Offer is subject to the statutory approvals enumerated in paragraph 2.1.2.c of this Draft Letter of Offer. If, at a later date, any other statutory approvals are required for the Offer or the transactions contemplated under the PAA, the Offer would also become subject to receipt of such other statutory approvals. In case of any delay beyond 10 (ten) Working Days (as defined under the head of Key Definitions) from the closure of Tendering Period in making the payment to the shareholders who have accepted the Offer due to delay in obtaining any statutory approvals, in accordance with regulation 18(11) of the SEBI (SAST) Regulations, SEBI may, if satisfied that the delay in obtaining such approvals was not due to any willful default, failure or neglect on the part of the Acquirers and/or the PACs to diligently pursue such approvals, grant an extension of time for the purpose of completion of the Offer subject to the Acquirers agreeing to pay interest at such rate as may be specified by SEBI, to the Public Shareholders who have validly tendered their Shares under the Offer. However, where the statutory approvals extend to some but not all Public Shareholders, the Acquirers and/or the PACs have the option to make payment to such Public Shareholders in respect of whom no statutory approvals are required in order to complete the Offer.

3. The acquisition of Shares tendered in the Offer by NRIs and OCBs is subject to receipt of approval from RBI. NRIs and OCBs tendering Shares in the Offer must obtain all requisite approvals required to tender the Shares held by them, in this Offer (including without limitation the approval from RBI,

since the Shares validly tendered in this Offer will be acquired by non-resident entities) and submit such approvals along with the Form of Acceptance-cum-Acknowledgement (as defined under the head of Key Definitions) and other documents required to accept this Offer. Further, if the Public Shareholders who are not persons resident in India (including NRIs, OCBs and the FIIs) had required any approvals (including from FIPB or any other regulatory body) in respect of the Shares held by them, they will be required to submit such previous approvals that they would have obtained for holding the Shares to tender Shares held by them pursuant to the Offer, along with the Form of Acceptance-cum-Acknowledgement and other documents required to be tendered to accept the Offer. If the approvals mentioned above, as may be applicable, are not submitted, the Acquirers and the PACs reserve the right to reject such Shares tendered in the Offer.

4. The tendered Shares and documents submitted therewith would be held by the Registrar to the Offer until the process of acceptance of Shares tendered and payment of consideration to the Public Shareholders are completed. The Shares cannot be withdrawn once tendered, even if the acceptance of the Shares under the Offer and dispatch of the consideration is delayed. The Public Shareholders will not be able to trade in such Shares which are in the custody of the Registrar to the Offer. During such period, there may be fluctuations in the market price of the Shares.

5. The Offer is an offer to acquire up to 243,161,683 (Two hundred and forty three million one hundred and sixty one thousand six hundred and eighty three) Shares, representing 26% (Twenty six per cent) of the Emerging Voting Share Capital from the Public Shareholders. In the case of over-subscription of the Offer, acceptance will be determined on a proportionate basis (as detailed in paragraph 7.13 of this Draft Letter of Offer), and hence, it is not certain that all the Shares tendered by the Public Shareholders in the Offer will be accepted.

6. This Draft Letter of Offer has not been filed, registered or approved in any jurisdiction outside India. The recipients of this Draft Letter of Offer resident in jurisdictions outside India should inform themselves of and observe any applicable legal requirements. The Offer is not directed towards any person or entity in any jurisdiction or country where the Offer would be contrary to the applicable laws or regulations or would subject the Acquirers, the PACs or the Manager to the Offer to any new or additional registration requirements.

7. The Public Shareholders are advised to consult their respective legal and tax advisors for assessing the tax liability pursuant to the 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 Acquirers and the PACs do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in this Draft Letter of Offer.

8. The Acquirers and the PACs along with their respective directors (where applicable) accept the responsibility for the obligations of the Acquirers as laid down in terms of the SEBI (SAST) Regulations. Acquirer 1 and PAC 1 accept full responsibility for all the information contained in this Draft Letter of Offer in relation to them and they shall not be responsible for any other information contained in this Draft Letter of Offer. Acquirer 2 and PAC 2 accept full responsibility for all the information contained in this Draft Letter of Offer in relation to them and they shall not be responsible for any other information contained in this Draft Letter of Offer. All information pertaining to the Target Company has been obtained from publicly available sources and the accuracy thereof has not been independently verified by the Manager to the Offer.

9. The Manager to the Offer accepts no responsibility for statements made otherwise than in the PA, the DPS, and this Draft Letter of Offer, Letter of Offer or in the post issue advertisement or any corrigendum issued by or at the instance of the Acquirers and the PACs. Any persons placing reliance on any other source of information will be doing so at their own risk.

C. RISKS RELATING TO THE ACQUIRERS AND THE PACS

1. The Acquirers and the PACs make no assurances with respect to their investment/divestment

decisions relating to their shareholding in the Target Company.

2. The Acquirers and the PACs make no assurances with respect to, the continuation of the past trend in the financial performance or the future performance, of the Target Company.

3. The Acquirers and the PACs make no assurances with respect to the market price of the Shares before, during or after the Offer and each of them expressly disclaims any responsibility or obligation of any kind (except as required under applicable law) with respect to any decision by any Shareholder on whether to participate or not to participate in the Offer.

4. Acquirer 1 and the PAC 1 do not accept responsibility with respect to the information contained in the PA, the DPS, this Draft Letter of Offer or the Letter of Offer that pertains to Acquirer 2, PAC 2 or the Target Company.

5. Acquirer 2 and the PAC 2 do not accept responsibility with respect to the information contained in the PA, the DPS, this Draft Letter of Offer or the Letter of Offer that pertains to Acquirer 1 or PAC 1 or the Target Company.

6. As per Clause 40A of the equity listing agreement entered into by the Target Company with the BSE Limited (the "**BSE**") and the National Stock Exchange of India Limited (the "**NSE**") ("**Equity Listing Agreement**") read with Rule 19A of the Securities Contract (Regulation) Rules, 1957, as amended (the "**SCRR**"), the Target Company is required to maintain at least 25% (Twenty five per cent) public shareholding ("**Minimum Public Shareholding**"), as determined in accordance with SCRR, on a continuous basis for listing. If, as a result of the Shares acquired under the Offer, subscription to Subscription Shares (as defined under the head of Key Definitions) and purchase of Shares, if any, during the Offer period, the public shareholding in the Target Company falls below the Minimum Public Shareholding, Acquirer 1 and the Existing Promoters shall reduce their respective shareholding in the Target Company in proportion to the Shares acquired by Acquirer 1 and Acquirer 2 in the Offer, in the manner as set out in Regulation 7(4) of the SEBI (SAST) Regulations and, within the time period specified in the SCRR, such that the Target Company complies with the Minimum Public Shareholding requirement. Any failure to comply with the conditions of the SCRR and the Equity Listing Agreement could have an adverse effect on the price and tradability of the Shares.

D. <u>CURRENCY OF PRESENTATION</u>

1. In this Draft Letter of Offer, all references to "₹"/"Rs"/"Rupees"/"Re"/"Rupee" are references to the official currency of India. At some places, United States Dollars (**"**USD**"** or "US Dollars") has been used which represents the lawful currency of the United States of America. At some places, Singapore Dollar ("SGD" or "Singapore Dollars") has also been used which represent the lawful currency of the Republic of Singapore.

2. The rupee equivalent quoted in each case for USD / US Dollars is calculated based on the RBI reference rate of Rs 62.2843 per USD / US Dollar as on the date of the PA i.e. February 20, 2014 (Source: Reserve Bank of India – www.rbi.org.in). All the data presented in USD in this Draft Letter of Offer have been converted into Rupees for the purpose of convenience only.

3. In this Draft Letter of Offer, any discrepancy in any table between the total and sums of the amounts listed are due to rounding off and/or regrouping.

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KEY DEFINITIONS

TERM	DEFINITION
1997 Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (since repealed).
Acquirer 1	Wilmar Sugar Holdings Pte. Ltd., a private limited company, incorporated under the laws of Singapore and having its registered office at 56 Neil Road, Singapore – 088830.
Acquirer 2	SRS Investments Pte. Ltd., a private limited company, incorporated under the laws of Singapore and having its registered office at 79 Robinson Road, #16-01 CPF Building, Singapore – 068897.
Acquirers	Acquirer 1 and Acquirer 2, collectively.
Act	The (Indian) Companies Act, 1956 and the (Indian) Companies Act, 2013 (to the extent applicable) as amended, substituted or replaced from time to time.
Board of Directors	Board of directors of the Target Company.
BSE	BSE Limited.
CCI Regulations	The Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011 as amended.
CDSL	Central Depository Services (India) Limited.
Chartered Accountant	A chartered accountant within the meaning of the Indian Chartered Accountants Act, 1949.
Closure of the Tendering Period	Monday, May 05, 2014.
D.I.N	Director identification number.
DP	Depository participant.
DPS	Detailed Public Statement dated February 28, 2014, issued by the Manager to the Offer, on behalf of the Acquirers and the PACs, in relation to the Offer and published in the newspapers on February 28, 2014 in accordance with Regulations 3(1), 3(2) and 4 read with Regulations 13(4), 14 and 15(2) and other applicable regulations of the SEBI (SAST) Regulations.
Draft Letter of Offer	This Draft Letter of Offer filed with SEBI in accordance with Regulation 16(1) of SEBI (SAST) Regulations on Friday, March 07, 2014.
DTAA	Double Taxation Avoidance Agreement.
Emerging Voting Share Capital	Rs 935,237,242 (Rupees Nine hundred and thirty five million two hundred and thirty seven thousand two hundred and forty two) consisting of 935,237,242 (Nine hundred and thirty five million two hundred and thirty seven thousand two hundred and forty two) Shares, assuming exercise of all employee stock options of the Target Company that shall vest by the 10th (tenth) Working Day from the Closure of the Tendering Period of the Offer, including Shares issued under the PAA as more precisely enumerated in paragraph 4.6.

TERM	DEFINITION
Execution Date	February 20, 2014, i.e., the date of execution of the PAA and the JVA.
Existing Promoters	Current Promoter Group and Acquirer 2.
FII(s)	Foreign Institutional Investor(s), as defined under Section 115AD of the Income Tax Act, which includes sub-accounts of FIIs and if any Foreign Institutional Investor(s) have been reorganized as Foreign Portfolio Investors, such Foreign Portfolio Investors.
FIPB	Foreign Investment Promotion Board.
Form of Acceptance-cum-Acknowledgement	Form of Acceptance-cum-Acknowledgement, which is annexed to this Draft Letter of Offer.
Framework Agreement	The Framework Agreement dated February 20, 2014 entered into by and amongst Acquirer 2, PAC 1 and PAC 2.
Identified Date	Wednesday, April 02, 2014, i.e., the date falling on the 10th (tenth) Working Day prior to the commencement of the Tendering Period, for the purposes of determining the Public Shareholders to whom the Letter of Offer shall be sent.
Income Tax Act	Income-tax Act, 1961 (as amended).
Indian GAAP	Generally accepted accounting principles, as applicable to Indian companies.
JVA	The Joint Venture Agreement dated February 20, 2014 entered into by and amongst the Target Company, Acquirer 1, Acquirer 2, PAC 1 and PAC 2.
Manager to the Offer	Standard Chartered Bank, incorporated in England and Wales by Royal Charter 1853 (under reference ZC18) and having its registered office at 1 Basing Hall Avenue, London, EC2V 5DD, United Kingdom, acting through its Mumbai office located at Crescenzo, 7th floor, plot no. C-38 & C-39, G Block, Bandra Kurla Complex, Bandra East, Mumbai 400 051.
NECS	National Electronic Clearance System.
NEFT	National Electronic Funds Transfer.
NRI	Non-resident Indian, as defined under Foreign Exchange Management (Deposit) Regulations, 2000.
NSDL	National Securities Depository Limited.
NSE	National Stock Exchange of India Limited.
OCB	Overseas corporate body, as defined under Foreign Exchange Management (Deposit) Regulations, 2000.
Offer	This open offer, which is being made by the Acquirers and the PACs to the Public Shareholders, for acquiring up to a maximum of 243,161,683 (Two hundred and forty three million one hundred and sixty one thousand six hundred and eighty three) Shares representing 26% (twenty six per cent) of the Emerging Voting Share Capital.
Offer Period	Period commencing from February 20, 2014 till the date on which the payment of consideration to the shareholders who have accepted the Offer is made, or the date on which Offer is withdrawn, as the case may be.
Offer Price	Price of Rs 21.89 (Rupees Twenty one and eighty nine paise) per Share.
Offer Size	Up to 243,161,683 (Two hundred and forty three million one hundred and sixty one thousand six hundred and eighty three) Shares, representing 26% (twenty six per cent) of the Emerging Voting Share Capital.
Overseas Tax	Tax payable under the tax laws applicable in jurisdictions or countries other than India.
PAA	The Preferential Allotment Agreement dated February 20, 2014 entered into by and amongst the Target Company, the Acquirer 1, Acquirer 2, PAC 1 and PAC 2.
PA	Public announcement dated February 20, 2014 in relation to the Offer and filed with the Stock Exchanges (as defined in this Key Definitions) on February 20, 2014, with SEBI on February 21, 2014 and sent to the Target Company on February 20, 2014.
PACs	Persons acting in concert with the Acquirers for the Offer, i.e., PAC 1 and PAC 2.
PAC 1	Wilmar International Limited, a public limited company, incorporated under the laws of Singapore and having its registered office at 56 Neil Road, Singapore 088830.

TERM	DEFINITION
PAC 2 or Current Promoter Group	The current promoter group of the Target Company as disclosed in the shareholding pattern filed by the Target Company with the Stock Exchanges as on December 31, 2013 and comprises of Murkumbi Investments Private Limited, Khandepar Investments Private Limited, Agri Venture Trading and Investment Private Limited, Narendra Madhusudan Murkumbi, Supriya Shailesh Rojekar, Inika Narendra Murkumbi, Malvika Narendra Murkumbi, Vidya Murkumbi, Anuradha Ravindra Kulkarni, Dilip Vasant Rao Deshpande and Apoorva Narendra Murkumbi.
PAN	Permanent account number.
Preferential Allotment	The proposed issuance and allotment of the Subscription Shares by the Target Company to Acquirer 1 in accordance with Chapter VII of SEBI ICDR Regulations and subject to the terms of the PAA , JVA and other applicable laws.
Public Shareholders	All the public shareholders of the Target Company and does not include the parties to JVA and PAA and the persons acting in concert with such parties.
RBI	Reserve Bank of India.
Registrar to the Offer	Karvy Computershare Private Limited, a private limited company incorporated under the laws of India and having its registered office at Plot No 17 to 24, Vithalrao Nagar, Hi-Tech City Road, Madhapur, Hyderabad – 500 081.
RTGS	Real Time Gross Settlement.
SCRR	Securities Contract (Regulation) Rules, 1957 (as amended).
SEBI	Securities and Exchange Board of India.
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (as amended).
SEBI Act	Securities and Exchange Board of India Act, 1992 (as amended).
SEBI ICDR Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (as amended).
Share	Each fully paid-up equity share of the Target Company of the face value of Rs 1 (Rupee One).
Stock Exchanges	BSE and NSE.
Target Company	Shree Renuka Sugars Limited, a public limited company incorporated under the laws of India and having its registered office at BC 105, Havelock Road, Camp, Belgaum - 590001, Karnataka, India.
Tax Residence Certificate	Certificate with respect to tax residence of a Public Shareholder to be furnished for the purposes of claiming benefit under any DTAA.
Tendering Period	Period commencing from Monday, April 21, 2014 and closing on Monday, May 05, 2014 (both days inclusive).
Working Day	A working day of SEBI at Mumbai.

1. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (SAST) REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE PUBLIC SHAREHOLDERS TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS, THE PACs OR THE TARGET COMPANY WHOSE SHARES ARE PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ACQUIRERS AND THE PACs ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRERS AND THE PACs DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER, STANDARD CHARTERED BANK HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED FRIDAY, MARCH 07, 2014 TO SEBI IN ACCORDANCE WITH THE SEBI (SAST) REGULATIONS. THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS AND THE PACs FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAYBE REQUIRED FOR THE PURPOSE OF THE OFFER.

2. DETAILS OF THE OFFER

2.1 <u>BACKGROUND TO THE OFFER</u>

2.1.1 The Offer is a mandatory offer in compliance with Regulations 3(1), 3(2), 4 and other applicable regulations of the SEBI (SAST) Regulations pursuant to the execution of the PAA and the JVA by the Acquirers, the PACs and the Target Company, in terms of which, (i) Acquirer 1 has agreed, subject to applicable laws, to subscribe to the Subscription Shares, to be in joint control of the Target Company along with the Existing Promoters and be classified as 'Promoter' of the Target Company along with the Existing Promoters in accordance with SEBI ICDR Regulations; and (ii) Acquirer 2 has agreed to acquire 50% of the Shares tendered in the Offer subject to receipt of Acquirer 2 Financing (as defined in paragraph 5.2.2) and be classified as 'Promoter' of the Target Company along with the Current Promoter Group of the Target Company in accordance with SEBI ICDR Regulations (collectively, the "**Proposed Transaction**").

2.1.2 The salient features of the PAA are as follows:

(a) The Target Company, Acquirer 1, Acquirer 2, PAC 1 and PAC 2 have entered into the PAA. Acquirer 1 has agreed to subscribe, subject to applicable laws, to 257,491,592 Shares (the "**Maximum Subscription Shares**"), provided however, if the Offer is completed prior to the completion of the Preferential Allotment and if Acquirer 1 has acquired more than 205,985,218 Shares in the Offer, Acquirer 1 shall subscribe to such lesser number of Shares not being less than 183,287,071 Shares (the "**Minimum Subscription Shares**") such that immediately post the completion of the Preferential Allotment and the Offer, the shareholding of Acquirer 1 in the Target Company (in aggregate) is not more than 49.9% of the then issued and paid up share capital of the Target Company ("**Subscription Shares**").

(b) Acquirer 1 has agreed to acquire the Subscription Shares at a price of Rs 20.08 per Share.

(c) The subscription to the Subscription Shares by Acquirer 1 is subject to the following statutory approvals:

(i) Receipt of the approval of CCI under the provisions of the Competition Act, 2002 and the CCI Regulations or the expiry of any statutory time period on the expiry of which such approval is deemed to have been granted;

(ii) Receipt of the approval of Conselho Administrativo de Defesa Econômica (CADE) (Brazilian antitrust authority) or the expiry of any statutory time period on the expiry of which such approval is deemed to have been granted;

(iii) Receipt of the approval from FIPB in connection with the investment made by the Target Company in NCDEX provided that no such approval shall be necessary in the event, (a) the Target Company ceases to be a shareholder of more than five percent (5%) of the equity shares of NCDEX; or (b) any clarification or any change in applicable law, either by way of a circular or notification or letter or in any other manner is issued by any Governmental Authority including the FIPB or Reserve Bank of India or the ministry of commerce and industry whereby it is clarified that no approval of the FIPB is necessary for the Target Company to continue holding its current investment in NCDEX even after completion of the Preferential Allotment; and

(iv) In-principle approval from the Stock Exchanges for listing of the Subscription Shares.

(d) The subscription by Acquirer 1 to the Subscription Shares is subject to the satisfaction of customary conditions including the following:

(i) The receipt of consents and approvals from non-governmental third parties including lenders permitting the Target Company to issue Subscription Shares to Acquirer 1 without any significant adverse changes to the rights and obligations of the parties under PAA and JVA;

(ii) There not being any material adverse effect (as defined under the PAA);

(iii) The fundamental representation and warranties given under the PAA by the Target Company remaining true, correct and complete as on February 20, 2014 and on the date of the issuance of the Subscription Shares;

(iv) There being no writ, judgment, decree, injunction or similar order of any court or other authority or change in law which has the effect of restraining or preventing the subscription of the Subscription Shares by Acquirer 1;

(v) Acquirer 1 and Acquirer 2 having funded the Escrow Account (as defined in paragraph 5.2.5) in the manner as agreed under the PAA; and

(vi) Completion of the conditions for giving effect to the proposed restructuring of the debt incurred and existing on the books of some of the identified subsidiaries of the Target Company in Brazil.

(e) If certain conditions are not satisfied (in accordance with the PAA), prior to October 20, 2014, Acquirer 1 has the right but not the obligation to waive the performance or satisfaction of such conditions any time prior to October 20, 2014.

(f) During the period between the date of execution of the PAA and the Effective Date (as defined in paragraph 2.1.3) ("**Protective Period**") there are customary standstill restrictions on the Target Company including that the Target Company and the subsidiaries shall not carry on its Business (as defined under the PAA) otherwise than in the ordinary course of business, consistent with past practice and shall not start any new business, except as expressly permitted or required by the PAA. During the Protective Period, PAC 2 has agreed not to transfer or permit the Target Company to take on record any transfer of equity securities of the Target Company held by them (except in circumstances expressly permitted in the PAA).

(g) The Target Company has also agreed to undertake customary indemnity obligations in favour of Acquirer 1, PAC 1 and their respective directors.

(h) The Target Company and PAC 2 have agreed to customary exclusivity obligations in favour of Acquirer 1.

(i) In case of termination of the PAA prior to the issuance of the Subscription Shares to Acquirer 1 (in the manner as contemplated under the PAA), Acquirer 1 has agreed not to acquire Shares of the Target Company directly or indirectly for a period of 12 (twelve) months from the date of execution of the PAA other than as permitted under the JVA or permitted by the Existing Promoters and the Target Company.

2.1.3 The salient features of the JVA are as follows:

The Target Company, Acquirer 1, Acquirer 2, PAC 1 and PAC 2 have entered into the JVA. The JVA other than for certain provisions such as representations and warranties, arbitration, governing law, confidentiality, notices shall become effective on the date of completion of (a) the Offer if the resolution under Section 81(1A) of the Companies Act is not approved by the shareholders of the Target Company or (b) the date of issuance of the Subscription Shares to Acquirer 1 in terms of the PAA, whichever is earlier ("**Effective Date**"). On the Effective Date and during the term of the JVA, Acquirer 1, Acquirer 2 and PAC 2 shall collectively be the "promoters" of the Target Company for the purposes of the SEBI (ICDR) Regulations, the SEBI (SAST) Regulations, the listing agreement and other applicable laws. Some of the key terms of the JVA are as follows:

(a) Management Rights:

(i) Subject to the terms of the JVA, on and after the Effective Date (i) the Existing Promoters shall collectively have the right to nominate 3 (Three) directors to the Board of Directors; (ii) Acquirer 1 would have the right to nominate 3 (Three) directors to the Board of Directors. The Board of Directors shall also comprise of 6 (Six) independent directors.

(ii) The Board of Directors shall (in addition to the existing committees of the Board of Directors) also constitute a committee of the board ("**Strategy Committee**") comprising of equal number of directors nominated by Acquirer 1 and the Existing Promoters.

(iii) The powers of Strategy Committee include, inter alia, formulating, developing and recommending to the Board of Directors new investment and growth opportunities and business strategy including preparation, review and overseeing of draft business plan and appointment of key management personnel, as well as approving certain specified matters prior to they being presented to the Board of Directors.

(iv) A valid quorum shall only be deemed to have been constituted at a meeting of the Strategy Committee when at least 1 (One) Acquirer 1 nominee director and at least 1 (One) Existing Promoter nominee director are present at such meeting.

(v) The Chairman of the Board of Directors and Managing Director/CEO of the Target Company as on the Execution Date shall continue until the end of their current term on the same terms and conditions as on the Execution Date.

(b) Reserved Matters: Following "**Reserved Matters"** would require affirmative vote of Acquirer 1 and the Existing Promoters as per the JVA at either the board meeting, committee of the board meeting, shareholders meeting or otherwise: (i) any action or decision for commencement or undertaking of any new / additional business by the Target Company and/or the Material Subsidiaries different from the business of Target Company and/or Material Subsidiaries, as the case may be; (ii) any action or decision for dissolution and/or winding-up and/or insolvency of any of the Target Company and/or the Material Subsidiaries stopping/ceasing of the business conducted by the Target Company and/or the Material Subsidiaries for a continuous period exceeding 6 months; (iii) any action or decision for any merger, amalgamation or demerger, spin-off, consolidation or any other similar form of corporate restructuring or arrangement; (iv) any action or decision for divestment, sale of any asset and property of the Target Company and/or its Material Subsidiaries, acquisition of business, the consideration for which exceeds USD 2 million whether by a single transaction or a series of transactions in a financial year; (v) any action or decision for creation of any subsidiary, joint venture or partnership or firm whether by formation, acquisition or otherwise; (vi) any action or decision for amendments to the charter documents; (vii) any action or decision to change the share capital structure of any of the Target Company and/or Material Subsidiaries whether by way of (a) further issuance of securities, or (b) buy-back of capital, or (c) reduction of capital, or (d) variation of the rights of any classes of its shares, or (e) otherwise; except for (a) the issuance of shares under an employees stock option scheme(s) in force and effect as on the Execution Date, or (b) Immediate Rights Issue (as defined in paragraph 2.1.3(e)(i)) at a price not higher than Rs 16 per Share, or (c) transfers of equity securities subject to the terms of the JVA; (viii) any action or decision for entering into, terminating or amending (a) any related party transaction between the Target Company or its subsidiaries, on one hand and the new promoter group (the Existing Promoters and Acquirer 1 collectively) and/or their affiliates on the other hand having a financial value of more than USD 1 million, or (b) any related party transaction between the Target Company and any of its subsidiaries or inter se the subsidiaries (except inter se certain excluded subsidiaries), having a financial value individually of more than USD 5 million in a financial year or in a series of related transactions of an aggregate financial value of more than USD 20 million per financial year; (ix) any action or decision for creation or modification of an encumbrance over all or a substantial part of the assets of any of the Target Company and/or the Material Subsidiaries having a financial value of USD 5 million or more; (x) incurring any capital expenditure including without limitation acquisition of assets, properties, undertaking construction or lease or such expenditure which are in excess of USD 5 million in any one financial year whether by a single transaction or through a series of transactions; (xi) any borrowings whether by way of loans, trade guarantees or in any other form where the moneys to be borrowed (which expression shall include all contingent liabilities represented by long term guarantee or letter of credit, not being guarantee/ letters of credit given in the ordinary course of business which forms part of working capital, buyers credit,) over and above with the moneys already borrowed by the Target Company and/ or Material Subsidiaries (including any buyer's credit) in excess of USD 10 million per financial year or any restructuring or modification of the existing loan(s) or borrowing(s) of Target Company and/or the Material Subsidiaries involving an amount in excess of USD 10 million; (xii) any prepayment or restructuring of any existing loan(s) or borrowing(s) of Target Company and/or the Material Subsidiaries on which the prepayment penalty exceeds USD 1 million; (xiii) appointing or changing the internal and statutory auditors of the Target Company and/or the Material Subsidiaries; (xiv) any change to the dividend policy; (xv) any change in the composition (including strength) of the Board of Directors or committees of Target Company and/or the Material Subsidiaries; (xvi) entering into any contract, guarantee/indemnity obligation, arrangement, binding obligation, business relationship or other form of agreement (a) other than in ordinary course of business, and (b) having a financial implication on the Target Company and/or the Material Subsidiaries of an amount being equal to or more than USD 2 million (in aggregate or individually in a financial year); (xvii) settlement by any of the Target Company / Material Subsidiaries of any litigation or quasi litigation of an amount being equal to or more than USD 2 million individually or in aggregate.

(c) Governance of Subsidiaries: In respect of the management and governance of the Material Subsidiaries, the following principles shall be applicable (i) all rights in respect of the Material

Subsidiaries exercised by the Existing Promoters till now either directly or indirectly through the Target Company and/or its immediate or any other step down subsidiary shall be exercised jointly by the Existing Promoters and Acquirer 1; (ii) Acquirer 1 and the Existing Promoters to have equal representation on the board of directors of Material Subsidiary; (iii) Subject to the terms of the JVA, the Reserved Matters shall be applicable to Material Subsidiary(ies) as well.

(d) <u>Transfer Restrictions:</u>

(i) Other than as permitted under the JVA, the Acquirer 1 and the Existing Promoters shall at all times for a period of 3 (three) years from the Effective Date hold equity securities of the Target Company such that on a fully diluted basis, Acquirer 1 and the Existing Promoters hold and exercise (legally and beneficially) the same percentage of the voting rights in the Target Company.

(ii) Other than certain permitted transfers and acquisitions, for a period of 3 (three) years from the Effective Date ("**Restricted Period**"), neither Acquirer 1 nor the Existing Promoters shall be entitled to directly or indirectly transfer any equity securities in the Target Company to any person or acquire any equity securities in the Target Company without the prior written consent of the other party.

(iii) At any time after the Restricted Period, if either Acquirer 1 or any of the Existing Promoters desire to directly or indirectly transfer any of the equity securities held by it in the Target Company to any person such transfer shall be subject to customary restrictions such as general right of first offer, tag along right and financing call option.

(iv) The JVA also provides for a deadlock resolution mechanism, in case the Existing Promoters and Acquirer 1 fail to reach a consensus on any of the Reserved Matters.

(e) <u>Future Funding/ allotments</u>:

(i) In addition to the infusion of equity under the PAA, the JVA envisages infusion of additional equity into the Target Company by Acquirer 1 and the Existing Promoters by way of an immediate rights issue to be undertaken by the Target Company ("**Immediate Rights Issue**"). Acquirer 1 and the Existing Promoters shall be obligated to subscribe to the Immediate Rights Issue if undertaken at a price not above Rs 16 per Share to the extent permissible and possible under the applicable laws.

(ii) As and when the Target Company makes any issuance of equity securities (other than the Immediate Rights Issue), Acquirer 1 and the Existing Promoters shall have the right (but not the obligation) to subscribe to equity securities of the Target Company in such issuance in proportion to their respective entitlement.

(f) Pursuant to the Framework Agreement, PAC 1 and PAC 2 have agreed to a framework to arrange finance for the Acquirer 2, to enable it to participate in the Offer and the Immediate Rights Issue (to the extent as specified in the JVA). In the event such financial assistance is not received or in the event Acquirer 1 exercises its call option over the Shares held by Acquirer 2 (in accordance with the JVA) and as a result the shareholding of Acquirer 1 exceeds 49.9% of the voting capital of the Target Company, then Acquirer 1 shall reduce its shareholding to 49.9% of the voting capital of the Target Company by selling the Shares to third party(ies).

(g) <u>Non- Compete</u>:

(i) Acquirer 1 and the Existing Promoters have agreed not to engage in the business of refining of raw sugar, the production of sugar and ethanol derived from sugarcane, sale, distribution, trading and/or branding of sugar and ethanol and generation of electricity/ power from bagasse in India except through the Target Company during the term of the JVA and 2 (two) years thereafter.

(h) Termination of JVA: The JVA inter alia terminates upon

(i) Completion of 12 months from the Effective Date, if the shareholding of Acquirer 1 in the Target Company is less than the Required Shareholding (as defined in paragraph 2.1.3(h)(ii)), provided the Target Company and the Existing Promoters have made all efforts to undertake the Immediate Rights Issue. Acquirer 1 also has the right to acquire Shares from the open market in order to achieve the Required Shareholding, if the resolution under Section 81(1A) of the Companies Act, 1956 is not approved by the shareholders of the Target Company for the issuance of Subscription Shares to Acquirer 1.

(ii) Other than as set out above, in case the shareholding of either Acquirer 1 or the Existing Promoters in the Target Company falls below 15% ("**Required Shareholding**"), the JVA will terminate with respect to the party whose shareholding falls below 15%.

(iii) The JVA can also be terminated by the parties to the JVA by mutual consent.

2.1.4 The Target Company has convened an extra ordinary general meeting of its members to be held on March 21, 2014 to approve the Preferential Allotment and to amend the articles of association of the Target Company to reflect the terms of the JVA.

2.1.5 The current and proposed shareholding of the Acquirers and the PACs in the Target Company after consummation of the PAA and the details of market purchases, if any, are as follows:

SHAREHOLDING	ACQUIRER 1		ACQUIRER 2		PAC 1		PAC 2		TOTAL	
	NUMBER OF SHARES	%	NUMBER OF SHARES	%	NUMBER OF SHARES	%	NUMBER OF SHARES	%	NUMBER OF SHARES	%
AS ON THE DATE OF THE PA	Nil	Nil	Nil	Nil	Nil	Nil	257,491,592	38.4%	257,491,592	38.4%
SHARES ACQUIRED BETWEEN THE DATE OF THE PA AND THIS DRAFT LETTER OF OFFER	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
SHAREHOLDING AS ON THE DATE OF THIS DRAFT LETTER OF OFFER	Nil	Nil	Nil	Nil	Nil	Nil	257,491,592	38.4%	257,491,592	38.4%
POST OFFER SHAREHOLDING AS OF THE 10TH WORKING DAY AFTER THE CLOSURE OF THE OFFER (BASED ON	**Assuming Acquirer 1 and Acquirer 2 each acquires 50% of the Shares tendered in the Offer(1)(2)**									
	379,072,433	40.5%	121,580,842	13.0%	Nil	Nil	257,491,592	27.5%	758,144,867	81.1%
	Assuming Acquirer 1 acquires 100% of the Shares tendered in the Offer(1)(3)(4)									

SHAREHOLDING	ACQUIRER 1		ACQUIRER 2		PAC 1		PAC 2		TOTAL	
	NUMBER OF SHARES	%	NUMBER OF SHARES	%	NUMBER OF SHARES	%	NUMBER OF SHARES	%	NUMBER OF SHARES	%
EMERGING VOTING SHARE CAPITAL)[5]	426,448,754	49.5%	NIL	NIL	NIL	NIL	257,491,592	29.9%	683,940,346	79.4%

Notes:

1. Acquirer 2 has agreed to acquire up to 50% of the Offer Shares subject to the terms and conditions provided under the PAA, the JVA and the Framework Agreement.
2. Based on emerging voting capital calculated assuming Maximum Subscription Shares are subscribed by Acquirer 1 under the Preferential Allotment.
3. Based on emerging voting capital calculated assuming Minimum Subscription Shares are subscribed by Acquirer 1 under the Preferential Allotment and Preferential Allotment completion post Offer completion.
4. In the event the Preferential Allotment is completed prior to the completion of the Open Offer by allotment of Maximum Subscription Shares and Acquirer 1 acquires 100% of the shares tendered in the Open Offer, the shareholding of Acquirer 1 will be 500,653,275 Shares.
5. Post offer shareholding includes Shares acquired by the Acquirers outside of the Offer and assumes full acceptance in the Offer.

2.1.6 The Offer is not the result of a global acquisition resulting in an indirect acquisition of voting rights in or control of the Target Company.

2.1.7 Other than as disclosed in this Draft Letter of Offer, the Acquirers, the PACs and their directors do not hold any other Shares of the Target Company.

2.2 DETAILS OF THE OFFER

2.2.1 The PA announcing the Offer, in terms of Regulations 3(1), 3(2) and 4 read with Regulations 13, 14, 15(1) and other applicable regulations of the SEBI (SAST) Regulations, was released to the Stock Exchanges on February 20, 2014. The PA was filed with SEBI on February 21, 2014.

2.2.2 The Acquirers and the PACs published the DPS in accordance with Regulations 3(1), 3(2) and 4 read with Regulations 13(4), 14, 15(2) on February 28, 2014 in the following newspapers:

NEWSPAPER	LANGUAGE	EDITIONS
Business Standard	English	All editions
Business Standard	Hindi	All editions
Tarun Bharat	Marathi	Belgaum edition
Navshakti	Marathi	Mumbai edition

2.2.3 A copy of the DPS was also sent to SEBI, the BSE, the NSE and the Target Company at its registered office. The DPS is also available on the SEBI website: www.sebi.gov.in.

2.2.4 This Offer is being made by Acquirer 1, Acquirer 2, PAC 1 and PAC 2 to all the Public Shareholders of the Target Company, for the acquisition of up to a maximum of 243,161,683 (Two hundred and forty three million one hundred and sixty one thousand six hundred and eighty three) Shares, representing 26% (twenty six per cent) of the Emerging Voting Share Capital of the Target Company at the Offer Price. The Offer Price will be paid in cash in accordance with the provisions of Regulation 9(1)(a) of the SEBI (SAST) Regulations.

2.2.5 There are no partly paid-up Shares in the Target Company.

2.2.6 The Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations. There have been no competing offers as of the date of this Draft Letter of Offer.

2.2.7 There is no differential price being offered for the Shares tendered in the Offer.

2.2.8 The Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of the SEBI (SAST) Regulations. Shares up to 243,161,683 (Two hundred and forty three million one hundred and sixty one thousand six hundred and eighty three), validly tendered in the Offer will be acquired by the Acquirers, in accordance with the terms and conditions contained in the DPS and this Draft Letter of Offer.

2.2.9 The Acquirers and the PACs have not acquired any Shares since the date of the PA and up to the date of this Draft Letter of Offer.

2.2.10 Upon the JVA becoming effective on the Effective Day, Acquirer 1 will acquire joint control of the Target Company in accordance with the provisions of the JVA and along with Acquirer 2 will be classified as 'Promoter' of the Target Company along with the Current Promoter Group of the Target Company in accordance with SEBI ICDR Regulations.

2.2.11 As per Clause 40A of the Equity Listing Agreement read with Rule 19A of SCRR, the Target Company is required to maintain the Minimum Public Shareholding, as determined in accordance with SCRR, on a continuous basis for listing. If, as a result of the Shares acquired under the Offer, subscription to Subscription Shares and purchase of Shares, if any, during the Offer period, the public shareholding in the Target Company falls below the Minimum Public Shareholding, Acquirer 1 and the Existing Promoters hereby undertake to reduce their respective shareholding in the Target Company in proportion to the Shares acquired by Acquirer 1 and Acquirer 2 in the Offer, in the manner as set out in Regulation 7(4) of the SEBI (SAST) Regulations and, within the time period specified in the SCRR, such that the Target Company complies with the Minimum Public Shareholding requirement.

2.3 **OBJECT OF THE UNDERLYING TRANSACTIONS AND THE OFFER**

2.3.1 Acquirer 1 is the main holding company for Wilmar Group's (as defined in paragraph 3.3.3) global sugar business and holds most of Wilmar Group's interests and assets in sugar and ethanol globally including those in Australia, New Zealand, Indonesia and Morocco. The Target Company is engaged in the business of, (i) refining of raw sugar, (ii) the production of sugar and ethanol derived from sugarcane, (iii) sale, distribution, trading and/or branding of sugar and ethanol, and (iv) generation, distribution, sale and trading of electricity/ power. The Acquirers and the PACs intend to enter into a joint venture with respect to the business, operations and management of the Target Company in terms of the JVA. Upon completion of the Proposed Transaction, the Acquirers would be in joint control of the Target Company together with the Current Promoter Group (PAC 2). The expected synergies of the joint venture will be beneficial for the Target Company and shall facilitate the long term growth prospects for the Target Company.

2.3.2 The Offer is a mandatory offer in compliance with Regulations 3(1), 3(2) and 4 and other applicable regulations of the SEBI (SAST) Regulations pursuant to the substantial acquisition of Shares and voting rights of the Target Company accompanied by change in control of the Target Company from sole control by the Current Promoter Group to joint control by Acquirer 1 and the Existing Promoters.

2.3.3 The Offer is not subject to any minimum level of acceptance.

2.3.4 In terms of Regulation 25(2) of the SEBI (SAST) Regulations, the Acquirers and the PACs have no plans to sell, dispose of or otherwise encumber any material assets of the Target Company during the period of 2 (two) years from the expiry of the Offer period except to the extent required, (a) in the ordinary course of business; or (b) in connection with, any restructuring, rationalization or reorganization or disposal of assets, investments, business operations or liabilities of the Target Company carried out with the prior approval of the Board of Directors and in compliance with all the applicable laws; or (c) for alienation of material assets of the Target Company that are determined by the Board of Directors as being surplus and/or non-core, or on account of any approval of or conditions specified by any regulatory or statutory authorities, Indian or foreign, or for the purpose of compliance with any law that is binding on or applicable to the operations of the Target Company and/or Wilmar Group, or as provided in the PAA and/or JVA. It will be the responsibility of the Board of Directors to make appropriate decisions in these matters in accordance with the requirements of the business of the Target Company. Such approvals and decisions will be governed by the provisions of the relevant regulations or any other applicable laws and legislation at the relevant time. Further, during such period of 2 (two) years, save as set out above, the Acquirers and the PACs undertake not to sell, dispose of or otherwise encumber any material assets of the Target Company except with the prior approval of the shareholders of the Target Company through a special resolution by way of a postal ballot in terms of Regulation 25(2) of the SEBI (SAST) Regulations.

2.3.5 The Board of Directors of the Target Company shall be reconstituted in accordance with the terms of the JVA and the PAA, on or after the Effective Date.

3. BACKGROUND OF THE ACQUIRERS AND THE PACs

3.1 Acquirer 1 - Wilmar Sugar Holdings Pte. Ltd.

3.1.1 Acquirer 1 is a private limited company, incorporated on September 19, 2005 under the laws of Singapore. Acquirer 1 was originally incorporated as Wealth Anchor Pte. Ltd. and its name was subsequently changed to Wilmar Sugar Holdings Pte. Ltd. on January 2, 2013.

3.1.2 The registered office of Acquirer 1 is situated at 56 Neil Road, Singapore 088830, Tel: +65 6507 0500, Fax: +65 6536 2192. Compliance officer of Acquirer 1 is Pun Chui Wun, Company Secretary.

3.1.3 Acquirer 1 is a wholly-owned subsidiary of PAC 1 and is part of the Wilmar Group (as defined in paragraph 3.3.3). Acquirer 1 is the main holding company for Wilmar Group's global sugar business and holds most of Wilmar Group's interests and assets in sugar and ethanol globally including those in Australia, New Zealand, Indonesia and Morocco. Its main objects include the acquisition of, subscription to, and investment in, the sugar plantation, refining and distribution business and the carrying on of all activities incidental or conducive thereof.

3.1.4 The issued and paid up share capital of Acquirer 1 comprises of 100,000 shares of US Dollar 1 each. The shares of Acquirer 1 are not listed on any stock exchange.

3.1.5 Acquirer 1, its directors, and its key managerial employees do not, as on the date hereof, hold any ownership/ interest/ relationship/ Shares in/ of, the Target Company. None of the directors of Acquirer 1 are on the Board of Directors of the Target Company as on the date of this Draft Letter of Offer.

3.1.6 Acquirer 1 has entered into the JVA and the PAA with Acquirer 2, Target Company, PAC 1 and PAC 2 as detailed in paragraph 2.1 (Background to the Offer), which has triggered this Offer. Other than the relationship established by the JVA and the PAA, Acquirer 1 has no other relationship with Acquirer 2 or PAC 2.

3.1.7 Acquirer 1 will acquire up to 50% of the Shares tendered in the Offer and Acquirer 2 will acquire the remaining 50% of the Shares tendered in the Offer, provided however, if Acquirer 2 is not able to acquire 50% of the Shares tendered in the Offer, Acquirer 1 will acquire 100% of the Shares tendered in the Offer. Irrespective of the fact that Acquirer 2 may acquire 50% of the Shares tendered in the Offer, Acquirer 1 has given full financial commitment for acquisition of 100% of the Shares tendered in the Offer as detailed in paragraph 5.2 (Financial Arrangements) of this Draft Letter of Offer.

3.1.8 As on the date hereof, Acquirer 1 has not acquired any Shares post the date of the PA.

3.1.9 Acquirer 1 has not been prohibited by the SEBI from dealing in securities, in terms of a direction issued under Section 11B of the Securities and Exchange Board of India Act, 1992 (as amended) (the "**SEBI Act**") or any other regulations made thereunder.

3.1.10 Prior to the Execution Date, the Acquirer 1 did not hold any Shares of the Target Company at any time. Accordingly, the provisions of Chapter II of the 1997 Regulations or the SEBI SAST Regulations or SEBI SAST Regulations were not applicable to Acquirer 1. However, pursuant to completion of the Preferential Allotment, the Acquirer 1 will make applicable disclosures in terms of Chapter V of the SEBI (SAST) Regulations.

3.1.11 The shareholding pattern of Acquirer 1 is as follows:

NO.	SHAREHOLDER	NUMBER OF SHARES	SHAREHOLDING %
1.	Wilmar International Limited	100,000	100.0%
	TOTAL	**100,000**	**100.0%**

3.1.12 Names, dates of appointment, designation, details of experience and qualifications of the directors on the board of directors of the Acquirer 1 are as follows:

No.	Name	D.I.N	Date of Appointment	Designation	Qualification and Experience
1.	Mr. Jean-Luc, Robert Bohbot	Not Applicable[1]	December 1, 2012	Director	Mr. Bohbot joined the Wilmar Group in 2011 to set up and develop the Wilmar Sugar – Trading division. Mr. Bohbot has extensive experience in the sugar trading business and was previously the Managing Director of a large Europe-based trading company and the Managing Director of Eagle Trading, the Hong Kong-based Kuok Group joint venture for sugar trading. Mr. Bohbot holds a post-master's degree in market finance and risk management from University of Paris Dauphine, France.
2.	Mr. Teo Kim Yong	02152713	June 26, 2013	Director	Mr. Teo is the Executive Director of Wilmar International Limited and the Chief Operating Officer of the Wilmar Group. He joined the Wilmar Group in 1992 and is in charge of Wilmar Group's commercial activities, merchandising of palm and lauric oils, as well as the manufacturing, palm and bio-diesel trading operations. Mr. Teo has extensive experience in the marketing and merchandising of edible oil products. He graduated from the then University of Singapore with a Bachelor of Business Administration degree.
3.	Ms. Teo La-Mei	Not Applicable[1]	August 12, 2011	Director	Ms. Teo was appointed as the Wilmar Group's Legal Counsel and Company Secretary in August 2009. She is responsible for overseeing the Wilmar Group's legal and corporate secretarial functions. Ms. Teo is also concurrently the Company Secretary and Legal Counsel for Shangri-La Hotel Limited Group of companies.

No.	Name	D.I.N	Date of Appointment	Designation	Qualification and Experience
					She holds a Bachelor of Laws (Honours) degree from the National University of Singapore and is a member of the Listed Companies Committee of the Singapore International Chamber of Commerce.
4.	Mr. Stephen Ho Kiam Kong	Not Applicable[1]	March 14, 2012	Director	Mr. Ho is the Chief Financial Officer of the Wilmar Group since November 2011 and heads the Group's finance, treasury, risk management functions as well as investor relations and corporate communications. He previously worked with Royal Philips for 12 years across various roles including Head of Finance and Asia Pacific CFO. Prior to this, he was with major international financial institutions in Singapore, Hong Kong and New York. Mr. Ho graduated from the Victoria University of Wellington in New Zealand and completed the Advanced Management Programme at Harvard Business School in 1998.
5.	Ms. Sng Miow Ching	03485282	May 31, 2010	Director	Ms. Sng has been the Group Financial Controller of the Wilmar Group since October 2001. Her past positions include Group Financial Controller of the OCK Group and Regional Financial Controller of Martin Clinch & Associates (S) Pte Ltd, a subsidiary of a Swiss multinational group. She is a Fellow of the Association of Chartered Certified Accountants, United Kingdom.

Note:

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

3.1.13 Key financial information of Acquirer 1:

The financial information set forth below has been extracted from the audited standalone financial statements of Acquirer 1 as at and for the financial years ended December 31, 2011, December 31, 2012 and December 31, 2013.

All figures in millions

Profit & Loss Statement	Year Ended December 31, 2011		Year Ended December 31, 2012		Year Ended December 31, 2013	
	US Dollars	Rs	US Dollars	Rs	US Dollars	Rs
Income from operations[1]	27.4	1,705.1	30.9	1,925.5	37.0	2,304.9
Other Income	NIL	NIL	NIL	NIL	NIL	NIL
Total Income	**27.4**	**1,705.1**	**30.9**	**1,925.5**	**37.0**	**2,304.9**
Total Expenditure[2]	(17.2)	(1,072.0)	(21.5)	(1,336.2)	(65.2)	(4,063.7)
Profit Before Depreciation and Tax[3]	10.2	633.1	9.5	589.3	(28.2)	(1,758.8)
Depreciation	NIL	NIL	NIL	NIL	NIL	NIL

Profit & Loss Statement	Year Ended December 31, 2011		Year Ended December 31, 2012		Year Ended December 31, 2013	
	US Dollars	Rs	US Dollars	Rs	US Dollars	Rs
Profit Before Tax	**10.2**	**633.1**	**9.5**	**589.3**	**(28.2)**	**(1,758.8)**
Provision for Tax	(2.7)	(170.1)	(3.9)	(244.6)	(3.8)	(236.8)
Profit After Tax	**7.4**	**463.0**	**5.5**	**344.7**	**(32.0)**	**(1,995.6)**

Notes:
1. Interest and dividend income.
2. Administrative expenses and finance cost; also includes impairment loss on investment in a subsidiary for financial year ended December 31, 2013.
3. Profit before depreciation and tax calculated as total income less total expenditure excluding depreciation, amortization and taxes.

All figures in millions

Balance Sheet Statement	As at December 31, 2011		As at December 31, 2012		As at December 31, 2013	
	US Dollars	Rs	US Dollars	Rs	US Dollars	Rs
Paid up share capital[1]	0.0	0.0	0.0	0.0	0.1	6.2
Reserves and Surplus[2]	57.3	3,568.8	32.8	2,044.9	0.8	49.3
Net worth	**57.3**	**3,568.8**	**32.8**	**2,044.9**	**0.9**	**55.6**
Non-current liabilities	596.9	37,174.5	198.7	12,378.2	198.7	12,378.2
Current liabilities	1,093.1	68,085.8	1,526.1	95,051.8	2,182.5	135,938.2
Total equity and liabilities	**1,747.3**	**108,829.1**	**1,757.7**	**109,474.9**	**2,382.2**	**148,372.0**
Current assets	18.1	1,129.1	0.8	47.0	376.2	23,434.1
Non-current assets	1,729.2	107,700.0	1,756.9	109,427.9	2,005.9	124,937.9
Total assets	**1,747.3**	**108,829.1**	**1,757.7**	**109,474.9**	**2,382.2**	**148,372.0**

Notes:
1. Paid up share capital was US Dollar 1 (Rs 62.2843) as on December 31, 2011 and December 31, 2012.
2. There is no revaluation reserve.

All figures in millions

Other Financial Data	Year Ended December 31, 2011		Year Ended December 31, 2012		Year Ended December 31, 2013	
	US Dollars	Rs	US Dollars	Rs	US Dollars	Rs
Dividend (%)[1]	NIL	NIL	3,000,000,000%	3,000,000,000%	NIL	NIL
Earnings Per Share[2]	7.43	463.02	5.53	344.68	(0.00)	(0.02)
Book Value Per Share[3]	57.30	3,568.77	32.83	2,044.92	0.00	0.00

Notes:
1. Total dividend declared divided by paid up capital.
2. Net income divided by number of shares issued and outstanding; million US Dollar / Share and million Rs/ Share.
3. Net worth divided by number of shares issued and outstanding; million US Dollar / Share and million Rs/ Share.

3.1.14 As on December 31, 2013, there are no contingent liabilities of the Acquirer 1.

3.2 **Acquirer 2 - SRS Investments Pte. Ltd.**

3.2.1 Acquirer 2 is a private limited company incorporated on October 29, 2013 under the laws of Singapore.

3.2.2 The registered office of Acquirer 2 is situated at 79 Robinson Road, #16-01 CPF Building, Singapore 068897, Tel: +65 6223 8255, Fax: +65 6221 1568. Company Secretary of Acquirer 2 is Tan Yee Tjen.

3.2.3 Acquirer 2 is in the business of the acquisition of and investment in the securities of companies in India.

3.2.4 Acquirer 2 has entered into the JVA and the PAA with Acquirer 1, Target Company, PAC 1 and PAC 2 as detailed in paragraph 2.1 (Background to the Offer). Further, Acquirer 2 has entered into a Framework Agreement with PAC 1 and PAC 2 (as detailed in paragraph 5.2 (Financial Arrangements)). Other than the relationship established by the JVA, the PAA and the Framework Agreement, Acquirer 2 has no other relationship with Acquirer 1 or PAC 1. Acquirer 2's relationship with PAC 2 is detailed in paragraph 3.2.5.

3.2.5 Acquirer 2 is wholly owned by ARK Trust settled by Mrs. Anuradha Ravindra Kulkarni, a person resident outside India, vide the trust deed dated December 10, 2013 (the "**Trust**"). Hawksford Trustees Jersey Limited, a professional trustee company, a person resident outside India, is the trustee of the Trust. The beneficiaries of the Trust are Dr. Meenal Ravindra Kulkarni, Mrs. Priyanka Gundabolu and Mrs. Maneesha Shingadia who are all foreign nationals / persons resident outside India (the "**Beneficiaries**"). Mrs. Anuradha Ravindra Kulkarni and Dr. Meenal Ravindra Kulkarni are currently shareholders of the Target Company and Mrs. Anuradha Ravindra Kulkarni is also part of the Current Promoter Group (PAC 2). Acquirer 1 may acquire 1% of the issued and paid up share capital of Acquirer 2 as per the terms of the Framework Agreement.

3.2.6 The issued and paid up capital of Acquirer 2 comprises of 1,000 shares of Singapore Dollar 1 each. The shares of Acquirer 2 are not listed on any stock exchange.

3.2.7 Acquirer 1 will acquire up to 50% of the Shares tendered in the Offer and Acquirer 2 will acquire the remaining 50% of the Shares tendered in the Offer, provided however, if Acquirer 2 is not able to acquire 50% of the Shares tendered in the Offer then Acquirer 1 will acquire 100% of the Shares tendered in the Offer.

3.2.8 Acquirer 2, its directors, and its key managerial employees do not, as on the date hereof, hold any ownership/ interest/ relationship / Shares in/ of, the Target Company, except through the Beneficiaries as mentioned above. None of the directors of Acquirer 2 are on the Board of Directors of the Target Company as on the date of this Draft Letter of Offer.

3.2.9 As on the date hereof, Acquirer 2 has not acquired any Shares post the date of the PA.

3.2.10 The shareholding pattern of the Acquirer 2 is as follows:

NO.	SHAREHOLDER	NUMBER OF SHARES	SHAREHOLDING %
1.	ARK Trust	1,000	100.0%
	TOTAL	**1,000**	**100.0%**

3.2.11 Prior to the Execution Date, Acquirer 2 did not hold any Shares of the Target Company at any time. Accordingly, the provisions of Chapter II of the 1997 Regulations or the SEBI SAST Regulations were not applicable to the Acquirer 2. However, pursuant to completion of the Preferential Allotment, Acquirer 2 will make applicable disclosures, if any, in terms of Chapter V of the SEBI (SAST) Regulations.

3.2.12 Acquirer 2 has not been prohibited by SEBI from dealing in securities, in terms of a direction issued under Section 11B of the SEBI Act or any other regulations made under the SEBI Act.

3.2.13 Names, dates of appointment, designation, details of experience and qualifications of the directors on the board of directors of the Acquirer 2 are as follows:

No	Name	Date of Appointment	Designation	Qualification and Experience
1.	Mr. Ankit Vikram Paleja	October 29, 2013	Director	Mr. Paleja has 6 years of experience as a legal practitioner. He holds Bachelor of Legal Science and Bachelor of Law degrees.
2.	Ms. Tan Yee Tjen	October 29, 2013	Director	Ms. Tjen has 18 years of experience in the management of Singapore companies and offshore entities on corporate secretarial matters. She holds a diploma in Accountancy from Ngee Ann Polytechnic, Singapore and is also an Associate of the Singapore Association of the Institute of Chartered Secretaries and Administrators (SAICSA) since 2000.

3.2.14 Ms. Tan Yee Tjen's D.I.N is 06588943. Mr. Ankit Vikram Paleja is not a director on the board of any Indian company, and consequently, does not have any D.I.N.

3.2.15 Acquirer 2 was incorporated on October 29, 2013 and, this being its first year of operation, no financial statements related to Acquirer 2 have been prepared.

3.2.16 Contingent liabilities: As of December 31, 2013 no financial statements related to Acquirer 2 have been prepared.

3.3 **PAC 1 - Wilmar International Limited**

3.3.1 PAC 1 is a public limited company, incorporated on August 14, 1999 under the laws of Singapore. PAC 1 was originally incorporated as Ezyhealth Asia-Pacific Pte Ltd. Subsequently, it was converted to a public limited company and its name was changed to Ezyhealth Asia Pacific Ltd on June 30, 2000. The name of PAC 1 was further changed from Ezyhealth Asia Pacific Ltd to Wilmar International Limited on July 14, 2006.

3.3.2 The registered office of PAC 1 is situated at 56 Neil Road, Singapore 088830, Tel: +65 6216 0244, Fax: +65 6836 1709. Compliance officer of PAC 1 is Teo La-Mei, Company Secretary.

3.3.3 PAC 1 is an Asian agribusiness group, headquartered in Singapore and listed on the Singapore Exchange Securities Trading Limited. PAC 1 is active on a global scale and its business activities include oil palm cultivation, oilseeds crushing, edible oils refining, sugar milling and refining, specialty fats, oleochemicals, biodiesel and fertilizers manufacturing and grains processing. The companies operating under PAC 1 across all its businesses and markets are together classified in this Draft Letter of Offer as the Wilmar International Limited Group ("**Wilmar Group**"). The principal activity of PAC 1 is investment holding. Acquirer 1 is a wholly-owned subsidiary of PAC 1.

3.3.4 The issued and paid up capital of PAC 1 as at December 31, 2013 is Singapore Dollars 8,259,123,645 (Eight billion two hundred and fifty nine million one hundred and twenty three thousand six hundred forty five) comprising of 6,403,401,106 (Six billion four hundred and three million four hundred and one thousand one hundred and six) ordinary shares of Singapore Dollar 1.29 each. This includes 4,323,500 (Four million three hundred and twenty three thousand five hundred) ordinary shares held as treasury shares. PAC 1 is listed on the Singapore Exchange Securities Trading Limited. The detailed shareholding pattern of PAC 1 as at December 31, 2013 is as follows:

Shareholders	Number of ordinary shares held	% of issued share capital
Persons in Control[1]	2,221,228,805	34.7%
Other Substantial Shareholders	2,051,796,424	32.0%
Other Shareholders	2,126,052,377	33.2%
Treasury Shares	4,323,500	0.1%
Total Paid up Capital	**6,403,401,106**	**100.0%**

Note: The above classification is based on the requirements under the Singapore Exchange Securities Trading Limited Rulebooks and is based on direct and indirect shareholding.

1. The controlling shareholders(*) of PAC 1, are Kuok Brothers Sdn Berhad(**), Archer Daniels Midland Company and PPB Group Berhad.
   * Identified as controlling shareholders in terms of Singapore Exchange Securities Trading Limited Rulebooks and based on direct and indirect shareholding.** Kuok Brothers Sdn Berhad is deemed to be interested in the shares inter alia held by PPB Group Berhad.

3.3.5 PAC 1 has entered into the JVA and the PAA with Acquirer 1, Acquirer 2, PAC 2 and Target Company as detailed in paragraph 2.1.1 (Background to the Offer), which has triggered this Offer. Further, PAC 1 has entered into a Framework Agreement with Acquirer 2 and PAC 2 as detailed in paragraph 5.2 (Financial Arrangements). Other than the relationship established by the JVA, the PAA and Framework Agreement, PAC 1 has no other relationship with Acquirer 2 or PAC 2.

3.3.6 As on the date hereof, PAC 1 has not acquired any Shares post the date of the PA.

3.3.7 PAC 1 has not been prohibited by the SEBI from dealing in securities, in terms of a direction issued under Section 11B of the SEBI Act or any other regulations made thereunder.

3.3.8 Prior to the Execution Date, the PAC 1 did not hold any Shares of the Target Company at any time. Accordingly, the provisions of Chapter II of the 1997 Regulations or SEBI (SAST) Regulations were not applicable to PAC 1. However, pursuant to completion of the Preferential Allotment, PAC 1 will make applicable disclosures, if any, in terms of Chapter V of the SEBI (SAST) Regulations.

3.3.9 PAC 1, its directors, and its key managerial employees do not, as on the date hereof, hold any ownership/interest/relationship/Shares in the Target Company. None of the directors of the PAC 1 are on the Board of Directors of the Target Company.

3.3.10 Names, dates of appointment, designation, details of experience and qualifications of the directors on the board of directors of the PAC 1 are as follows:

No.	Name	D.I.N	Date of Appointment	Designation	Qualifications and Experience
1.	Mr. Kuok Khoon Hong	00021957	March 24, 2006	Chairman and CEO	Mr. Kuok is the Chairman and Chief Executive Officer of the Wilmar Group. He is overall in charge of the management of the Wilmar Group with a particular focus on new business developments. He has extensive experience in the industry and has been involved in the grains, edible oils and oilseeds businesses since 1973. Mr. Kuok graduated from the then University of Singapore with a Bachelor of Business Administration degree.
2.	Mr. Martua	Not Applicable[1]	July 14, 2006	Executive Deputy	Mr. Sitorus is the Executive Deputy Chairman of the Wilmar Group. Mr. Sitorus has been

No.	Name	D.I.N	Date of Appointment	Designation	Qualifications and Experience
	Sitorus			Chairman	instrumental in the development of the Wilmar Group's business operations in Indonesia. He is in charge of the Wilmar Group's operations in Indonesia and plantation operations. Mr. Sitorus holds a degree in economics from HKBP Nomensen University in Medan, Indonesia.
3.	Mr. Teo Kim Yong	02152713	July 14, 2006	Executive Director and Chief Operating Officer	Mr. Teo is the Executive Director of Wilmar International Limited and the Chief Operating Officer of the Wilmar Group. He is in charge of the Wilmar Group's commercial activities, merchandising of palm and lauric oils, as well as the manufacturing, palm and biodiesel trading operations. Mr. Teo joined the Wilmar Group in 1992 and has extensive experience in the marketing and merchandising of edible oil products. Mr. Teo graduated from the then University of Singapore with a Bachelor of Business Administration degree.
4.	Mr. Kuok Khoon Chen	Not Applicable[1]	February 8, 2010	Non-Executive Director	Mr. Kuok has been a senior executive of the Kuok Group since 1978. He is currently the Deputy Chairman and the Managing Director of Kerry Group Limited and the Chairman of Kerry Holdings Limited. He is also the Chairman of Kuok Brothers Sdn Berhad and a director of a number of Kuok Group companies. Mr. Kuok is the Chairman and Chief Executive Officer of Shangri-La Asia Limited which is listed on the Hong Kong Stock Exchange, and an executive director of China World Trade Center Company Limited which is listed on the Shanghai Stock Exchange. Mr Kuok was the Chairman of Kerry Properties Limited from June 2008 to August 2013. He holds a Bachelor's degree in Economics from Monash University in Australia.
5.	Mr. Kuok Khoon Ean	Not Applicable[1]	July 2, 2007	Non-Executive Director	Mr. Kuok is the Chairman of Kuok (Singapore) Limited, a Director of Kerry Group Limited and Managing Director of Kerry Holdings Limited. He is a non-executive director of Shangri-La Asia Limited and an independent non-executive director of The Bank of East Asia Limited, both of which are listed companies in Hong Kong. He is also a non-executive director of Shangri-La Hotel Public Co. Ltd. and an independent non-executive director of IHH Healthcare Berhad which are

No.	Name	D.I.N	Date of Appointment	Designation	Qualifications and Experience
					listed on the Thai Stock Exchange and Bursa Malaysia respectively. He has served on various statutory bodies in Singapore, namely the Sentosa Development Corporation (1993-2000), the Singapore Trade Development Board (1995-1998) and the Singapore Tourism Board (2000-2001). Mr. Kuok holds a Bachelor of Economics degree from Nottingham University, UK.
6.	Mr. Juan Ricardo Luciano	Not Applicable[1]	June 20, 2012	Non-Executive Director	Mr. Luciano is the Executive Vice President and Chief Operating Officer of Archer Daniels Midland Company ("ADM"), a member of its Executive Committee and Global Operating Committee, and an officer of the corporation. In his role, he oversees the commercial and production activities of ADM's corn, oilseeds, agricultural services, and cocoa and milling businesses, as well as its research, project-management and risk-management functions. Mr. Luciano joined ADM following a successful 25-year tenure at Dow Chemical Company, where he last served as executive vice president and president of Dow's performance division, and as a member of the company's executive leadership committee, strategy board and management committee. He holds an industrial engineering degree from the Buenos Aires Institute of Technology.
7.	Mr. Yeo Teng Yang	Not Applicable[1]	July 14, 2006	Lead Independent Director	Mr. Yeo is the lead independent director. He has a varied international career spanning senior positions in the Ministry of Finance and the Monetary Authority of Singapore, Ambassador to the European Community in Brussels as well as Executive Director of the Asian Development Bank, Manila and Advisor at the IMF, Washington D.C. besides his extensive banking experience in United Overseas Bank Ltd, Singapore and Korea First Bank, South Korea. Mr. Yeo holds a Bachelor of Social Science (Honours) degree from the then University of Singapore and a Masters degree in Economics from Yale University, US.
8.	Mr. Leong Horn Kee (Dr)	Not Applicable[1]	June 30, 2000	Independent Director	Dr. Leong is currently the Chairman of CapitalCorp Partners Pte Ltd. Dr. Leong has established a wide career in the private sector with Far East Organization, Orchard Parade Holdings Limited, Yeo Hiap Seng

No.	Name	D.I.N	Date of Appointment	Designation	Qualifications and Experience
					Limited, Rothschild Singapore, Transtech Ventures and Natsteel group, as well as in the public sector with the Ministry of Trade & Industry and the Ministry of Finance. In addition, he was a Singapore Member of Parliament from 1984 to 2006, and was Singapore's Nonresident Ambassador to Mexico from September 2006 to February 2013. Dr. Leong is the Non-resident High Commissioner (designate) to Cyprus since 28 March 2013. Mr. Leong holds a Production Engineering degree from Loughborough University, UK; an Economics degree from London University, UK; a Chinese Language and Literature degree from Beijing Normal University, China; an MBA degree from INSEAD, France; a Master in Business Research from University of Western Australia; and a Doctorate in Business Administration from University of Western Australia.
9.	Mr. Tay Kah Chye	Not Applicable[1]	July 14, 2006	Independent Director	Mr. Tay is currently the Executive Chairman of CLMV Consult Net Private Limited, a regional consulting company headquartered in Singapore and the Chief Executive Officer of the PATA Group (comprising PATA Consultancy Private Limited and PATA International Enterprise Private Limited). He has served as the Honorary Advisor of ASEAN Bankers Association, a regional banking industry group from 2008 to 2010. Prior to his retirement on 31 December 2007, Mr Tay was the President and Chief Executive Officer of ASEAN Finance Corporation Limited, a regional merchant bank based in Singapore and owned by various leading banks and financial institutions in ASEAN since 1991. Mr. Tay has vast experience in banking and finance. Mr. Tay was with Citibank N.A. Singapore Branch, where he started his banking career in 1973. His last held position in Citibank was Vice President and Head of its Corporate Marketing Group. Mr Tay was a director of Cambodia Mekong Bank Public Limited from 2003 to 2012 and his last held position was Chairman of the Board of Directors. He is the Independent Non-Executive Chairman of Asiatic Group (Holdings) Limited and an independent director of Chemical Industries (Far East) Ltd. Mr. Tay holds a Bachelor of Social Sciences

No.	Name	D.I.N	Date of Appointment	Designation	Qualifications and Experience
					degree in Economics from the then University of Singapore.
10.	Mr. Kwah Thiam Hock	Not Applicable[1]	July 14, 2006	Independent Director	Mr. Kwah sits on the board of various companies including IFS Capital Limited, Select Group Limited, Excelpoint Technology Ltd and Teho International Inc Ltd. He has previously served with the Port of Singapore Authority, Singapore Textile Industries Limited, Singapore Spinners Private Limited, IMC (Singapore). Mr Kwah was also the President and Chief Executive Officer of ECICS Holdings Ltd and the Principal Officer and Chief Executive Officer of ECICS Limited, a wholly-owned subsidiary of listed IFS Capital Limited. He remains as the non-executive Director of ECICS Limited. He is a Fellow, Certified Public Accountant of Australia, ICPAS and ACCA. He graduated from the then University of Singapore in 1973 with a Bachelor of Accountancy degree.

Source: Wilmar International Limited's annual report for the year ended December 31, 2012.

Note:

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

3.3.11 PAC 1 is substantially in compliance with the applicable corporate governance requirements set out in the Singapore Code of Corporate Governance to which it is subject to. PAC 1 has appointed Teo La-Mei as the Company Secretary under the applicable laws.

3.3.12 Key financial information of PAC 1:

The financial information set forth below has been extracted from the audited consolidated financial statements of PAC 1 as at and for the financial years ended December 31, 2011 and December 31, 2012 and the consolidated unaudited financial statements of PAC 1 as reported to Singapore Exchange Securities Trading Limited as at and for the financial year ended December 31, 2013 which were prepared in accordance with Singapore Financial Reporting Standards and on a basis substantially consistent with that of the audited financial statements for the years ended December 31, 2011 and 2012.

All figures in millions

	Year Ended December 31, 2011		Year Ended December 31, 2012		Year Ended December 31, 2013	
Profit & Loss Statement	**US Dollars**	**Rs**	**US Dollars**	**Rs**	**US Dollars**	**Rs**
Income from operations[1]	44,710	2,784,733	45,463	2,831,657	44,085	2,745,803
Other Income[2]	1,256	78,202	645	40,174	847	52,724
Total Income	**45,966**	**2,862,936**	**46,108**	**2,871,831**	**44,932**	**2,798,527**
Total Expenditure[3]	(42,984)	(2,677,211)	(43,486)	(2,708,526)	(42,143)	(2,624,819)
Profit Before Interest, Depreciation, Amortization and Tax[4]	2,982	185,725	2,622	163,305	2,789	173,709
Depreciation and amortization[5]	(479)	(29,808)	(543)	(33,833)	(609)	(37,925)
Finance Costs	(506)	(31,503)	(611)	(38,086)	(539)	(33,577)
Non-operating items	(104)	(6,480)	64	4,003	31	1,912
Share of results of associates	185	11,538	123	7,667	104	6,467
Profit Before Tax	**2,079**	**129,473**	**1,655**	**103,056**	**1,775**	**110,585**

	Year Ended December 31, 2011		Year Ended December 31, 2012		Year Ended December 31, 2013	
Profit & Loss Statement	**US Dollars**	**Rs**	**US Dollars**	**Rs**	**US Dollars**	**Rs**
Provision for Tax	(379)	(23,619)	(334)	(20,814)	(385)	(23,960)
Profit/(Loss) attributable to minority shareholders	99	6,146	65	4,044	72	4,476
Profit After Tax	**1,601**	**99,707**	**1,255**	**78,198**	**1,319**	**82,149**

Notes:
1. Revenue.
2. Net gains or losses arising from changes in fair value of biological assets, finance income and other operating income.
3. Cost of sales, selling and distribution expenses, administrative expenses and other operating expenses excluding depreciation of property, plant and equipment and amortisation of intangible assets as per cash flow statement.
4. Profit before interest, depreciation, amortization and tax calculated as total income less total expenditure excluding finance costs, depreciation, amortization and taxes.
5. Depreciation of property, plant and equipment and amortisation of intangible assets as per cash flow statement.

All figures in millions

	As at December 31, 2011		As at December 31, 2012		As at December 31, 2013	
Balance Sheet Statement	**US Dollars**	**Rs**	**US Dollars**	**Rs**	**US Dollars**	**Rs**
Paid up share capital[1]	8,452	526,397	8,442	525,776	8,449	526,216
Reserves and Surplus[2]	4,919	306,356	5,904	367,746	6,556	408,349
Net worth	**13,370**	**832,753**	**14,346**	**893,522**	**15,005**	**934,565**
Non-controlling interests	878	54,697	849	52,901	882	54,934
Non-current liabilities	3,262	203,150	5,312	330,832	7,554	470,468
Current liabilities	22,130	1,378,335	21,413	1,333,711	23,191	1,444,461
Total equity and liabilities	**39,640**	**2,468,934**	**41,920**	**2,610,966**	**46,632**	**2,904,429**
Property, plant and equipment	7,469	465,195	8,924	555,809	9,337	581,559
Biological assets	1,846	114,976	1,970	122,719	1,880	117,074
Intangible assets	4,410	274,670	4,458	277,680	4,421	275,336
Investment in associates	1,579	98,331	1,658	103,259	2,035	126,769
Other non-current assets[3]	571	35,594	1,090	67,920	1,117	69,601
Current assets	23,765	1,480,169	23,819	1,483,580	27,842	1,734,090
Total assets	**39,640**	**2,468,934**	**41,920**	**2,610,966**	**46,632**	**2,904,429**

Notes:
1. Share capital less treasury shares.
2. Retained earnings and other reserves; There is no revaluation reserve.
3. Plasma investments, available-for-sale financial assets, deferred tax assets, derivative financial instruments, other financial receivables and other non-financial assets.

US Dollar/Share and Rs/Share except for Dividend

	Year Ended December 31, 2011		Year Ended December 31, 2012		Year Ended December 31, 2013	
Other Financial Data	**US Dollars**	**Rs**	**US Dollars**	**Rs**	**US Dollars**	**Rs**
Dividend (%)[1]	3.69%	3.69%	3.05%	3.05%	4.78%	4.78%
Basic Earnings Per Share	0.25	15.57	0.20	12.21	0.21	12.83
Diluted Earnings Per Share	0.25	15.57	0.20	12.21	0.21	12.83
Book Value Per Share[2]	2.09	130.09	2.24	139.70	2.34	146.05

Notes:
1. Total dividend declared divided by number of shares issued and outstanding excluding treasury shares.
2. Net worth divided by number of shares issued and outstanding excluding treasury shares.

3.3.13 PAC 1 has provided corporate guarantees for credit facilities to banks for financial facilities extended to PAC 1, its subsidiaries and associates. Details of such contingent liabilities of PAC 1 as of December

31, 2012, as disclosed in its annual report, are as follows.

All figures in millions

Contractual expiry by maturity	Less than 1 year		1 to 5 years		Total	
	US Dollars	Rs	US Dollars	Rs	US Dollars	Rs
Consolidated						
Financial guarantees	169	10,532	84	5,223	253	15,755
Standalone						
Financial guarantees	3,792	236,184	2,962	184,507	6,754	420,692

3.3.14 The closing price of the equity shares of PAC 1 as quoted on the Singapore Exchange Securities Trading Limited on March 6, 2014 was Singapore Dollars 3.54 (Source: Bloomberg).

3.4 **PAC 2 - Current Promoter Group**

3.4.1 PAC 2 consists of the following companies and individuals who are part of the Current Promoter Group of the Target Company.

3.4.1.1 **Murkumbi Investments Private Limited ("MIPL")**

3.4.1.1.1 MIPL is a core investment company incorporated on August 17, 1994, under the laws of India. MIPL was originally incorporated as Murkumbi Bioagro Private Limited and subsequently, its name was changed to Murkumbi Investments Private Limited on April 8, 2009.

3.4.1.1.2 The registered office of MIPL is situated at BC 105, Havelock Road, Camp, Belgaum 590001, Karnataka, India. Tel: +91 8312404000, Fax: +91 8312469891.

3.4.1.1.3 MIPL is engaged in the business of investment in securities.

3.4.1.1.4 The issued and paid-up capital of MIPL is 31,306 equity shares of Rs 100 each. The shareholding pattern of MIPL as at December 31, 2013 is as follows:

SHAREHOLDER	Number of equity shares held	% of issued share capital
Narendra Madhusudhan Murkumbi	29,910	95.54%
Khandepar Investments Private Limited	1,376	4.40%
Vidya Murkumbi	10	0.03%
Nandan Yalgi	10	0.03%
Total Paid up Capital	**31,306**	**100.00%**

3.4.1.1.5 The equity shares of MIPL are not listed on any stock exchange.

3.4.1.1.6 As on the date hereof, MIPL holds 121,414,000 Shares of the Target Company, representing 18.1% of the voting rights/ share capital of the Target Company.

3.4.1.1.7 MIPL has complied with the provisions of Chapter II of the 1997 Regulations and the SEBI (SAST) Regulations.

3.4.1.1.8 MIPL has not been prohibited by SEBI from dealing in securities, in terms of a direction issued under Section 11B of the SEBI Act or any other regulations made under the SEBI Act.

3.4.1.1.9 Names, dates of appointment, designation, details of experience and qualifications of the directors on the board of directors of MIPL are as follows:

No.	Name	D.I.N	Date of Appointment	Designation	Qualifications and Experience
1.	Mrs. Apoorva Narendra Murkumbi	01597228	October 12, 2009	Director	Ms. Apoorva has 17 years of experience in the field of market research and consultancy, in corporates such as AC Nielsen, TNS and Hansa. She is currently working in the field of education. Ms. Apoorva holds a Bachelor of Arts (Economics) degree and an MBA from IIM, Ahmedabad.
2.	Mr. Satish Maniklal Mehta	01762138	August 11, 2009	Director	Mr. Mehta has 28 years of experience as a practicing Chartered Accountant in India.

3.4.1.1.10 Mrs. Apoorva Narenda Murkumbi and Mr. Satish Mehta, directors of MIPL hold 50,000 and 23,500 Shares, respectively, in the Target Company. No other key managerial employees of MIPL, as on the date hereof, hold any ownership/interest/relationship/Shares in the Target Company. None of the directors of MIPL are on the Board of Directors of the Target Company.

3.4.1.1.11 Key financial information of MIPL is as follows:

The financial information set forth below has been extracted from the audited stand-alone financial statements of MIPL for the financial year ended March 31, 2012, March 31, 2013 and unaudited limited review financial statements for the six months ended September 30, 2013.

All figures in Rs millions

Profit & Loss Statement	Year Ended March 31, 2012	Year Ended March 31, 2013	Six Months Ended September 30, 2013
Income from operations[1]	0.9	0.2	0.0
Other income[2]	121.4	0.5	60.7
Total Income	**122.3**	**0.6**	**60.7**
Total Expenditure[3]	(3.3)	(1.7)	(0.7)
Profit Before Depreciation, Interest and Tax[4]	119.0	(1.1)	60.0
Depreciation	NIL	NIL	NIL
Finance costs	(269.6)	(151.6)	(81.3)
Profit Before Tax	**(150.6)**	**(152.7)**	**(21.3)**
Provision for tax	(0.0)	NIL	NIL
Profit After Tax	**(150.6)**	**(152.7)**	**(21.3)**

Notes:
1. Revenue from interest income.
2. Net gains on account of dividends on investments.
3. Employee cost, administrative expenses and other expenses.
4. Profit before interest, depreciation, amortization and tax calculated as total income less total expenditure excluding finance costs, depreciation, amortization and taxes.

All figures in Rs millions

Balance Sheet Statement	As at March 31, 2012	As at March 31, 2013	As at September 30, 2013
Sources of funds			
Paid up share capital	3.1	3.1	3.1
Reserves and surplus (excluding revaluation reserves)	312.3	159.6	138
Net worth	**315.4**	**162.7**	**141.4**
Non-current liabilities[1]	NIL	500.0	500.0
Current liabilities[2]	2,375.3	2,022.8	2,089
Total	**2,690.7**	**2,685.6**	**2,730.7**
Uses of funds			
Non-current assets[3]	2,684.4	2,684.4	2,684.4
Current assets[4]	6.4	1.2	46
Total	**2,690.7**	**2,685.6**	**2,730.7**

Notes:

1. Long-term borrowings.
2. Short-term borrowings, other current liabilities and short-term provisions.
3. Non-current investments, fixed assets and other non-current assets.
4. Cash and cash equivalents and other current assets.

Rs/Share except for Dividend

Other Financial Data	Year Ended March 31, 2012	Year Ended March 31, 2013	Six Months Ended September 30, 2013
Dividend (%)	NIL	NIL	NIL
Earnings Per Share	(4,811.5)	(4,877.7)	(679.4)
Book Value Per Share[1]	10,075.4	5,197.7	4,518.0

Note:

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

All figures in Rs millions

Profit & Loss Statement	Year Ended March 31, 2011
Income from operations[1]	1.0
Other income[2]	121.4
Total Income	**122.4**
Total Expenditure[3]	(3.7)
Profit Before Depreciation, Interest and Tax[4]	118.6
Depreciation	NIL
Finance costs	(197.9)
Profit Before Tax	**(79.2)**
Provision for tax	NIL
Profit After Tax	**(79.2)**

Notes:

1. Revenue from interest income.
2. Net gains on account of dividends on investments.
3. Employee cost, administrative expenses and other expenses.
4. Profit before interest, depreciation, amortization and tax calculated as total income less total expenditure excluding finance costs, depreciation, amortization and taxes.

The financial information set forth below has been extracted from the audited standalone financial statements of MIPL for the financial year ended March 31, 2011.

All figures in Rs millions

Balance Sheet Statement	As at March 31, 2011
Sources of funds	
Share capital	3.1
Share application money pending allotment	260.0
Reserves and surplus (excluding revaluation reserves)[1]	462.9
Net worth	**726.1**
Secured loans[2]	1,900.0
Unsecured loans[3]	42.5
Total	**2,668.6**
Uses of funds	
Net fixed assets	NIL
Investments[4]	2,666.8
Net current assets[5]	1.8
Total	**2,668.6**

Notes:
1. General reserve, share premium and profit and loss account.
2. Secured loans from financial institutions.
3. Loans from shareholders.
4. Investments in group and other companies.
5. Current assets, loans and advances and other current assets net of current liabilities and provisions.

Rs/Share except for Dividend

Other Financial Data	Year Ended March 31, 2011
Dividend (%)	NIL
Earnings Per Share	(2,530.5)
Book Value Per Share[1]	23,192.4

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

3.4.1.1.12 The contingent liabilities of MIPL as of September 30, 2013, as stated in the certificate dated December 16, 2013, issued by the auditors of MIPL, are as follows:

Entity Name / Nature of Contingent Liability	Loan from Institution	Amount (in Rs million)
Vantamuri Trading & Investment Limited*	ICICI Bank Limited	300.0
Renuka Resources (Singapore) Pte Limited*	ICICI Bank Limited	583.5
Renuka Resources (Singapore) Pte Limited*	Union Bank of India	1,189.7
Renuka Energy Resources Holdings FZE*	ICICI Bank Limited	1,243.0
Income Tax for the Assessment Year 2003-2004	Not applicable	6.6
Total		**3,322.8**

* Refers to corporate guarantee provided to these companies by MIPL and KIPL jointly.

3.4.1.2 **Khandepar Investments Private Limited ("KIPL")**

3.4.1.2.1 KIPL is a core investment company incorporated on August 13, 1997 under the laws of India. KIPL was originally incorporated as Murkumbi Industries Private Limited and subsequently, its name was changed to Khandepar Investments Private Limited on February 10, 2009.

3.4.1.2.2 The registered office of KIPL is situated at BC 105, Havelock Road, Camp, Belgaum – 590001, Karnataka, India. Tel: +91 8312404000, Fax: +91 8312469891.

3.4.1.2.3 KIPL is engaged in the business of investment in securities.

3.4.1.2.4 The issued and paid-up capital of KIPL is 1,250,000 equity shares of Rs 10 each. The shareholding pattern of KIPL as at December 31, 2013 is as follows:

SHAREHOLDER	Number of equity shares held	% of issued share capital
Mr. Narendra Madhusudhan Murkumbi	1,243,638	99.49%
Mrs. Apoorva Narendra Murkumbi	3,151	0.25%
Mr. Nandan Yalgi	3,151	0.25%
Mrs. Vidya Murkumbi	50	0.00%
Mr. J. J. Bhagat	10	0.00%
Total Paid up Capital	**1,250,000**	**100.00%**

3.4.1.2.5 The equity shares of KIPL are not listed on any stock exchange.

3.4.1.2.6 As on the date hereof, KIPL holds 75,400,000 Shares of the Target Company, representing 11.2% of the voting rights/ share capital of the Target Company.

3.4.1.2.7 KIPL has complied with the provisions of Chapter II of 1997 Regulations and SEBI (SAST) Regulations except for the delay related to the disclosure provided below:

Regulation/ Sub-Regulation	Due date of compliance mentioned in Regulation	Actual date of compliance	Delay, if any	Remarks
7(1)	August 5, 2007	August 6, 2007	One day	Delay of one day

3.4.1.2.8 KIPL has not been prohibited by SEBI from dealing in securities, in terms of a direction issued under Section 11B of the SEBI Act or any other regulations made under the SEBI Act.

3.4.1.2.9 Names, dates of appointment, designation, details of experience and qualifications of the directors on the board of directors of KIPL are as follows:

No.	Name	D.I.N	Date of Appointment	Designation	Qualifications and Experience
1.	Ms. Apoorva Narendra Murkumbi	01597228	October 12, 2009	Director	Ms. Apoorva has 17 years of experience in the field of market research and consultancy, in corporates such as AC Nielsen, TNS and Hansa. She is currently working in the field of education. Ms. Apoorva holds a Bachelor of Arts (Economics) degree and an MBA from IIM, Ahmedabad.
2.	Ms. Vidya Murkumbi	00007588	August 13, 1997	Director	Ms. Vidya has over 30 years of experience in various fields including in marketing and agri business. She is the promoter director of the Target Company and currently serves as the Executive Chairperson of the Target Company. Ms. Vidya is a graduate in Chemistry. She has been conferred with a Doctorate by Karnataka State Bijapur

No.	Name	D.I.N	Date of Appointment	Designation	Qualifications and Experience
					Women's University.
3.	Mr. Satish Maniklal Mehta	01762138	August 11, 2009	Director	Mr. Mehta has 28 years of experience as a practicing Chartered Accountant in India.

3.4.1.2.10 Mrs. Apoorva Murkumbi, Mrs. Vidya Murkumbi and Mr. Satish Maniklal Mehta, directors of KIPL hold 50,000, 1,228,800 and 23,500 Shares respectively, in the Target Company. No other key managerial employees of KIPL, as on the date hereof, hold any ownership/interest/relationship/Shares in the Target Company. Mrs. Vidya Murkumbi is the Executive Chairperson of the Target Company. None of the other directors of KIPL are on the Board of Directors of the Target Company.

3.4.1.2.11 Key financial information of KIPL is as follows:

The financial information set forth below has been extracted from the audited stand-alone financial statements of KIPL for the financial years ended March 31, 2012, March 31, 2013 and unaudited limited review financial statements for the six months ended September 30, 2013.

All figures in Rs millions

Profit & Loss Statement	Year Ended March 31, 2012	Year Ended March 31, 2013	Six Months Ended September 30, 2013
Income from operations[1]	6.0	6.7	1.6
Other income[2]	75.5	NIL	37.7
Total Income	**81.5**	**6.7**	**39.3**
Total Expenditure[3]	(1.3)	(0.4)	(0.1)
Profit Before Depreciation, Interest and Tax[4]	80.3	6.3	39.2
Depreciation	NIL	NIL	NIL
Finance costs	(47.0)	(63.5)	(32.2)
Profit Before Tax	**33.2**	**(57.2)**	**7.0**
Provision for tax	NIL	NIL	NIL
Profit After Tax	**33.2**	**(57.2)**	**7.0**

Notes:
1. Revenue from interest income.
2. Net gains on account of dividends on investments.
3. Consultation charges and other expenses.
4. Profit before interest, depreciation and tax calculated as total income less total expenditure excluding finance costs, depreciation and taxes.

All figures in Rs millions

Balance Sheet Statement	As at March 31, 2012	As at March 31, 2013	As at September 30, 2013
Sources of funds			
Paid up share capital	12.5	12.5	12.5
Reserves and surplus (excluding revaluation reserves)	1,263.6	1,206.4	1,213
Net worth	**1,276.1**	**1,218.9**	**1,225.9**
Non-current liabilities[1]	NIL	500.0	500.0
Current liabilities[2]	500.0	0.7	1
Total	**1,776.1**	**1,719.6**	**1,726.5**
Uses of funds			
Non-current assets[3]	1,684.5	1,684.5	1,684.7
Current assets[4]	91.6	35.0	42
Total	**1,776.1**	**1,719.6**	**1,726.5**

Notes:

1. Long-term borrowings.
2. Short-term borrowings, other current liabilities and short-term provisions.
3. Non-current investments, fixed assets and other non current assets.
4. Cash and cash equivalents, short term loans and advances and other current assets.

Rs/Share except for Dividend

Other Financial Data	Year Ended March 31, 2012	Year Ended March 31, 2013	Six Months Ended September 30, 2013
Dividend (%)	NIL	NIL	NIL
Earnings Per Share	26.6	(45.8)	5.6
Book Value Per Share[1]	1,020.9	975.1	980.7

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

All figures in Rs millions

Profit & Loss Statement	Year Ended March 31, 2011
Income from operations[1]	NIL
Other income[2]	75.5
Total Income	**75.5**
Total Expenditure[3]	(0.9)
Profit Before Depreciation, Interest and Tax[4]	74.6
Depreciation	NIL
Finance costs	NIL
Profit Before Tax	**74.6**
Provision for tax	(0.0)
Profit After Tax	**74.6**

Notes:
1. Revenue from interest income.
2. Net gains on account of dividends on investments.
3. Consultation charges and other expenses.
4. Profit before interest, depreciation and tax calculated as total income less total expenditure excluding finance costs, depreciation and taxes.

The financial information set forth below has been extracted from the audited standalone financial statements of KIPL for the financial year ended March 31, 2011.

All figures in Rs millions

Balance Sheet Statement	As at March 31, 2011
Sources of funds	
Share capital	12.5
Share application money pending allotment	240.0
Reserves and surplus (excluding revaluation reserves)	1,230.4
Net worth	**1,482.9**
Secured loans	NIL
Unsecured loans	NIL
Total	**1,482.9**
Uses of funds	
Net fixed assets	NIL
Investments[1]	1,482.3
Net current assets[2]	0.6
Total	**1,482.9**

Notes:
1. Investments in group companies and mutual funds.

2. Current assets, loans and advances and other current assets net of current liabilities and provisions.

Rs/Share except for Dividend

Other Financial Data	Year Ended March 31, 2011
Dividend (%)	NIL
Earnings Per Share	59.7
Book Value Per Share[1]	1,186.3

Note:

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

3.4.1.2.12 The contingent liabilities of KIPL as of September 30, 2013, as stated in the certificate dated December 16, 2013, issued by the auditors of KIPL, are as follows:

Entity Name / Nature of Contingent Liability	Loan from Institution	Amount (in Rs million)
Vantamuri Trading & Investment Limited*	ICICI Bank Limited	300.0
Renuka Resources (Singapore) Pte Limited*	ICICI Bank Limited	583.5
Renuka Resources (Singapore) Pte Limited*	Union Bank of India	1,189.7
Renuka Energy Resources Holdings FZE*	ICICI Bank Limited	1,243.0
Income Tax for the Assessment Year 2003-2004	Not applicable	4.0
Excise Duty	Not applicable	0.5
Total		**3,320.8**

* Refers to corporate guarantee provided to these companies by MIPL and KIPL jointly.

3.4.1.3 **Agri Venture Trading and Investment Private Limited ("AVTIPL")**

3.4.1.3.1 AVTIPL is a private limited company incorporated on March 19, 2012 under the laws of India.

3.4.1.3.2 The registered office of AVTIPL is situated at 23, 2nd Floor, Madhuli CHS Ltd., Behind Shiv Sagar Estate, Dr.Annie Besant Road, Worli, Mumbai 400018, Maharashtra, India. Tel: +91 2243601300, Fax: +91 2224977263.

3.4.1.3.3 AVTIPL is engaged in the business of investment in securities.

3.4.1.3.4 The issued and paid-up capital of AVTIPL is 10,000 equity shares of Rs 10 each. The shareholding pattern of AVTIPL as at December 31, 2013 is as follows:

SHAREHOLDER	Number of equity shares held	% of issued share capital
Shree Renuka Energy Limited	9,999	99.99%
Mr. Nandan Yalgi	1	0.01%
Total Paid up Capital	**10,000**	**100.00%**

3.4.1.3.5 The equity shares of AVTIPL are not listed on any stock exchange.

3.4.1.3.6 As on the date hereof, AVTIPL holds 37,522,295 Shares of the Target Company, representing 5.6% of the voting rights/ share capital of the Target Company.

3.4.1.3.7 Further, the holding company of AVTIPL, Shree Renuka Energy Limited, has entered into some related party transactions with the Target Company in the normal course of business. Shareholding pattern of Shree Renuka Energy Limited as on February 7, 2014, is as follows:

Sr. No	Description	Number of ordinary shares held	% of issued share capital
1	Khandepar Investments Private Limited	50,404,000	41.49%

2	Murkumbi Investments Private Limited	31,600,000	26.01%
3	Shree Renuka Energy Employees Welfare Trust	10,380,000	8.54%
4	Narendra Madhusudan Murkumbi	8,591,200	7.07%
5	Supriya Shailesh Rojekar	250,000	0.21%
6	Shailesh Rojekar	250,000	0.21%
7	Vidya Murkumbi	1,000	-
8	Others	19,999,800	16.47%
	Total	**121,476,000**	**100.00%**

3.4.1.3.8 The Target Company has entered into the following transactions with Shree Renuka Energy Limited (the parent company of AVTIPL):

All figures in Rs millions

Particulars		September 30, 2010	March 31, 2012	March 31, 2013
1	**Nature of transaction**	**Advances Paid**	**Advances Paid**	**Advances Paid**
	Volume of transactions during the period	0.02	500.08	144.99
	Purchase of coal / projects	0.02	Nil	145.00
	Sale of free sugar	Nil	Nil	826.55
	Outstanding as at the end of the period	Nil	Nil	0.01
2	**Nature of transaction**	**Interest Paid**	**Interest Paid**	**Interest Paid**
	Volume of transactions during the period	Nil	0.55	Nil
	Outstanding as at the end of the period	Nil	0.55	Nil

3.4.1.3.9 AVTIPL has complied with the provisions of Chapter II of the 1997 Regulations and the SEBI (SAST) Regulations.

3.4.1.3.10 AVTIPL has not been prohibited by SEBI from dealing in securities, in terms of a direction issued under Section 11B of the SEBI Act or any other regulations made under the SEBI Act.

3.4.1.3.11 Names, dates of appointment, designation, details of experience and qualifications of the directors on the board of directors of AVTIPL are as follows:

No.	Name	D.I.N	Date of Appointment	Designation	Qualifications and Experience
1.	Mr. Narendra Madhusudan Murkumbi	00009164	March 20, 2012	Director	Mr. Murkumbi is the co-founder of the Target Company and currently serves as the Vice Chairman and Managing Director of the Target Company. He has 17 years of experience across various fields. Mr. Murkumbi holds a Bachelor of Engineering (Electronics and Communication) degree and an MBA from IIM, Ahmedabad.
2.	Mr. Vishwanath Mathur	00349774	March 20, 2012	Director	Mr. Mathur has had a career spanning 45 years and has held key positions across various organizations, including with Central Bank of India and Finolex Cables

No.	Name	D.I.N	Date of Appointment	Designation	Qualifications and Experience
					Limited. Mr. Mathur holds a Bachelor of Commerce degree and is a qualified Chartered Accountant from India.
3.	Mr. J Suresh Kumar	01858774	March 20, 2012	Director	Mr. Kumar has an experience of over 20 years in financial services sector, mergers and acquisitions, restructuring advisory, strategic advisory, fund raising advisory, business development and equity capital market. Mr. Kumar holds a Bachelor of Commerce degree and is a qualified Chartered Accountant from India.

3.4.1.3.12 Mr. Narendra Madhusudan Murkumbi and Mr. Vishwanath Mathur, Directors of AVTIPL hold 12,812,905 and 200 Shares, respectively in the Target Company. No other director and/or key managerial employees of AVTIPL, as on the date hereof, hold any ownership/interest/relationship/Shares in the Target Company. Mr. Narendra Murkumbi is the Vice Chairman and Managing Director of the Target Company. None of the other directors of AVTIPL are on the Board of Directors of the Target Company.

3.4.1.3.13 Key financial information of AVTIPL is as follows:

The financial information set forth below has been extracted from the audited stand-alone financial statements of AVTIPL for the financial year ended March 31, 2012, March 31, 2013 and unaudited limited review financial statements for the six months ended September 30, 2013.

All figures in Rs millions

Profit & Loss Statement	Year Ended March 31, 2012	Year Ended March 31, 2013	Six Months Ended September 30, 2013
Income from operations	NIL	NIL	0.0
Other income	NIL	NIL	18.8
Total Income	**NIL**	**NIL**	**18.8**
Total Expenditure	NIL	NIL	(0.3)
Profit Before Depreciation, Interest and Tax	NIL	NIL	18.5
Depreciation	NIL	NIL	NIL
Finance costs	NIL	NIL	NIL
Profit Before Tax	NIL	NIL	**18.5**
Provision for tax	NIL	NIL	NIL
Profit After Tax	NIL	NIL	**18.5**

All figures in Rs millions

Balance Sheet Statement	As at March 31, 2012	As at March 31, 2013	As at September 30, 2013
Sources of funds			
Paid up share capital	0.1	0.1	0.1
Reserves and surplus (excluding revaluation reserves)	NIL	NIL	18.5

Net worth	**0.1**	**0.1**	**18.6**
Non-current liabilities	NIL	NIL	NIL
Current liabilities[1]	440.6	1,209.4	1,193
Total	**440.7**	**1,209.5**	**1,211.2**
Uses of funds			
Non-current assets[2]	395.4	1,209.3	1,210.4
Current assets[3]	45.2	0.2	0.8
Total	**440.7**	**1,209.5**	**1,211.2**

Notes:

1. Other current liabilities including advances from customers and other payables.
2. Non-current investments and long term loans and advances.
3. Cash and cash equivalents and other current assets.

Rs/Share except for Dividend

Other Financial Data	**Year Ended March 31, 2012**	**Year Ended March 31, 2013**	**Six Months Ended September 30, 2013**
Dividend (%)	NIL	NIL	NIL
Earnings Per Share	NIL	NIL	1,845.8
Book Value Per Share[1]	10.0	10.0	1,855.8

Note:

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

3.4.1.3.14 The contingent liabilities of AVTIPL as of September 30, 2013, as stated in the certificate dated January 17, 2014, issued by the auditors of AVTIPL, are as follows:

Entity Name / Nature of Contingent Liability	**Loan from Institution**	**Amount (in Rs million)**
Vantamuri Trading & Investment Limited*	ICICI Bank Limited, India	300.0
Renuka Resources (Singapore) Pte Limited*	ICICI Bank Limited, India	1,308.7
Renuka Resources (Singapore) Pte Limited*	ICICI Bank Limited, Singapore	835.5
Total		**2,444.2**

* Refers to corporate guarantee provided to these companies.

3.4.1.4 **Narendra Madhusudan Murkumbi**

3.4.1.4.1 Narendra Madhusudan Murkumbi is an Indian national residing at Flat No. 3001, Beaumonde Towers, B - Tower, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400025, Maharashtra, India.

3.4.1.4.2 He is the co-founder and promoter of the Target Company. He has 17 years of experience across various fields.

3.4.1.4.3 He is the son of Vidya Murkumbi, husband of Apoorva Narendra Murkumbi and father of Inika Narendra Murkumbi and Malvika Narendra Murkumbi.

3.4.1.4.4 He holds 12,812,905 Shares of the Target Company, representing 1.9% of the voting rights/ share capital of the Target Company.

3.4.1.4.5 As on the date hereof, he does not hold any ownership/ interest/ relationship / shares in/ of Acquirer 1 and PAC 1. His only interest in Acquirer 2 is through his relationship with Anuradha Ravindra Kulkarni who is the settler of the Trust and whose daughters are the Beneficiaries of the Trust.

3.4.1.4.6 His net worth as at September 30, 2013 was Rs 3,158.8 million as per the certificate dated

December 16, 2013 issued by Mr. Aditya S. Bhide, Chartered Accountant, having membership no. 228465, having its address at 192/A, Tanish Towers, Guruwar peth, Tilakwadi, Belgaum – 590006, Karnataka, India. His net worth includes the net worth of his minor daughters Inika Narendra Murkumbi and Malvika Narendra Murkumbi as he is the natural guardian for them and his Hindu undivided family (HUF).

3.4.1.4.7 He serves as the Vice Chairman and Managing Director of the Target Company and as a Director of AVTIPL. He does not serve as a whole time director on the board of directors of any other company.

He does not serve as a director on the board of any other listed company. He will not participate in any deliberations of the Board of Directors or vote on any matter in relation to the Offer.

3.4.1.4.8 The registered office premises of the Target Company is jointly owned by Narendra Madhusudan Murkumbi and Vidya Murkumbi and is leased to the Target Company.

3.4.1.4.9 Narendra Madhusudan Murkumbi has complied with the provisions of Chapter II of the 1997 Regulations and the SEBI (SAST) Regulations.

3.4.1.4.10 Narendra Madhusudan Murkumbi has not been prohibited by SEBI from dealing in securities, in terms of a direction issued under Section 11B of the SEBI Act or any other regulations made under the SEBI Act.

3.4.1.5 **Supriya Shailesh Rojekar**

3.4.1.5.1 Supriya Shailesh Rojekar is an Indian national residing at Sumer Trinity Tower, Flat No. 402, Building No. 1, New Prabhadevi Road, Mumbai 400025, Maharashtra, India.

3.4.1.5.2 She is a housewife.

3.4.1.5.3 She is the daughter of Vidya Murkumbi and sister of Narendra Madhusudan Murkumbi.

3.4.1.5.4 She holds 4,710,000 Shares of the Target Company, representing 0.7% of the voting rights/ share capital of the Target Company.

3.4.1.5.5 As on the date hereof, she does not hold any ownership/ interest/ relationship / shares in/ of Acquirer 1 and PAC 1. Her only interest in Acquirer 2 is through her relationship with Anuradha Ravindra Kulkarni who is the settler of the Trust and whose daughters are the Beneficiaries of the Trust.

3.4.1.5.6 Her net worth as at September 30, 2013 was Rs 116.3 million as per the certificate dated December 18, 2013 issued by Todarwal Lodha & Co., Chartered Accountants (through its partner Mr. Arun L. Todarwal, having membership no. 32822) having its address at 12, Maker Bhavan No. 3, 1st Floor, 21 New Marine Lines, Mumbai – 400020, Maharashtra, India.

3.4.1.5.7 She does not serve as a whole time director on the board of directors of any company. She does not serve as a director on the board of directors of any listed company.

3.4.1.5.8 Supriya Shailesh Rojekar has complied with the provisions of Chapter II of the 1997 Regulations and the SEBI (SAST) Regulations.

3.4.1.5.9 Supriya Shailesh Rojekar has not been prohibited by SEBI from dealing in securities, in terms of a direction issued under Section 11B of the SEBI Act or any other regulations made under the SEBI Act.

3.4.1.6 **Inika Narendra Murkumbi**

3.4.1.6.1 Inika Narendra Murkumbi is an Indian national residing at Flat No. 3001, Beaumonde Towers, B - Tower, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400025, Maharashtra, India.

3.4.1.6.2 She is a minor and the daughter of Narendra Madhusudan Murkumbi and Apoorva Narendra Murkumbi.

3.4.1.6.3 She holds 1,400,000 Shares of the Target Company, representing 0.2% of the voting rights/ share capital of the Target Company.

3.4.1.6.4 As on the date hereof, she does not hold any ownership/ interest/ relationship / shares in/ of Acquirer 1 and PAC 1. Her only interest in Acquirer 2 is through her relationship with Anuradha Ravindra Kulkarni who is the settler of the Trust and whose daughters are the Beneficiaries of the Trust.

3.4.1.6.5 As she is a minor, her net worth is clubbed with that of Narendra Madhusudan Murkumbi, her natural guardian.

3.4.1.6.6 She does not serve as a director or whole time director on the board of directors of any company.

3.4.1.6.7 Inika Narendra Murkumbi has complied with the provisions of Chapter II of the 1997 Regulations and the SEBI (SAST) Regulations.

3.4.1.6.8 Inika Narendra Murkumbi has not been prohibited by SEBI from dealing in securities, in terms of a direction issued under Section 11B of the SEBI Act or any other regulations made under the SEBI Act.

3.4.1.7 **Malvika Narendra Murkumbi**

3.4.1.7.1 Malvika Narendra Murkumbi is an Indian national residing at Flat No. 3001, Beaumonde Towers, B - Tower, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400025, Maharashtra, India.

3.4.1.7.2 She is a minor and the daughter of Narendra Madhusudan Murkumbi and Apoorva Narendra Murkumbi.

3.4.1.7.3 She holds 1,400,000 Shares of the Target Company, representing 0.2% of the voting rights/ share capital of the Target Company.

3.4.1.7.4 As on the date hereof, she does not hold any ownership/ interest/ relationship / shares in/ of Acquirer 1 and PAC 1. Her only interest in Acquirer 2 is through her relationship with Anuradha Ravindra Kulkarni who is the settler of the Trust and whose daughters are the Beneficiaries of the Trust.

3.4.1.7.5 As she is a minor, her net worth is clubbed with that of Narendra Madhusudan Murkumbi, her natural guardian.

3.4.1.7.6 She does not serve as a director or whole time director on the board of directors of any company.

3.4.1.7.7 Malvika Narendra Murkumbi has complied with the provisions of Chapter II of the 1997 Regulations and the SEBI (SAST) Regulations.

3.4.1.7.8 Malvika Narendra Murkumbi has not been prohibited by SEBI from dealing in securities, in terms of a direction issued under Section 11B of the SEBI Act or any other regulations made under the SEBI Act.

3.4.1.8 **Vidya Murkumbi**

3.4.1.8.1 Vidya Murkumbi is an Indian national residing at BC 105, Camp, Havelock Road, Belgaum 590001, Karnataka, India.

3.4.1.8.2 She is the co-founder and promoter of the Target Company. She has over 30 years of experience in various fields including in marketing and agri business.

3.4.1.8.3 She is the mother of Narendra Madhusudan Murkumbi and sister of Anuradha Ravindra Kulkarni and Dilip Vasant Rao Deshpande.

3.4.1.8.4 She holds 1,228,800 Shares of the Target Company, representing 0.2% of the voting rights/ share capital of the Target Company.

3.4.1.8.5 As on the date hereof, she does not hold any ownership/ interest/ relationship / shares in/ of Acquirer 1 and PAC 1. Her only interest in Acquirer 2 is through her relationship with Anuradha Ravindra Kulkarni who is the settler of the Trust and whose daughters are the Beneficiaries of the Trust.

3.4.1.8.6 Her net worth as at September 30, 2013 was Rs 34.2 million as per the certificate dated December 13, 2013 issued by Mr. Aditya S. Bhide, Chartered Accountant, having membership no. 228465, having its address at 192/A, Tanish Towers, Guruwar peth, Tilakwadi, Belgaum – 590006, Karnataka, India.

3.4.1.8.7 She serves as the Executive Chairperson of the Target Company and as a director of KIPL. She does not serve as a whole time director on the board of directors of any other company.

3.4.1.8.8 She does not serve as a director on the board of directors of any other listed company. She will not participate in any deliberations of the Board of Directors or vote on any matter in relation to the Offer.

3.4.1.8.9 The registered office premises of the Target Company are jointly owned by Narendra Madhusudan Murkumbi and Vidya Murkumbi and is leased to the Target Company. Another premise owned by Vidya Murkumbi has been leased to the Target Company wherein the project office of the Target Company is located in Belgaum, Karnataka. The leased project office is situated at BC 109, Havelock Road, Belgaum – 590001 and is located near the current registered office of the Target Company.

3.4.1.8.10 Vidya Murkumbi has complied with the provisions of Chapter II of the 1997 Regulations and the SEBI (SAST) Regulations.

3.4.1.8.11 Vidya Murkumbi has not been prohibited by SEBI from dealing in securities, in terms of a direction issued under Section 11B of the SEBI Act or any other regulations made under the SEBI Act.

3.4.1.9 **Anuradha Ravindra Kulkarni**

3.4.1.9.1 Anuradha Ravindra Kulkarni is a non-resident Indian and a citizen of the United Kingdom, residing at 3, Glendyne Close, Gesmond Park West, New Castle Upontyne, PO NE 7, 7DZ, United Kingdom.

3.4.1.9.2 She is a housewife.

3.4.1.9.3 She is the sister of Vidya Murkumbi and Dilip Vasant Rao Deshpande.

3.4.1.9.4 She holds 1,237,732 Shares of the Target Company, representing 0.2% of the voting rights/ share capital of the Target Company.

3.4.1.9.5 She is the settlor of ARK Trust which holds 100% of the voting capital of Acquirer 2. As on the date hereof, she does not hold any ownership/ interest/ relationship / shares in/ of Acquirer 1 and PAC 1.

3.4.1.9.6 Her net worth as at January 29, 2014 was Rs 117.6 million as per the certificate dated January 30, 2014 issued by Mr. Aditya S. Bhide, Chartered Accountant, having membership no. 228465, having its address at 192/A, Tanish Towers, Guruwar peth, Tilakwadi, Belgaum – 590006, Karnataka, India.

3.4.1.9.7 She does not serve as a whole time director on the board of directors of any company. She does not serve as a director on the board of directors of any listed company.

3.4.1.9.8 Anuradha Ravindra Kulkarni has complied with the provisions of Chapter II of the 1997 Regulations and the SEBI (SAST) Regulations.

3.4.1.9.9 Anuradha Ravindra Kulkarni has not been prohibited by SEBI from dealing in securities, in terms of a direction issued under Section 11B of the SEBI Act or any other regulations made under the SEBI Act.

3.4.1.10 **Dilip Vasant Rao Deshpande**

3.4.1.10.1 Dilip Vasant Rao Deshpande is an Indian national residing at No 9, 80 H MT Layout, R T Nagar, Bangalore 560032, Karnataka, India.

3.4.1.10.2 He is a practicing pediatrician and runs a children's hospital in Bangalore, Karnataka for over 25 years.

3.4.1.10.3 He is the brother of Vidya Murkumbi and Anuradha Ravindra Kulkarni.

3.4.1.10.4 He holds 315,860 Shares of the Target Company, representing 0.05% of the voting rights/ share capital of the Target Company.

3.4.1.10.5 As on the date hereof, he does not hold any ownership/ interest/ relationship / shares in/ of Acquirer 1 and PAC 1. His only interest in Acquirer 2 is through his relationship with Anuradha Ravindra Kulkarni who is the settler of the Trust and whose daughters are the Beneficiaries of the Trust.

3.4.1.10.6 His net worth as at September 30, 2013 was Rs 57.0 million as per the certificate dated January 15, 2014 issued by Gunasheela & Associates, Chartered Accountants (through its partner Mr. M. N. Gunasheela, having membership no. 202400) having its address at No. 140 'B', 3rd Floor, 9th Cross, Margosa Road, Malleshwaram, Bangalore – 560003, Karnataka, India.

3.4.1.10.7 He does not serve as a whole time director on the board of directors of any company. He does not serve as a director on the board of directors of any listed company.

3.4.1.10.8 Dilip Vasant Rao Deshpande has complied with the provisions of Chapter II of the 1997 Regulations and the SEBI (SAST) Regulations.

3.4.1.10.9 Dilip Vasant Rao Deshpande has not been prohibited by SEBI from dealing in securities, in terms of a direction issued under Section 11B of the SEBI Act or any other regulations made under the SEBI Act.

3.4.1.11 **Apoorva Narendra Murkumbi**

3.4.1.11.1 Apoorva Narendra Murkumbi is an Indian national residing at Flat No. 3001, Beaumonde Towers, B - Tower, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400025, Maharashtra, India.

3.4.1.11.2 She is has 17 years of experience in the field of market research and consultancy, in corporates such as AC Nielsen, TNS and Hansa. She is currently working in the field of education.

3.4.1.11.3 She is the wife of Narendra Madhusudan Murkumbi and the mother of Inika Narendra Murkumbi and Malvika Narendra Murkumbi.

3.4.1.11.4 She holds 50,000 Shares of the Target Company, representing 0.01% of the voting rights/ share capital of the Target Company.

3.4.1.11.5 As on the date hereof, she does not hold any ownership/ interest/ relationship / shares in/ of Acquirer 1 and PAC 1. Her only interest in Acquirer 2 is through her relationship with Anuradha Ravindra Kulkarni who is the settler of the Trust and whose daughters are the Beneficiaries of the Trust.

3.4.1.11.6 Her net worth as at September 30, 2013 was Rs 22.7 million as per the certificate dated December 13, 2013 issued by Mr. Aditya S. Bhide, Chartered Accountant, having membership no. 228465, having its address at 192/A, Tanish Towers, Guruwar peth, Tilakwadi, Belgaum – 590006, Karnataka, India.

3.4.1.11.7 She serves as a Director of MIPL and KIPL. She does not serve as a whole time director on the board of directors of any other company. She does not serve as a director on the board of directors of any listed company.

3.4.1.11.8 Apoorva Narendra Murkumbi has complied with the provisions of Chapter II of the 1997 Regulations and the SEBI (SAST) Regulations.

3.4.1.11.9 Apoorva Narendra Murkumbi has not been prohibited by SEBI from dealing in securities, in terms of a direction issued under Section 11B of the SEBI Act or any other regulations made under the SEBI Act.

3.4.2 All the companies which are a part of PAC 2 are owned and controlled by individuals who are also part of PAC 2.

3.4.3 PAC 2 has entered into the JVA and the PAA with Acquirer 1, Acquirer 2, Target Company and PAC 1 as detailed in paragraph 2.1 (Background to the Offer). Further, PAC 2 has entered into a Framework Agreement with Acquirer 2 and PAC 1 as detailed in paragraph 5.2 (Financial Arrangements). Other than the relationship established by the JVA, the PAA and the Framework Agreement, PAC 2 has no other relationship with Acquirer 1 or PAC 1. Acquirer 2 is wholly owned and controlled by the Trust. The beneficiaries of the Trust are related to certain members of PAC 2 as outlined below:

Beneficiaries of ARK Trust	**Relationship with other members of PAC 2**
Dr. Meenal Ravindra Kulkarni	Daughter of Anuradha Ravindra Kulkarni
Mrs. Priyanka Gundabolu	Daughter of Anuradha Ravindra Kulkarni
Mrs. Maneesha Shingadia	Daughter of Anuradha Ravindra Kulkarni

3.4.4 As on the date hereof, no member of PAC 2 has acquired any Shares post the date of the PA.

4 BACKGROUND OF THE TARGET COMPANY

4.1 The Target Company, a public limited company, was incorporated on October 25, 1995.

4.2 The Target Company has its registered office at BC 105, Havelock Road, Camp, Belgaum – 590001, Karnataka, India.

4.3 The Shares of the Target Company are listed on the BSE (Scrip ID: RENUKA, Scrip Code: 532670) and NSE (Symbol: RENUKA, ISIN: INE087H01022). The corporate identification number (CIN) of the Target Company is L01542KA1995PLC019046.

4.4 The Target Company is engaged in the business of (i) refining of raw sugar, (ii) the production of sugar and ethanol derived from sugarcane, (iii) sale, distribution, trading and/or branding of sugar and ethanol, and (iv) generation, distribution, sale and trading of electricity/ power.

4.5 The issued, subscribed and paid-up share capital of the Target Company as on the date of this Draft Letter of Offer is Rs 671,319,650 (Rupees Six hundred and seventy one million three hundred and nineteen thousand six hundred and fifty) consisting of 671,319,650 (Six hundred and seventy one million three hundred and nineteen thousand six hundred and fifty) Shares of face value of Re 1 (Rupees One) each. As on the date of this Draft Letter of Offer, there are no partly paid-up Shares. The Target Company has not issued and allotted any securities after the date of the DPS.

4.6 The Emerging Voting Share Capital has been computed as follows:

NO.	PARTICULARS	SHARES
A.	Fully paid up Shares outstanding as on the date of the PA	671,319,650
B.	Partly paid up Shares outstanding as on the date of the PA	Nil
C.	Subscription Shares to be allotted pursuant to the PAA	257,491,592
D.	Options already vested or to be vested within 10 (ten) Working Days following the closure of the Offer	6,426,000
E.	Emerging Voting Share Capital **(A+B+C+D)**	935,237,242

The Emerging Voting Share Capital has been computed after inclusion of the allotment of the maximum number of Subscription Shares and assuming exercise of all employee stock options of the Target Company that have vested or shall vest by the tenth working day from the closure of the tendering period of the Offer and is based on Maximum Subscription Shares to be allotted under the PAA.

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

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

PAID-UP EQUITY SHARES	NO OF SHARES/VOTING RIGHTS	% OF SHARES/VOTING RIGHTS
Fully paid-up equity shares	671,319,650	100.0%
Partly paid-up equity shares	NIL	NIL
Total paid-up equity shares	671,319,650	100.0%
Total voting rights	671,319,650	100.0%

4.9 The table below sets out the Current Promoter Group and their shareholding in the Target Company immediately prior to the Execution Date:

NAME	NO OF SHARES	% OF VOTING SHARE CAPITAL

NAME	NO OF SHARES	% OF VOTING SHARE CAPITAL
Narendra Madhusudan Murkumbi	12,812,905	1.91%
Supriya Shailesh Rojekar	4,710,000	0.70%
Inika Narendra Murkumbi	1,400,000	0.21%
Malvika Narendra Murkumbi	1,400,000	0.21%
Vidya Murkumbi	1,228,800	0.18%
Anuradha Ravindra Kulkarni	1,237,732	0.18%
Dilip Vasant Rao Deshpande	315,860	0.05%
Apoorva Narendra Murkumbi	50,000	0.01%
Murkumbi Investments Private Limited	121,414,000	18.09%
Khandepar Investments Private Limited	75,400,000	11.23%
Agri Venture Trading and Investment Private Limited	37,522,295	5.59%
TOTAL	**257,491,592**	**38.36%**

4.10 Pursuant to primary subscription to the Subscription Shares in accordance with the PAA and acquisition of joint control by the Acquirers pursuant to the JVA, Acquirer 1 will acquire joint control of the Target Company in accordance with the provisions of the JVA and along with Acquirer 2 will be classified as 'Promoter' of the Target Company along with the Current Promoter Group of the Target Company in accordance with SEBI ICDR Regulations.

4.11 The table below sets out the shareholding of the Acquirers as promoter of the Target Company upon completion :

SHAREHOLDING	ACQUIRER 1		ACQUIRER 2		PAC 1		PAC 2		TOTAL	
	NUMBER OF SHARES	%	NUMBER OF SHARES	%	NUMBER OF SHARES	%	NUMBER OF SHARES	%	NUMBER OF SHARES	%
AS ON THE DATE OF THE PA	Nil	Nil	Nil	Nil	Nil	Nil	257,491,592	38.4%	257,491,592	38.4%
SHARES ACQUIRED BETWEEN THE DATE OF THE PA AND THIS DRAFT LETTER OF OFFER	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
SHAREHOLDING AS ON THE DATE OF THIS DRAFT LETTER OF OFFER	Nil	Nil	Nil	Nil	Nil	Nil	257,491,592	38.4%	257,491,592	38.4%
POST OFFER SHAREHOLDING AS OF THE 10TH WORKING DAY AFTER THE CLOSURE OF THE OFFER (BASED ON EMERGING VOTING SHARE CAPITAL)(5)	**Assuming Acquirer 1 and Acquirer 2 each acquires 50% of the Shares tendered in the Offer(1)(2)**									
	379,072,433	40.5%	121,580,842	13.0%	Nil	Nil	257,491,592	27.5%	758,144,867	81.1%
	Assuming Acquirer 1 acquires 100% of the Shares tendered in the Offer(1)(3)(4)									
	426,448,754	49.5%	NIL	NIL	NIL	NIL	257,491,592	29.9%	683,940,346	79.4%

Notes:

1. Acquirer 2 has agreed to acquire up to 50% of the Offer Shares subject to the terms and conditions provided under

the PAA, the JVA and the Framework Agreement.

2. Based on emerging voting capital calculated assuming Maximum Subscription Shares are subscribed by Acquirer 1 under the Preferential Allotment.
3. Based on emerging voting capital calculated assuming Minimum Subscription Shares are subscribed by Acquirer 1 under the Preferential Allotment and Preferential Allotment completion post Offer completion.
4. In the event the Preferential Allotment is completed prior to the completion of the Open Offer by allotment of Maximum Subscription Shares and Acquirer 1 acquires 100% of the shares tendered in the Open Offer, the shareholding of Acquirer 1 will be 500,653,275 Shares.
5. Post offer shareholding includes Shares acquired by the Acquirers outside of the Offer and assumes full acceptance in the Offer.

4.12 With respect to past shareholders of the Target Company, there were certain delays in complying with the disclosure requirements under the SEBI (SAST) Regulations and the 1997 Regulations. The SEBI may initiate appropriate action against the Target Company and such shareholders for such non-compliances**.** The details of delays in complying with the disclosure requirements under the SEBI (SAST) Regulations and the 1997 Regulations is as follows:

Regulation/ Sub-Regulation	Due Date for compliance as mentioned in the Regulation	Actual date of compliance	Delay, if any (in No. of days)	Remarks
7(3)	8-Sep-06	11-Sep-06	Three days delay	Delay by Target Company
7(3)	15-Jan-08	19-Jan-08	Four days delay	Delay by Target Company
7(1)	31-Aug-06	1-Sep-06	Yes, one day delay	Delay by Murkumbi Vidya Madhusudan Trustee, Shree Renuka Sugars Development Foundation
7(1)	20-May-07	21-May-07	Yes, one day delay	Delay in disclosure by Merrill Lynch Capital Mkt Espana SA SV and Merrill Lynch International (PAC)
7(1)	5-Aug-07	6-Aug-07	Yes, one day delay	Delay by Murkumbi Industries Private Limited
7(1)	17-Jan-08	18-Jan-08	Yes, one day delay	Delay in disclosure by T. Rowe Price Associates, Inc. & its affiliates
7(1)	8-Jun-08	10-Jun-08	Yes, two day delay	Delay in disclosure by Merrill Lynch Capital Mkt Espana SA SV and Merrill Lynch International (PAC)
7(1)	2-Feb-09	3-Feb-09	Yes, one day delay	Delay in disclosure of pledge by Cross border Investments Pvt. Limited
29(1)	19-Jan-12	20-Jan-12	Yes, one day delay	Delay in disclosure by SBI Funds Management Pvt Ltd
29(1)	27-Mar-13	28-Mar-13	Yes, one day delay	Delay in disclosure of pledge by STCI Finance Ltd

4.13 Trading of the Shares of the Target Company is not currently suspended on the BSE or the NSE.

4.14 As of the date of this Draft Letter of Offer, there are no Shares which are not listed on either the BSE or the NSE. Further, there are no Shares under lock-in.

4.15 Prior to the Execution Date, the Board of Directors comprised the following 9 (nine) members:

Name of the Director	Designation	Appointment Date
Mrs. Vidya Murkumbi	Executive Chairperson and Whole-time Director	October 25, 1995
Mr. Narendra Murkumbi	Vice Chairman and Managing Director	October 25, 1995
Mr. Sanjay Asher	Independent Director	August 5, 1999

Mr. Robert Taylor	Independent Director	May 9, 2005
Mr. Sidram Kaluti*	Non-Executive Director	November 17, 2005
Mr. Nandan Yalgi*	Whole-Time Director	September 24, 2004
Mr. Surender Kumar Tuteja	Independent Director	January 25, 2007
Mr. Hrishikesh Parandekar	Independent Director	December 28, 2006
Mr. Vijendra Singh	Whole-time Director	May 10, 2011

*Effective February 20, 2014 Mr Nandan Yalgi and Mr Sidram Kaluti have resigned from the Board of Directors of the Target Company.

4.16 As per the terms of the JVA, the Board of Directors will be reconstituted on the Effective Date and the composition shall be as follows (i) 3 (Three) nominees from Existing Promoters; (ii) 3 (Three) nominees from Acquirer 1; and (iii) 6 (Six) Independent Directors.

4.17 The Target Company has not been a party to any scheme of amalgamation, restructuring, merger/de merger and spin off during last 3 (three) years except as follows:

4.17.1 Two wholly-owned subsidiaries of the Target Company, Godavari Biofuel Private Limited and Ratnaprabha Sugars Limited have been duly and fully amalgamated with the Target Company with effect from December 10, 2010, through a scheme of amalgamation under Sections 391 to 394 of the Companies Act, 1956, duly approved by the High Court of Judicature at Bombay vide the order dated July 23, 2010 and the High Court of Karnataka at Bangalore vide the order dated September 29, 2010.

4.17.2 The Target Company has divested its entire stake in one of the wholly-owned subsidiaries, Nandur Sugars Limited (formerly known as SRSL Ethanol Limited) to Vantamuri Trading and Investments Limited. Vantamuri Trading and Investments Limited is an affiliate of the Target Company as disclosed in the audited annual accounts of the Target Company dated March 31, 2013.

4.17.3 Renuka Commodities DMCC, a wholly-owned subsidiary of the Target Company, incorporated in Dubai is proposed to be amalgamated with the Target Company through a scheme of amalgamation under sections 391 to 394 of the Companies Act, 1956. No Shares will be issued pursuant to the amalgamation.

4.17.4 On January 31, 2012, Renuka Vale do Ivai S.A., one of the Target Company’s Brazilian subsidiary performed the downstream merger of net assets and liabilities or parent company Shree Renuka Participacoes Ltda, based on appraisal report prepared on book value and issued by an independent expert. The merger was registered as at March 26, 2012, and was primarily intended to improve management efficiency and reduce future tax payment.

4.18 As per the terms of the JVA, the Target Company proposes to undertake additional fund raising from the existing shareholders of the Target Company by way of a rights issue of equity securities in accordance with all the applicable laws including SEBI ICDR Regulations. The Board of Directors of the Target Company at their meeting held on February 27, 2014, have, subject to the applicable laws and regulatory approvals, granted an in-principle approval for issue of equity securities of the Target Company to the existing shareholders of the Target Company on a rights basis after the completion of the preferential allotment and the Offer, at a price not exceeding Rs 16 per Share to raise up to Rs 7,254 million.

4.19 The key consolidated financial information of the Target Company is as follows:

4.19.1 The financial information set forth below has been extracted from the audited consolidated financial statements of the Target Company as at and for the year ended March 31, 2013.

All figures in Rs millions

Profit & Loss Statement	Year Ended March 31, 2013
Income from operations [1]	103,576
Other income [2]	582

Total Income	**104,159**
Total Expenditure[3]	(88,524)
Profit Before Depreciation, Interest and Tax[4]	15,635
Depreciation and amortization[5]	(8,868)
Finance costs	(8,683)
Exceptional items[6]	(2,987)
Profit Before Tax	**(4,903)**
Provision for tax	1,160
Profit/(Loss) attributable to minority shareholders	3
Prior period items	0
Profit After Tax	**(3,740)**

Notes:

1. Revenue net of excise duty.
2. Other income including dividends on investments, profit on sale of investments and assets.
3. Cost of materials consumed, purchase of stock-in-trade, operating and administrative expenses, selling expenses, change in inventories and employee benefit expenses.
4. Profit before interest, depreciation, amortization and tax calculated as total income less total expenditure excluding finance costs, depreciation, amortization and taxes.
5. Depreciation of property, plant and equipment and amortisation of intangible assets.
6. Gain/(loss) on account of foreign exchange movement.

All figures in Rs millions

Balance Sheet Statement	As at March 31, 2013
Sources of funds	
Paid up share capital	671
Reserves and surplus (excluding revaluation reserves)	13,926
Net worth	**14,597**
Minority interest	33
Non-current liabilities[1]	55,002
Current liabilities[2]	86,470
Total	**156,101**
Uses of funds	
Net fixed assets[3]	86,964
Other non-current assets[4]	10,476
Current assets[5]	58,662
Total	**156,101**

Notes:

1. Long-term borrowings, deferred tax liabilities, long term provisions and other long term liabilities.
2. Short-term borrowings, trade payables, short-term provisions and other current liabilities.
3. Net tangible assets, net intangible assets and capital work-in-progress-tangible.
4. Non-current investments, long-term loans and advances and other non-current assets.
5. Current investments, inventories, trade receivables, cash and cash equivalents, short term loans and advances and other current assets.

Rs/Share except for Dividend

Other Financial Data	Year Ended March 31, 2013
Dividend (%)[1]	50%
Earnings Per Share	(5.57)
Book Value Per Share[2]	21.74

Notes:

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

4.19.2 The financial information set forth below has been extracted from the audited consolidated financial statements of the Target Company as at and for the eighteen months period ended March 31, 2012.

All figures in Rs millions

Profit & Loss Statement	Eighteen Months Period Ended March 31, 2012
Income from operations[1]	123,691
Other income [2]	2,087
Total Income	**125,778**
Total Expenditure[3]	(105,278)
Profit Before Depreciation, Interest and Tax[4]	20,500
Depreciation and amortization[5]	(10,223)
Finance costs	(10,381)
Exceptional items[6]	(566)
Profit Before Tax	**(669)**
Provision for tax	369
Profit/(Loss) attributable to minority shareholders	(8)
Prior period items	(2)
Profit After Tax	**(310)**

Notes:
1. Revenue net of excise duty.
2. Other income including dividends on investments, profit on sale of investments and assets.
3. Cost of materials consumed, purchase of stock-in-trade, operating and administrative expenses, selling expenses, change in inventories and employee benefit expenses.
4. Profit before interest, depreciation, amortization and tax calculated as total income less total expenditure excluding finance costs, depreciation, amortization and taxes.
5. Depreciation of property, plant and equipment and amortisation of intangible assets.
6. Gain/(loss) on account of foreign exchange movement.

All figures in Rs millions

Balance Sheet Statement	As at March 31, 2012
Sources of funds	
Paid up share capital	671
Reserves and surplus (excluding revaluation reserves)	21,100
Net worth	**21,771**
Minority interest	36
Secured loans	93,732
Unsecured loans	7,052
Deferred tax liability	984
Total	**123,575**
Uses of funds	
Net fixed assets[1]	105,604
Goodwill	0
Investments	1,935
Net current assets[2]	15,970
Miscellaneous expenditure (to the extent not written off or adjusted)[3]	66
Total	**123,575**

Notes:
1. Gross block net of depreciation and capital work-in-progress including capital advances.
2. Inventory, sundry debtors, cash and bank balances, short term loans and advances, and other current assets net of current liabilities and provisions.
3. Deferred revenue expenditure and goodwill on amalgamation.

Rs/Share except for Dividend

Other Financial Data	Eighteen Months Period Ended March 31, 2012
Dividend (%)[1]	100%
Earnings Per Share	(0.46)

Book Value Per Share[2]	32.43

Notes:

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

4.19.3 The financial information set forth below has been extracted from the audited consolidated financial statements of the Target Company as at and for the year ended September 30, 2010.

All figures in Rs millions

Profit & Loss Statement	Year Ended September 30, 2010
Income from operations [1]	76,694
Other income [2]	1,822
Total Income	**78,516**
Total Expenditure[3]	(64,941)
Profit Before Depreciation, Interest and Tax[4]	13,575
Depreciation and amortization[5]	(2,457)
Finance costs	(2,377)
Exceptional items[6]	0
Profit Before Tax	**8,741**
Provision for tax	(1,701)
Profit/(Loss) attributable to minority shareholders	(4)
Prior period items	(2)
Profit After Tax	**7,034**

Notes:

1. Revenue net of excise duty.
2. Other income including dividends on investments, profit on sale of investments and assets.
3. Cost of materials consumed, purchase of stock-in-trade, operating and administrative expenses, selling expenses, change in inventories and employee benefit expenses.
4. Profit before interest, depreciation, amortization and tax calculated as total income less total expenditure excluding finance costs, depreciation, amortization and taxes.
5. Depreciation of property, plant and equipment and amortisation of intangible assets.
6. Gain/(loss) on account of foreign exchange movement.

All figures in Rs millions

Balance Sheet Statement	As at September 30, 2010
Sources of funds	
Paid up share capital	670
Reserves and surplus (excluding revaluation reserves)	22,808
Net worth	**23,479**
Minority interest	151
Secured loans	62,302
Unsecured loans	2,778
Deferred tax liability	1,382
Total	**90,092**
Uses of funds	
Net fixed assets[1]	71,864
Goodwill	7,984
Investments	1,189
Net current assets[2]	8,947
Miscellaneous expenditure (to the extent not written off or adjusted)[3]	108
Total	**90,092**

Notes:

1. Gross block net of depreciation and capital work-in-progress including capital advances.
2. Inventory, sundry debtors, cash and bank balances, short term loans and advances, and other current assets net of current liabilities and provisions.
3. Deferred revenue expenditure and goodwill on amalgamation.

Rs/Share except for dividend

Other Financial Data	Year Ended September 30, 2010
Dividend (%)[1]	100%
Earnings Per Share	10.75
Book Value Per Share[2]	35.02

Notes:
1. Total dividend declared divided by paid up capital.
2. Net worth divided by number of shares issued and outstanding.

4.20 The financial information set forth below has been extracted from the standalone unaudited limited review financial statements for the six months period ended September 30, 2013 and nine months period ended December 31, 2013 as reported by the Target Company to Stock Exchanges. Financial information for balance sheet related items for the nine months period ended December 31, 2013 are not reported here as the same are not required to be reported by the Target Company to the Stock Exchanges as per the listing agreement:

All figures in Rs millions

Profit & Loss Statement	Six Months Ended September 30, 2013	Nine Months Ended December 31, 2013
Income from operations [1]	34,723	46,634
Other income [2]	423	471
Total Income	**35,146**	**47,105**
Total Expenditure[3]	(34,174)	(46,263)
Profit Before Depreciation, Interest and Tax[4]	972	842
Depreciation and amortization[5]	(824)	(1,245)
Finance costs	(1,184)	(2,116)
Exceptional items[6]	(1,633)	(2,858)
Profit Before Tax	**(2,668)**	**(5,377)**
Provision for tax	829	1,599
Profit After Tax	**(1,839)**	**(3,778)**

Notes:
1. Revenue net of excise duty.
2. Other income including dividends on investments, profit on sale of investments and assets.
3. Cost of materials consumed, purchase of stock-in-trade, operating and administrative expenses, selling expenses, change in inventories and employee benefit expenses.
4. Profit before interest, depreciation, amortization and tax calculated as total income less total expenditure excluding finance costs, depreciation, amortization and taxes.
5. Depreciation of property, plant and equipment and amortisation of intangible assets.
6. Gain/(loss) on account of foreign exchange movement.

All figures in Rs millions

Balance Sheet Statement	As at September 30, 2013
Sources of funds	
Paid up share capital	671
Reserves and surplus (excluding revaluation reserves)	15,346
Net worth	**16,017**
Minority interest	
Non-current liabilities[1]	14,136
Current liabilities[2]	37,537
Total	**67,690**
Uses of funds	
Net fixed assets[3]	27,603
Other non-current assets[4]	24,204
Current assets[5]	15,883
Total	**67,690**

Notes:
1. Long-term borrowings, deferred tax liabilities, long term provisions and other long term liabilities.
2. Short-term borrowings, trade payables, short-term provisions and other current liabilities.
3. Net tangible assets, net intangible assets and capital work-in-progress-tangible.
4. Non-current investments, long-term loans and advances and other non-current assets.
5. Current investments, inventories, trade receivables, cash and cash equivalents, short term loans and advances and other current assets.

Rs/Share except for dividend

Other Financial Data	Six Months Ended September 30, 2013	Nine Months Ended December 31, 2013
Dividend (%)[1]	NIL	NIL
Earnings Per Share	(2.74)	(5.63)
Book Value Per Share[2]	23.86	Not Applicable

Notes:
1. Total dividend declared divided by paid up capital.
2. Net worth divided by number of shares issued and outstanding.

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

Scenario 1: Assuming Acquirer 1 and Acquirer 2 each acquires 50% of the Shares tendered in the Offer

Shareholder category	Shareholding & voting rights prior to the agreement / acquisition and Offer (A)		Shares / voting rights agreed to be acquired under the PAA[1] (B)		Shares/voting rights to be acquired in this Offer (assuming full acceptances) (C)		Share holding / voting rights after the acquisition and offer (A)+(B)+(C)=(D)	
	No.	%	No.	%[2]	No.	%[2]	No.	%[2]
(1) Promoter group including Acquirers and PACs								
(a) Parties to the agreement								
Acquirer 1	Nil	Nil	257,491,592	27.5	121,580,841	13.0	379,072,433	40.5
Acquirer 2	Nil	Nil	Nil	Nil	121,580,842	13.0	121,580,842	13.0
PAC 1	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
PAC 2	257,491,592	38.0	Nil	Nil	Nil	Nil	257,491,592	27.5
(b) Promoters other than (a) above	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total 1 (a+b)	**257,491,592**	**38.0**					**758,144,867**	**81.1**
(2) Parties to agreement other than (1) above	Nil	Nil	Nil	Nil			Nil	Nil
(3) Public (other than parties to agreement, Acquirers and PACs)								
(a) FIs/MFs/FIIs/Banks, SFIs[3]	130,811,606	19.3	Nil	Nil	(243,161,683)	(26.0)	177,092,375	18.9
(b) Others[4]	289,442,452	42.7	Nil	Nil				
Total 3 (a+b)	**420,254,058**	**62.0**					**177,092,375**	**18.9**
Grand Total (1+2+3)	**677,745,650**	**100.0**					**935,237,242**	**100.0**

Notes:
1. Assuming Maximum Subscription Shares are subscribed by Acquirer 1 under the Preferential Allotment.
2. Based on emerging voting capital calculated assuming Maximum Subscription Shares are subscribed by Acquirer 1 under the Preferential Allotment.
3. Includes Mutual Funds (MFs), Financial Institutions (FIs), Banks, Foreign Institutional Investors (FIIs).
4. Assuming all options vested / to be vested are exercised. Includes Bodies Corporate, NRIs, Clearing Members, Trusts, Foreign Nationals and Indian Individuals.

Scenario 2: Assuming Acquirer 1 acquires 100% of the Shares tendered in the Offer

Shareholder category	Shareholding & voting rights prior to the agreement / acquisition and Offer (A)		Shares / voting rights agreed to be acquired under the PAA[1] (B)		Shares/voting rights to be acquired in this Offer (assuming full acceptances) (C)		Share holding / voting rights after the acquisition and offer (A)+(B)+(C)=(D)	
	No.	%	No.	%[2]	No.	%[2]	No.	%[2]
(1) Promoter group including Acquirers and PACs								
(a) Parties to the agreement								
Acquirer 1	Nil	Nil	183,287,071	21.3	243,161,683	28.2	426,448,754	49.5
Acquirer 2	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
PAC 1	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
PAC 2	257,491,592	38.0	Nil	Nil	Nil	Nil	257,491,592	29.9
(b) Promoters other than (a) above	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total 1 (a+b)	**257,491,592**	**38.0**					**683,940,346**	**79.4**
(2) Parties to agreement other than (1) above	Nil	Nil	Nil	Nil			Nil	Nil
(3) Public (other than parties to agreement, Acquirers and PACs)								
(a) FIs/MFs/FIIs/Banks, SFIs[3]	130,811,606	19.3	Nil	Nil	(243,161,683)	(28.2)	177,092,375	20.6
(b) Others[4]	289,442,452	42.7	Nil	Nil				
Total 3 (a+b)	**420,254,058**	**62.0**					**177,092,375**	**20.6**
Grand Total (1+2+3)	**677,745,650**	**100.0**					**861,032,721**	**100.0**

Notes:
1. Assuming Minimum Subscription Shares are subscribed by Acquirer 1 under the Preferential Allotment.
2. Based on emerging voting capital calculated assuming Minimum Subscription Shares are subscribed by Acquirer 1 under the Preferential Allotment and Preferential Allotment completion post Offer completion.
3. Includes Mutual Funds (MFs), Financial Institutions (FIs), Banks, Foreign Institutional Investors (FIIs).
4. Assuming all options vested / to be vested are exercised. Includes Bodies Corporate, NRIs, Clearing Members, Trusts, Foreign Nationals and Indian Individuals.

4.22 The information stated in this paragraph 4 (Background of the Target Company) has been, unless otherwise specified, sourced from or confirmed by the Target Company.

5. OFFER PRICE AND FINANCIAL ARRANGEMENTS

5.1 <u>JUSTIFICATION OF OFFER PRICE</u>

5.1.1 The Shares of the Target Company are listed on the NSE and the BSE.

5.1.2 The annualized trading turnover in the Shares on the BSE and the NSE based on trading volume during the 12 (twelve) calendar months prior to the month of the PA (February 2013 to January 2014) is as given below:

STOCK EXCHANGE	NUMBER OF SHARES TRADED (A)	WEIGHTED AVERAGE NUMBER OF SHARES (B)	(A) as % of (B)
NSE	1,609,008,393	671,319,650	239.7%
BSE	273,077,555	671,319,650	40.7%

Source: www.bseindia.com and www.nseindia.com

5.1.3 Based on the information available on the websites of the stock exchanges, the Shares are frequently traded on the NSE and the BSE (within the meaning of Regulation 2(1)(j) of the SEBI (SAST)

Regulations). The Offer Price of Rs 21.89 (Rupees Twenty one and eighty nine paise) per fully paid-up Share has been determined and justified in terms of Regulation 8(2) of the SEBI (SAST) Regulations, being the highest of the following:

NO	PARTICULARS	PRICE PER SHARE (RS)
1.	The highest negotiated price per Share for acquisition under the PAA and the JVA (the agreements attracting the obligation to make the Offer).	20.08
2.	The volume weighted average price paid or payable for acquisitions, whether by the Acquirers or by any PAC during the 52 weeks immediately preceding the date of the PA.	21.89
3.	The highest price paid or payable for an acquisition whether by the Acquirers or by any PAC, during the 26 weeks immediately preceding the date of the PA.	Not Applicable
4.	The volume-weighted average market price of Shares for a period of 60 trading days immediately preceding the date of the PA as traded on the NSE, being the stock exchange where the maximum volume of trading in the Shares was recorded during such period.	20.71

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

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

NO.	DATE	TOTAL TRADED EQUITY SHARES	TOTAL TURNOVER (IN RS LAKHS)	VOLUME WEIGHTED AVERAGE PRICE (IN RS)
1.	19-Feb-14	9,611,214	2,049.6	21.32
2.	18-Feb-14	2,354,342	479.3	20.36
3.	17-Feb-14	2,652,093	528.7	19.93
4.	14-Feb-14	1,687,992	334.1	19.79
5.	13-Feb-14	6,761,035	1,380.4	20.42
6.	12-Feb-14	2,063,403	410.3	19.88
7.	11-Feb-14	3,123,502	635.6	20.35
8.	10-Feb-14	2,043,021	407.8	19.96
9.	7-Feb-14	2,816,740	576.0	20.45
10.	6-Feb-14	2,752,272	554.4	20.14
11.	5-Feb-14	3,532,156	696.9	19.73
12.	4-Feb-14	2,289,064	442.5	19.33
13.	3-Feb-14	3,313,889	641.1	19.34
14.	31-Jan-14	4,388,166	816.5	18.61
15.	30-Jan-14	2,365,467	438.7	18.55
16.	29-Jan-14	3,507,224	663.0	18.90
17.	28-Jan-14	1,115,912	212.4	19.04
18.	27-Jan-14	2,621,150	501.1	19.12
19.	24-Jan-14	2,463,484	493.8	20.04
20.	23-Jan-14	3,145,511	641.7	20.40
21.	22-Jan-14	1,370,229	283.5	20.69

NO.	DATE	TOTAL TRADED EQUITY SHARES	TOTAL TURNOVER (IN RS LAKHS)	VOLUME WEIGHTED AVERAGE PRICE (IN RS)
22.	21-Jan-14	1,646,842	342.9	20.82
23.	20-Jan-14	1,363,737	287.0	21.04
24.	17-Jan-14	4,320,456	913.1	21.13
25.	16-Jan-14	6,626,433	1,452.8	21.92
26.	15-Jan-14	7,903,766	1,741.3	22.03
27.	14-Jan-14	7,339,747	1,563.8	21.31
28.	13-Jan-14	3,920,230	824.1	21.02
29.	10-Jan-14	4,351,634	912.4	20.97
30.	9-Jan-14	7,013,203	1,520.1	21.67
31.	8-Jan-14	11,009,593	2,406.9	21.86
32.	7-Jan-14	29,184,469	6,219.6	21.31
33.	6-Jan-14	6,366,724	1,242.3	19.51
34.	3-Jan-14	4,869,595	922.2	18.94
35.	2-Jan-14	5,009,876	985.6	19.67
36.	1-Jan-14	2,241,127	448.7	20.02
37.	31-Dec-13	2,380,949	479.5	20.14
38.	30-Dec-13	1,539,901	308.5	20.04
39.	27-Dec-13	3,050,730	618.6	20.28
40.	26-Dec-13	5,003,270	1,017.6	20.34
41.	24-Dec-13	2,104,642	420.6	19.99
42.	23-Dec-13	3,414,826	683.7	20.02
43.	20-Dec-13	6,438,538	1,281.3	19.90
44.	19-Dec-13	5,903,615	1,170.6	19.83
45.	18-Dec-13	4,036,827	799.5	19.81
46.	17-Dec-13	5,951,917	1,191.6	20.02
47.	16-Dec-13	2,011,738	407.7	20.27
48.	13-Dec-13	2,034,822	422.5	20.76
49.	12-Dec-13	2,055,027	434.0	21.12
50.	11-Dec-13	4,141,756	878.8	21.22
51.	10-Dec-13	2,356,683	501.2	21.27
52.	9-Dec-13	4,018,125	874.4	21.76
53.	6-Dec-13	11,470,729	2,520.9	21.98
54.	5-Dec-13	4,035,943	850.6	21.08
55.	4-Dec-13	7,996,928	1,739.0	21.75
56.	3-Dec-13	9,743,579	2,038.4	20.92
57.	2-Dec-13	2,521,517	516.4	20.48
58.	29-Nov-13	2,927,280	604.4	20.65
59.	28-Nov-13	7,908,446	1,648.2	20.84
60.	27-Nov-13	3,210,976	662.7	20.64
	TOTAL	**275,404,062**	**57,040.5**	
VOLUME WEIGHTED AVERAGE PRICE (TOTAL TURNOVER DIVIDED BY TOTAL TRADED EQUITY SHARES)				**20.71**

Source: www.nseindia.com

5.1.6 There have been no corporate actions by the Target Company warranting adjustment of any of the relevant price parameters under Regulation 8(9) of the SEBI (SAST) Regulations. *(Source: www.nseindia.com and www.bseindia.com)*

5.1.7 The Acquirers and the PACs are permitted to make upward revisions in the Offer Price at any time prior to 3 (three) Working Days before the commencement of the Tendering Period in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. The Acquirers have decided not to increase the

Offer Price. Further, in the event of further acquisition of Shares by the Acquirers during the Offer period, whether by way of market purchases or otherwise, at a price higher than the Offer Price, the Offer Price will be revised upwards to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8) of the SEBI (SAST) Regulations. However, the Acquirers and the PACs shall not acquire any Shares after Tuesday, April 15, 2014, i.e., the 3rd (third) Working Day prior to the commencement of the Tendering Period, i.e., Monday, April 21, 2014, and until the expiry of the Tendering Period, i.e., Monday, May 05, 2014.

5.1.8 In the event of such revision, the Acquirers and the PACs are required to: (a) make corresponding increases to the amounts kept in the escrow account, as set out in paragraph 5.2.7 of this Draft Letter of Offer; (b) make a public announcement in the newspapers where the DPS was published; and (c) simultaneously with the issue of such announcement inform SEBI, the BSE, the NSE and the Target Company at its registered office of such revision.

5.1.9 If the Acquirers and/or the PACs acquire Shares during the period of 26 (twenty six) weeks after the Closure of the Tendering Period at a price higher than the Offer Price, then the Acquirers and the PACs shall pay the difference between the highest acquisition price and the Offer Price, to all Public Shareholders whose Shares have been accepted in the Offer within 60 (sixty) days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another open offer under the SEBI (SAST) Regulations, or pursuant to the SEBI (Delisting of Equity Shares) Regulations, 2009 or open market purchases made in the ordinary course on the stock exchanges, not being a negotiated acquisition of Shares in any form.

5.1.10 The Offer Price will be paid in cash in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations, and subject to the terms and conditions mentioned in the PA, the DPS and this Draft Letter of Offer.

5.2 **FINANCIAL ARRANGEMENTS**

5.2.1 The total funding requirement for the Offer (assuming full acceptances), i.e. for the acquisition of 243,161,683 (Two hundred and forty three million one hundred and sixty one thousand six hundred and eighty three) Shares at the Offer Price, is Rs 5,322,809,241 (Rupees Five billion three hundred and twenty two million eight hundred and nine thousand two hundred and forty one), assuming full acceptance of this Offer (the "**Total Consideration**").

5.2.2 Acquirer 2, PAC 1 and PAC 2 have executed the Framework Agreement, in terms of which, PAC 1 and PAC 2 have agreed to use all reasonable endeavours to procure a binding financing commitment from a third party bank or PAC 1 and/or another of its affiliates to provide financial assistance to Acquirer 2 to, inter alia, enable Acquirer 2 to pay 50% of the Total Consideration payable under the Offer (assuming full acceptance in the Offer) on the specific terms and conditions agreed in the Framework Agreement ("**Acquirer 2 Financing**"). If definitive agreements for the Acquirer 2 Financing from the aforementioned sources are not executed on or before such date as agreed between the parties or for any other reason financing is not made available to Acquirer 2 for the purposes of completing the purchase of 50% of the Shares tendered in the Offer, Acquirer 1 shall be responsible for the aggregate financial obligations in relation to the Offer. It is envisaged that to the extent financing is received by Acquirer 2 from a third party bank, such financing will be secured / protected by, (i) shortfall undertaking by PAC 1 or any of its affiliates under which PAC 1 or the relevant affiliate will agree to pay any shortfall in the repayment of the financing by Acquirer 2; and (ii) other customary collaterals, security and protective covenants as may be agreed amongst the relevant parties (including the third party bank). To the extent PAC 1 and/or any of its affiliates provide any financial assistance (including any shortfall undertaking to a third party bank) to Acquirer 2, the interests of PAC 1 and/or of its affiliates will be protected, inter alia, by, (i) right to acquire 1% of the issued and paid up share capital of Acquirer 2; (ii) right to appoint a director on the board of directors of Acquirer 2; and (iii) other customary collaterals, security and protective covenants as may be agreed amongst the relevant parties. Acquirer 1 will also have a call option right created in accordance with SEBI Circular dated October 3, 2013 over the Shares that will be held by Acquirer 2. Further, Acquirer 1 may also have a call option right created over all the shares in Acquirer 2 held by the Trust. In light of the Framework Agreement, Acquirer 1 has given an undertaking to the Manager to meet 100% of the aggregate financial obligations in relation to the Offer including 100% of the Total Consideration.

5.2.3 Acquirer 1 has 2 (two) fixed deposits of USD 45,000,000 each (equivalent to Rs 2,795.5 million each based on RBI reference rate of USD 1 = Rs 62.122 as of February 18, 2014) aggregating to USD 90,000,000 (equivalent to Rs 5,590.98 million based on RBI reference rate of USD 1 = Rs 62.122 as of February 18, 2014). Such fixed deposits shall be used solely for the purposes of fulfilling the Acquirers payment obligations under the Offer.

5.2.4 Acquirer 1 has furnished an unconditional, irrevocable and on demand bank guarantee dated February 25, 2014 in favour of the Manager from The Royal of Scotland N.V. ("**BG Issuer**") acting through its Delhi branch, having bank guarantee No: ININ1DL14G327509 for an amount of Rs 1,282,280,925 (Rupees One billion two hundred and eighty two million two hundred and eighty thousand nine hundred and twenty five) (the "**Bank Guarantee**"). The Bank Guarantee is valid up to July 21, 2014. The amount of the Bank Guarantee has been computed in terms of Regulation 17(1) of the SEBI (SAST) Regulations (i.e., 25% of the first Rs 5,000,000,000 (Rupees Five billion) and 10% thereafter). The Manager has been duly authorised to realize the value of the Bank Guarantee in terms of the SEBI (SAST) Regulations.

5.2.5 Further, the Acquirers and the Manager have, entered into an Escrow Agreement dated February 25, 2014 ("**Escrow Agreement**") with Standard Chartered Bank (the "**Escrow Agent**"), in terms of which the Acquirer 1 and Acquirer 2 have opened a cash escrow account (the "**Escrow Account**") with the Escrow Agent. Acquirer 1 has deposited a sum of Rs 53,229,093 (Rupees Fifty three million two hundred and twenty nine thousand ninety three) in the Escrow Account being higher than the amount required under Regulation 17(4) of the SEBI (SAST) Regulations (i.e., 1% (one per cent) of the Total Consideration). The cash deposit in the Escrow Account has been confirmed pursuant to a confirmation letter dated February 25, 2014 issued by the Escrow Agent. The Manager to the Offer has been authorized by the Acquirers to solely operate and realize the monies lying to the credit of the Escrow Account in terms of the SEBI (SAST) Regulations.

5.2.6 Aditya S. Bhide, Chartered Accountant (having membership no. 228465), having its address at CTS No. 192/A, Tanish Tower, Guruwar Peth, Tilakwadi, Belgaum, have vide its letter dated February 20, 2014, certified on the basis of their scrutiny of the books of accounts, records and documents of Acquirer 1 that Acquirer 1 has adequate and firm financial resources to enable them to meet the Acquirer 1 obligations relating to the Offer.

5.2.7 In case of any upward revision in the Offer Price and or the Offer Size, the cash in the Escrow Account and the Bank Guarantee shall be increased by the Acquirers prior to effecting such revision, in terms of Regulation 17(2) of the SEBI (SAST) Regulations.

5.2.8 Based on the above, the Manager to the Offer is satisfied that firm financial arrangements for funds and money for payment through verifiable means are in place to fulfill the obligations of the Acquirers and PACs under this Offer in accordance with the SEBI (SAST) Regulations.

5.2.9 In terms of Regulation 22(2) and the proviso to Regulation 22(2A) of the SEBI (SAST) Regulations, subject to the Acquirers depositing in the Escrow Account, cash of an amount equal to 100% (one hundred per cent) of the consideration payable under the Offer assuming full acceptance, the Acquirers and the PACs may, after the expiry of 21 (twenty one) working days from date of the DPS, i.e. Friday, February 28, 2014, subject to fulfillment of conditions as detailed in paragraph 2.1 (Background of the Offer), complete the acquisition of Subscription Shares pursuant to the PAA and other acquisitions during the Offer period, if any and give effect to the PAA and the JVA.

6. TERMS AND CONDITIONS OF THE OFFER

6.1 The Offer is being made by the Acquirers and the PACs to all Public Shareholders of the Target

Company. The Letter of Offer together with the Form of Acceptance-cum-Acknowledgement and transfer deed (for the Public Shareholders holding Shares in the physical form) will be mailed to those Public Shareholders whose names appear on the register of members of the Target Company and to the beneficial owners of the Shares whose names appear as beneficiaries on the beneficial record of the respective depositories, at the close of business on the Identified Date (i.e., Wednesday, April 02, 2014). Owners of Shares who are not registered as Public Shareholders are also eligible to participate in the Offer at any time during the Tendering Period.

6.2 Every Public Shareholder, regardless of whether such person held Shares on the Identified Date, or has not received the Letter of Offer, is entitled to participate in the Offer.

6.3 The Acquirers shall accept the Shares tendered pursuant to the Offer subject to the following:

6.3.1 Applications in respect of Shares that are the subject matter of litigation or any proceedings before statutory authorities, wherein the Public Shareholders may be prohibited from transferring the Shares during the pendency of the said litigation, are liable to be rejected if directions or orders regarding these Shares are not received together with the Shares tendered under the Offer. The applications in some of these cases may be forwarded (as per the discretion of the Acquirers) to the concerned statutory authorities for further action by such authorities. Shares that are subject to any charge, lien or encumbrance are liable to be rejected in the Offer.

6.3.2 The Acquirers will only acquire Shares which are free from all liens, charges and encumbrances and together with all rights attached thereto, including the right to all dividends, bonus and rights declared hereafter.

6.4 As of Friday, March 07, 2014, the Target Company had no Shares which were locked in.

6.5 The Offer is not conditional and is not subject to any minimum level of acceptance. The acceptance of the Offer must be unconditional and should be entirely at the discretion of the Public Shareholders. Each Public Shareholder to whom the Offer is being made, is free to offer his Shares, in whole or in part, while accepting the Offer.

6.6 The acceptance of the Offer must be unconditional, should be absolute and unqualified, and should be on the enclosed Form of Acceptance-cum-Acknowledgement and sent along with the other documents duly filled in and signed by the applicant Public Shareholder(s).

6.7 The Tendering Period will open on Monday, April 21, 2014 and close on Monday, May 05, 2014.

6.8 Public Shareholders who have accepted the Offer by tendering their Shares and requisite documents in terms of the PA, the DPS, this Draft Letter of Offer and the Letter of Offer are <u>not</u> entitled to withdraw such acceptance during the Tendering Period.

6.9 If the Shares tendered in the Offer are more than the Shares to be acquired under the Offer, the acquisition of Shares from each Public Shareholder will be on a proportionate basis as detailed in paragraph 7.13 of this Draft Letter of Offer.

6.10 The Acquirers and the PACs will not be responsible for any loss of share certificate(s) and the Offer acceptance documents during transit and the Public Shareholders are advised to adequately safeguard their interests in this regard.

6.11 Accidental omission to dispatch this Draft Letter of Offer to any person to whom the Offer has been made or non-receipt of this Draft Letter of Offer by any such person shall not invalidate the Offer in any way.

6.12 **<u>STATUTORY AND OTHER APPROVALS</u>**

6.12.1 The acquisition of Subscription Shares, the Offer Shares and the change in control of the Target Company (from sole control of the Current Promoter Group to joint control of Acquirer 1 and the Existing Promoters), pursuant to the PAA and the JVA are subject to the following:

a. Receipt of the approval of the CCI under the provisions of the Competition Act, 2002 and the CCI Regulations or the expiry of any statutory time period on the expiry of which such approval is deemed to have been granted;

b. Receipt of the approval of Conselho Administrativo de Defesa Econômica (CADE) (Brazilian antitrust authority) or the expiry of any statutory time period on the expiry of which such approval is deemed to have been granted. Acquirer 1 and the Target Company have jointly made an application dated March 5, 2014 with Conselho Administrativo de Defesa Econômica (CADE) (Brazilian antitrust authority) seeking its approval for the Proposed Transaction;

c. Receipt of the approval of FIPB in connection with the investment made by the Company in NCDEX provided that no such approval shall be necessary in the event, (a) the Company ceases to be a shareholder of more than five percent (5%) of the equity shares of NCDEX; or (b) any clarification or any change in applicable laws, either by way of a circular or notification or letter or in any other manner is issued by any Governmental Authority including the FIPB or Reserve Bank of India or the ministry of commerce and industry whereby it is clarified that no approval of the FIPB is necessary for such types of investments; and

d. In-principle approval from the stock exchanges for listing of the Subscription Shares.

6.12.2 Acquisition of Shares from NRIs and OCBs in the Offer shall be subject to receipt of the approval of the RBI under Foreign Exchange Management Act, 1999 and the regulations made thereunder. NRIs and OCBs tendering Shares in the Offer must obtain all requisite approvals required to tender the Shares held by them, in this Offer (including without limitation the approval from RBI, since the Shares validly tendered in this Offer will be acquired by non-resident entities) and submit such approvals along with the documents required to accept this Offer. If holders of the Shares who are not persons resident in India (including the NRIs, the OCBs and the FIIs) had required any approvals (including from the FIPB or any other regulatory body) in respect of the Shares held by them, they will be required to submit such previous approvals that they would have obtained for holding the Shares, along with the other documents required to be tendered to accept this Offer. If the approvals mentioned above, as may be applicable, are not submitted, the Acquirers and the PACs reserve the right to reject such Shares tendered in this Offer.

6.12.3 In case of delay in receipt of any statutory approvals mentioned above or which may be required by the Acquirers and/or the PACs at a later date, as per Regulation 18(11) of the SEBI (SAST) Regulations, SEBI may, if satisfied, that non-receipt of approvals was not attributable to any willful default, failure or neglect on the part of the Acquirers and/or the PACs to diligently pursue such approvals, grant an extension of time for the purpose of completion of this Offer, subject to the Acquirers and the PACs agreeing to pay interest to the Public Shareholders at such rate, as may be specified by the SEBI from time to time. Provided where the statutory approvals extend to some but not all holders of the Shares, the Acquirers and/or the PACs will have the option to make payment to such holders of the Shares in respect of whom no statutory approvals are required in order to complete this Offer.

6.12.4 The Acquirers and the PACs will have the right not to proceed with this Offer in accordance with Regulation 23 of the SEBI (SAST) Regulations, in the event the statutory approvals indicated above are not granted. In the event of withdrawal of this Offer, a public announcement will be made within 2 (two) working days of such withdrawal, in the same newspapers in which the DPS was published and such public announcement will also be sent to the BSE, the NSE, the SEBI and the Target Company at its registered office.

6.12.5 The Acquirers may withdraw the Offer under Regulation 23 of the SEBI (SAST) Regulations (a) in terms of paragraph 6.12.4; and/or (b) if the conditions stipulated in paragraph 2.1.2(d) are not satisfied and the satisfaction of which is outside the reasonable control of the Acquirer 1.

7. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER

7.1 This Draft Letter of Offer will be mailed to the Public Shareholders, whose names appear on the register of members of the Target Company, as on the close of business on the Identified Date (i.e., Wednesday, April 02, 2014) and to the beneficial owners of the Shares of the Target Company whose names appear in the beneficial records of the respective depositories and the registrar and share transfer agent of the Target Company as on the close of business on the Identified Date (i.e., Wednesday, April 02, 2014).

7.2 Every Public Shareholder, regardless of whether she/he held Shares on the Identified Date, or has not received this Draft Letter of Offer, is entitled to participate in the Offer.

7.3 Public Shareholders can also download this Draft Letter of Offer and the Form of Acceptance-cum-Acknowledgement from the SEBI website: www.sebi.gov.in and send in their acceptances by filling such form.

7.4 Public Shareholders who wish to accept the Offer and tender their Shares, held either in physical or in dematerialised form, can send or hand deliver the Form of Acceptance-cum-Acknowledgement duly signed along with all the relevant documents as mentioned in this Draft Letter of Offer, at any of the collection centres of the Registrar to the Offer mentioned below during working hours on or before the Closure of the Tendering Period, i.e., no later than 4:00 pm on Monday, May 05, 2014, in accordance with the procedure as set out in this Draft Letter of Offer:

NO.	COLLECTION CENTRE	ADDRESS	CONTACT PERSON	TEL NO, FAX NO AND EMAIL	MODE OF DELIVERY
1.	Mumbai	Karvy Computershare Private Limited 24-B, Rajabahudur Mansion, Ground Floor, 6 Ambalal Doshi Marg, Behind BSE Ltd, Fort, Mumbai - 400 001	Ms. Nutan Shirke	022-6623 5454 022-6623 5412/27 Fax: 022-6633 1135 ircfort@karvy.com nutan.shirke@karvy.com	Hand Delivery
2.	New Delhi	Karvy Computershare Private Limited 305, New Delhi House, 27, Barakhamba Road, Connaught Place, New Delhi - 110 001	Mr. Rakesh Kr Jamwal / Vinod Singh Negi	011-4368 1700/ 1798 Fax: 011-4103 6370 rakesh.jamwal@karvy.com vinod.negi@karvy.com	Hand Delivery
3.	Kolkata	Karvy Computershare Private Limited 49, Jatin Das Road, Nr.Deshpriya Park, Kolkatta - 700 029	Mr. Sujit Kundu/ Mr. Debnath	033-2464 4891 Fax: 033-2464 4866 sujit.kundu@karvy.com nilkanta.debnath@karvy.com	Hand Delivery
4.	Chennai	Karvy Computershare Private Limited No. F11 First Floor, Akshya Plaza New no. 108, Adhithanar Salai, Egmore, Chennai - 600 002 Landmark: Opposite Metropolitan court	Mr. Karthikeyan/ Ramakrishna	044-2858 7781 044-4202 8513 Fax: Not available chennaiirc@karvy.com	Hand Delivery
5.	Hyderabad	Karvy Computershare Private Limited Plot No 17-24, Vithalrao Nagar, Madhapur, Hyderabad 500 081	Mr. Bhakta Singh/ Mr.Ravi	040-44655000/ 23420818-23 Fax: 040-23431551 ircmadhapur@karvy.com	Registered post / Courier

Note: All of the centres of the Registrar to the Offer mentioned above will be open from Monday to Friday - 10:00 am to

4:00 pm and Saturday - 10:00 am to 1:00 pm during the Tendering Period. The centres will be closed on Sundays and public holidays.

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

7.6 Applicants who cannot hand deliver their documents at any of the collection centers referred to above, may send the same by registered post with acknowledgement due or by courier, at their own risk and cost, to the Registrar to the Offer at its address: Karvy Computershare Private Limited, Plot No 17 to 24, Vithalrao Nagar, Hi-Tech City Road, Madhapur, Hyderabad 500081, so as to reach the Registrar to the Offer on or before 4:00 pm on Monday, May 05, 2014, i.e., Closure of the Tendering Period, clearly marking the envelop "**Shree Renuka Sugars Ltd – Open offer**".

7.7 <u>**PROCEDURE FOR SHARES HELD IN PHYSICAL FORM**</u>

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

7.7.2 Valid transfer deed(s) should be duly signed as transferor(s) by the sole/joint Public Shareholder(s) in the same order and as per specimen signatures lodged with the registrar and share transfer agent of the Target Company and duly witnessed at the appropriate place. The transfer deed(s) should be left blank, except for the signatures and witness details as mentioned above. Attestation, where required (as indicated in the transfer deed(s)) (thumb impressions, signature difference, etc.), should be done by a magistrate, notary public or special executive magistrate or a similar authority holding a public office and authorized to use the seal of his office or a member of a recognized stock exchange under its seal of office and membership number or manager of the transferor's bank. Notwithstanding that the signature(s) of the transferor(s) has been attested as aforesaid, if the signature(s) of the transferor(s) differs from the specimen signature(s) recorded with the registrar and share transfer agent of the Target Company or are not in the same order, such Shares are liable to be rejected in the Offer.

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

7.7.4 Persons who: (a) have acquired the Shares but whose names do not appear in the register of members of the Target Company on the Identified Date; or (b) are unregistered owners of Shares; or (c) have acquired the Shares after the Identified Date; or (d) have not received this Draft Letter of Offer, may send their application in writing to the Registrar to the Offer, on plain paper stating the name, address, number of Shares held, number of Shares tendered, distinctive numbers, folio numbers along with the documents to prove their title to such Shares such as broker note, succession certificate, original share certificate/original letter of allotment and transfer deeds (one per folio), duly signed by such Public Shareholders (in case of joint holdings in the same order as per the specimen signatures lodged with Target Company), and witnessed (if possible) by a notary public or a bank manager or the member of a recognized stock exchange with membership number, as the case may be so as to reach the Registrar to the Offer on or before the closing of the business hours on the date of Closure of the Tendering Period (i.e., Monday, May 05, 2014). Alternatively, such Public Shareholders, if they so desire, may apply on the Form of Acceptance-cum-Acknowledgement together with the information requested above. Such Public Shareholders can obtain this Draft Letter of Offer and the Form of Acceptance-cum-Acknowledgement from the Registrar to the Offer by making an application in writing to that effect or from the SEBI website: www.sebi.gov.in.

7.7.5 Unregistered Public Shareholders should enclose:

(a) A Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein;

(b) Original share certificate(s);

(c) Original broker contract note; and

(d) Valid transfer deed(s) as received from market. The details of the transferee should be left blank, failing which the tender will be invalid under the Offer. Unregistered Public Shareholders should not sign the transfer deed. The details of the transferee will be filled upon verification of the Form of Acceptance-cum-Acknowledgement and other documents and the same being found valid. All other requirements for valid transfer will be preconditions for acceptance.

7.8 PUBLIC SHAREHOLDERS WHO ARE HOLDING SHARES IN DEMATERIALIZED FORM

7.8.1 Public Shareholders holding Shares of the Target Company in dematerialized form and who wish to tender their Shares under the Offer will be required to submit the duly completed and signed Form of Acceptance-cum-Acknowledgement to the Registrar to the Offer either by registered post/courier or by hand delivery so as to reach on or before the date of closing of business hours on the date of Closure of the Tendering Period (i.e., Monday, May 05, 2014) along with a photocopy of the delivery instructions in "off-market" mode or counterfoil of the delivery instructions in "off-market" mode, duly acknowledged by the DP, in favour of "**KCPL ESCROW ACCOUNT - SRSL OPEN OFFER**" ("**Depository Escrow Account**").

7.8.2 The Registrar to the Offer has opened a Depository Escrow Account Name "**KCPL ESCROW ACCOUNT - SRSL OPEN OFFER**" with the National Securities Depository Limited ("**NSDL**") for receiving Shares during the Offer from the Public Shareholders who hold Shares in dematerialized form. The details of the Depository Escrow Account are mentioned below:

DEPOSITORY PARTICIPANT NAME	Karvy Stock Broking Limited
DP IDENTIFICATION NUMBER	IN300394
CLIENT IDENTIFICATION NUMBER	18721106
ACCOUNT NAME	KCPL ESCROW ACCOUNT - SRSL OPEN OFFER
DEPOSITORY	National Securities Depository Limited ("**NSDL**")
ISIN	INE087H01022
MARKET	Off Market
DATE OF CREDIT	On or Before May 05, 2014

7.8.3 Public Shareholders having their beneficiary account in the Central Depository Services (India) Limited ("**CDSL**") shall use the inter-depository delivery instruction slip for the purpose of crediting their Shares in favor of the Depository Escrow Account with NSDL.

7.8.4 In case of non-receipt of the aforesaid documents, but receipt of the Shares in the Depository Escrow Account by the Registrar to the Offer, the Acquirers may, in their sole discretion, deem the Shares to have been accepted under the Offer.

7.8.5 Persons who, (i) have acquired the Shares, but whose names do not appear in the register of members of the Target Company on the Identified Date; (ii) have acquired the Shares after the Identified Date; or (iii) have not received this Draft Letter of Offer, may participate in the Offer by submitting an application on plain paper giving details regarding their name, address, number of Shares held, number of Shares tendered, DP name, DP ID, account number together with photocopy or counterfoil of the delivery instruction slip in "off-market" mode duly acknowledged by the DP for transferring the Shares in favour of **"KCPL ESCROW ACCOUNT - SRSL OPEN OFFER"** as per the details given in the table in paragraph 7.8.2 of this Draft Letter of Offer so as to reach the Registrar to the Offer on or before the date of closing of the business hours on the date of Closure of the Tendering Period i.e., Monday, May 05, 2014. Alternatively, such Public Shareholders, if they so desire, may apply on the Form of Acceptance-cum-Acknowledgement together with the information requested above. Such Public Shareholders can obtain this Draft Letter of Offer and the Form of Acceptance-cum-Acknowledgement from the Registrar to the Offer by making an application in writing to that effect or from the SEBI website: www.sebi.gov.in.

7.9 **THE SHARES, SHARE CERTIFICATES, TRANSFER DEEDS, FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT AND/OR OTHER RELEVANT DOCUMENTS SHOULD NOT BE SENT TO THE ACQUIRER, THE PACS, THE TARGET COMPANY OR THE MANAGER TO THE OFFER.**

7.10 Public Shareholders who have sent their Shares for dematerialization need to ensure that the process of getting Shares dematerialized is completed well in time so that the credit in the Depository Escrow Account should be received on or before the date of closing of the business hours on the date of Closure of the Tendering Period (i.e., Monday, May 05, 2014). Else, the application will be rejected.

7.11 The acquisition of Shares tendered in the Offer by NRIs and OCBs is subject to receipt of approval from the RBI for such acquisition (since the Shares validly tendered in the Offer will be acquired by a non-resident entity). NRIs and OCBs tendering Shares in the Offer must obtain all requisite approvals required to tender the Shares held by them, in this Offer (including without limitation the approval from RBI, since the Shares validly tendered in this Offer will be acquired by non-resident entities) and submit such approvals along with the documents required to accept this Offer. Further, if the Public Shareholders who are not persons resident in India (including NRIs, OCBs and FIIs) had required any approval from the RBI or the FIPB or any other regulatory body in respect of the Shares held by them, they will be required to submit such previous approvals that they would have obtained for holding the Shares to tender Shares held by them pursuant to the Offer, along with the Form of Acceptance-cum-Acknowledgement and other documents required to be tendered to accept the Offer. If such approvals are not submitted, the Acquirers and the PACs reserve the right to reject such Shares tendered in the Offer.

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

(a) Duly attested death certificate and succession certificate/probate/letter of administration (in case of single Public Shareholder) if the original Public Shareholder has expired;

(b) Duly attested power of attorney if any person apart from the Public Shareholder has signed the application form and/or transfer deeds;

(c) In case of companies, the necessary corporate authorization (including certified copy of board resolutions) and specimen signatures of authorized signatories;

(d) Banker's certificate certifying inward remittances of funds for acquisition of Shares; and

(e) Any other relevant documents.

7.13 If the aggregate valid responses to the Offer by the Public Shareholders are more than the Shares agreed to be acquired under the Offer, then Acquirers and/or the PACs will accept the offers received from the Public Shareholders on a proportionate basis, in consultation with the Manager to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots. Provided that acquisition of Shares from a Public Shareholder shall not be less than the minimum or the entire holding (if it is less than the marketable lot). The marketable lot of the Target Company is 1 (one) Share.

7.14 Payment to those Public Shareholders whose share certificates and/or other documents are found valid and in order, will be made by way of a crossed account payee cheque/demand draft/pay order/through Direct Credit ("**DC**")/National Electronic Clearance System ("**NECS**")/National Electronic Funds Transfer ("**NEFT**")/Real Time Gross Settlement ("**RTGS**"). So as to avoid fraudulent encashment in transit, the Public Shareholders holding Shares in physical form should provide details of bank account of the first/sole Public Shareholder as provided in the Form of Acceptance-cum-Acknowledgement and the consideration cheque or demand draft will be drawn accordingly. In the event such details are not provided, the payment instruments shall be prepared based on the bank account details available with the registrar and transfer agent of the Target Company. In the absence of bank account details, the Registrar to the Offer will incorporate the address available in their records on the payment instrument being dispatched. For Shares that are tendered in dematerialized form, the bank account details as obtained from the beneficiary position download to be provided by the depositories will be considered and the payment shall be processed with the said bank particulars, and not any details provided in the Form of Acceptance-cum-Acknowledgement. In case of Public Shareholders holding Shares in physical form, if the bank account details are not provided, then the consideration will be dispatched in the name of the sole/first named holder at her/his registered address (at their own risk). The decision regarding: (a) the acquisition (in part or full), of the Shares tendered pursuant to the Offer; or (b) rejection of the Shares tendered pursuant to the Offer along with: (i) any corresponding payment for the acquired Shares; and/or (ii) return of share certificates for any rejected Shares or Shares accepted in part, will be dispatched to the Public Shareholders by registered post or by ordinary post as the case may be, at the Public Shareholder's sole risk. Shares held in dematerialized form to the extent not acquired will be credited back to the respective beneficiary account with their respective DPs as per the details furnished by the beneficial owners in the Form of Acceptance-cum-Acknowledgement.

7.15 For Public Shareholders who do not opt for electronic mode of transfer or whose payment consideration is rejected/not credited through DC/NECS/NEFT/RTGS, due to technical errors or incomplete/incorrect bank account details, payment consideration will be dispatched through registered/speed post at the Public Shareholder's sole risk and the payment instruments shall be prepared based on the bank account details available with the Registrar to the Offer. In the absence of bank account details, the Registrar to the Offer will incorporate the address available in their records on the payment instrument being dispatched.

7.16 The unaccepted share certificates, transfer forms and other documents, if any, will be returned by registered post at the Public Shareholders' sole risk. Unaccepted Shares held in dematerialized form will be credited back to the beneficial owners' depository account with the respective DP as per details received from their DP. It will be the responsibility of the Public Shareholders to ensure that the unaccepted Shares are accepted by their respective DPs when transferred by the Registrar to the Offer. Public Shareholders holding Shares in dematerialized form are requested to issue the necessary standing instruction for the receipt of the credit, if any, in their account with a DP. Public Shareholders should ensure that their depository account is maintained till the Offer formalities are completed.

7.17 The Registrars to the Offer will hold in trust the Shares and share certificate(s), Shares lying in credit of the Depository Escrow Account, Form of Acceptance-cum-Acknowledgement, and the transfer deed(s) on behalf of the Public Shareholders who have accepted the Offer, until the cheques/drafts for the consideration and/or the unaccepted Shares/share certificates are dispatched/returned.

7.18 All bankers' cheques/demand drafts will be drawn in the name of the first holder, in case of joint holder(s). In case of unregistered owners of Shares, payment will be made in the name of the person stated in the contract note. It is mandatory for the Public Shareholders to provide their bank account details in the Form of Acceptance-cum-Acknowledgement for incorporation in the bankers' cheque/demand draft. In the event such details are not provided, the payment instruments shall be prepared based on the bank account details available with Registrar to the Offer. In the absence of bank account details, the Registrar to the Offer will incorporate the address available in their record on the payment instrument being dispatched.

7.19 **COMPLIANCE WITH TAX REQUIREMENTS**

7.19.1 **General**

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

(b) The payment of any interest by the Acquirers and/or the PACs to a resident Public Shareholder may be chargeable to tax, as interest income under the Income Tax Act. The Acquirers and/or the PACs are required to deduct tax at source at the applicable rate under Section 194A of the Income Tax Act on such interest (paid for delay in payment of Offer Price).

(c) All Public Shareholders whether resident or non-resident (including FIIs) are required to submit their PAN for income-tax purposes. In case the PAN is not submitted or is invalid or does not belong to the Public Shareholder, the Acquirers and/or the PACs will arrange to deduct tax on any taxable payment or consideration paid to such Public Shareholder at the rate of 20% (twenty per cent) (as provided in Section 206AA of the Income Tax Act) or at the rate in force or at the applicable tax rate, as may be applicable to the relevant category of Public Shareholder under the Income Tax Act, whichever is higher.

(d) Each Public Shareholder shall certify its tax residence status (i.e., whether resident or non-resident) and its tax status (i.e., whether individual, firm, company, association of persons/ body of individuals, trust, any other, etc.) by selecting the appropriate box in the Form of Acceptance-cum-Acknowledgement. In case of ambiguity, incomplete or conflicting information or the information not being provided to the Acquirers and/or the PACs, it will be assumed that the Public Shareholder is a non-resident Public Shareholder and taxes shall be deducted treating the Public Shareholder as a non-resident and at the maximum marginal rate as may be applicable, under the Income Tax Act, to the relevant category to which the Public Shareholder belongs, on the entire consideration and interest if any, payable to such Public Shareholder.

(e) Any non-resident Public Shareholder claiming a benefit under any DTAA between India and any other foreign country should furnish a valid 'Tax Residence Certificate' provided to him/it by the Income Tax Authority of such other foreign country of which he/it claims to be a tax resident. In addition, the non-resident Public Shareholder is required in terms of Section 90(5) of the Income Tax Act to furnish prescribed additional information in the prescribed form (Form 10F). The information that is to be provided in Form 10F are as follows:

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

(ii) Nationality of an individual or country/specified territory of incorporation or registration in case of other entities;

(iii) The non-resident tax payer's tax identification number in the country or specified territory of residence or a unique identification number of the non-resident tax payer of the country or the specified territory of residence;

(iv) Period for which the residential status, as mentioned in the Tax Residency Certificate, is applicable; and

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

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

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

(g) Securities transaction tax will not be applicable to the Shares accepted in the Offer.

7.19.2 **Tax implications in case of Non-resident Public Shareholders (other than FIIs)**

(a) Remittance of consideration: All non-resident Public Shareholders, who desire that no tax should be deducted at source or tax should be deducted at a lower rate or on a lesser amount, shall be required to submit certificate from the Indian income tax authorities under Section 195(3) of the Income Tax Act or Section 197 of the Income Tax Act along with the Form of Acceptance-cum-Acknowledgement certifying the amount of tax required to be deducted at source by the Acquirers before remitting the consideration to the Public Shareholders whose Shares have been validly accepted in this Offer. The Acquirers and/or the PACs will arrange to deduct taxes at source in accordance with such certificate.

(b) In case the aforesaid certificate for no deduction or lower deduction of tax is not submitted, the Acquirers and/or the PACs will arrange to deduct tax at the maximum marginal rate as may be applicable to the relevant category to which the Public Shareholder belongs, under the Income Tax Act on the entire consideration and interest amount payable to such Public Shareholder.

(c) The Acquirers will not take into consideration any other details and documents (including self-certified computation of tax liability or the computation of tax liability certified by any tax professionals including a chartered accountant, etc.) submitted by the Public Shareholder for deducting a lower amount of tax at source. NRIs, OCBs and other non-resident Public Shareholders (excluding FIIs) holding Shares on capital account will be required to certify the period of its holding (i.e., whether Shares are held for more than 12 (twelve) months) of Shares in the Target Company by selecting the appropriate box in the Form of Acceptance-cum-Acknowledgement along with proof such as a dematerialised account statement or broker's note.

(d) All NRIs, OCBs and other non-resident Public Shareholders (excluding FIIs) are required to submit their PAN for income tax purposes. In case the PAN is not submitted or is invalid or does not belong to the Public Shareholder, the Acquirers and/or the PACs will arrange to deduct tax at the rate of 20% (twenty per cent) (as provided in Section 206AA of the Income Tax Act) or at the rate in force or at the applicable rate, as may be applicable, to the category of Public Shareholder under the Income Tax Act, whichever is higher, on the entire consideration amount payable to such Public Shareholder.

(e) Treaty Benefits: Any NRIs, OCBs and other non-resident Public Shareholders (excluding FIIs) claiming benefit under any DTAA between India and any other foreign country should furnish the 'Tax Residence Certificate' provided to him/it by the Income Tax Authority of such other foreign country of which it claims to be a tax resident and a self-declaration stating that the Public Shareholder is eligible for claiming benefit under the DTAA entered into between India and the country of its tax residence, and that the Public Shareholder does not have a permanent establishment in India in terms of such DTAA. Further, the Public Shareholder will be required to furnish such other documents and information as prescribed in terms of Section 90(5) of the Income Tax Act as detailed in paragraph 7.19.1(e) of this Draft Letter of Offer. In the absence of such Tax Residence Certificate/certificates/declarations/ information/documents, the Acquirers and/or the PACs will arrange to deduct tax in accordance with the provisions of the Income Tax Act and without having regard to the provisions of any DTAA.

7.19.3 **Tax Implications in case of FIIs**

(a) Tax Benefits for FIIs in respect of the consideration paid by the Acquirers and/or the PACs: As per the provisions of Section 196D(2) of the Income Tax Act, no deduction of tax at source is required to be made from any income by way of capital gains arising from the transfer of securities referred to in Section 115AD of the Income Tax Act, to an FII.

(b) An FII should certify the nature of its income arising from the sale of the Shares as per the Income Tax Act (whether capital gains or otherwise) by selecting the appropriate option provided in the Form of Acceptance-cum-Acknowledgement for this purpose. In the absence of an FII certifying to the effect that its income from sale of Shares is in the nature of capital gains, the Acquirers will deduct tax at the maximum rate applicable to the category to which such FII belongs on the entire consideration payable to such FII along with applicable surcharge and education cess.

(c) Notwithstanding anything contained in paragraph (b) above, in case an FII furnishes a certificate from the income tax authorities under Section 195(3) or Section 197 of the Income Tax Act along with the Form of Acceptance-cum-Acknowledgement for deduction of tax at lower rate, the Acquirers and/or the PACs will arrange to deduct taxes at source in accordance with such certificate.

(d) Interest Payments: For interest payments by the Acquirers and/or the PACs for delay in payment of Offer Price, if any, FIIs will be required to submit a certificate from the income tax authorities under Section 195(3) or Section 197 of the Income Tax Act for deduction of tax at lower rate certifying the amount of tax to be deducted by the Acquirers and/or the PACs before remitting the consideration. The Acquirers and/or the PACs will arrange to deduct taxes at source in accordance with such certificate.

(e) In case the aforesaid certificate is not submitted, the Acquirers and/or the PACs will arrange to deduct tax at the maximum marginal rate as may be applicable to the relevant category to which the FII Public Shareholder belongs under the Income Tax Act on the entire consideration payable as interest to such Public Shareholder.

(f) All FIIs shall submit their PAN for income tax purposes. In case PAN is not submitted or is invalid or does not belong to the Public Shareholder, the Acquirers and/or the PACs will arrange to deduct tax at the rate of 20% (twenty per cent) (as provided in Section 206-AA of the Income Tax Act) or at the rate in force or at the rate, as may be applicable to the category of the FII Public Shareholder under the Income Tax Act, whichever is higher, on the entire consideration amount payable to such Public Shareholder.

(g) Treaty Benefits: Any FII claiming benefit under any DTAA between India and any other foreign country should furnish a "Tax Residence Certificate" provided to it by the income tax authority of such other foreign country of which it claims to be a tax resident and a self-declaration stating that the FII does not have a permanent establishment in India, in terms of the DTAA and the FII is eligible for claiming benefit under the DTAA entered between India and the country of its tax residence. Further, the FII will also be required to furnish such other documents and information as prescribed in terms of Section 90(5) of the Income Tax Act as detailed in paragraph 7.19.1(e) of this Draft Letter of Offer. In the absence of such Tax Residence Certificate/certificates/declarations/information/documents, the Acquirers and/or the PACs will arrange to deduct tax in accordance with the provisions of the Income Tax Act and without having regard to the provisions of any DTAA.

7.19.4 **Tax Implications in case of resident Public Shareholders**

(a) Remittance of consideration: In the absence of any specific provision under the Income Tax Act, the Acquirers and/or the PACs will not deduct tax on the consideration payable to resident Public Shareholders for the acquisition of Shares. Such resident Public Shareholders will be liable to pay tax on their income as per the provisions of the Income Tax Act as applicable to them.

(b) For interest payments by the Acquirers and/or the PACs for delay in payment of Offer Price, if any, the Acquirers and/or the PACs will arrange to deduct tax at the rate of 10% (ten per cent) on the interest amount (as provided in Section 194A of the Income Tax Act) along with applicable surcharge and education cess.

(c) All resident Public Shareholders shall submit their PAN for income tax purposes. In case the PAN is not submitted or is invalid or does not belong to the Public Shareholder, the Acquirers and/or the PACs will arrange to deduct tax at the rate of 20% (twenty per cent) (as provided in Section 206-AA of the Income Tax Act).

(d) Notwithstanding anything contained in paragraphs (b) and (c) above, no deduction of tax shall be made at source by the Acquirers and/or the PACs where the total amount of interest payable to a resident Public Shareholder does not exceed Rs 5,000 (Rupees Five thousand) or where a self-declaration in Form 15G or Form 15H (as provided in the Income Tax Rules, 1962 (as amended)), as may be applicable, has been furnished by a resident Public Shareholder. The self-declaration in Form 15G and Form 15H will not be regarded as valid unless the resident Public Shareholder furnished its PAN in such declaration. Additionally, no tax is to be deducted on the amount of interest in case of a resident Shareholder being a Mutual Fund as per Section 10(23D) of the Income Tax Act or a Bank/an entity specified under Section 194A(3)(iii) of the Income Tax Act if it submits a copy of relevant registration or notification along with the Form of Acceptance-cum-Acknowledgement.

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

The Acquirers and/or the PACs will issue a certificate in the prescribed form to the Public Shareholders (both resident and non-resident) who have been paid the consideration and interest, after deduction of tax at source on the same, certifying the amount of tax deducted at source and other prescribed particulars in accordance with the provisions of the Income Tax Act read with the Income Tax Rules, 1962 (as amended).

7.19.6 **Tax Implications in foreign jurisdictions**

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

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

(c) The tax deducted by the Acquirers and/or the PACs while making payment to a Public Shareholder may not be the final tax liability of such Public Shareholder and shall in no way discharge the obligation of the Public Shareholder to appropriately disclose the amounts received by it, pursuant to the Offer, before the income tax authorities in the jurisdiction where it is a tax resident. The tax rates and other provisions may undergo change.

7.19.7 Public Shareholders who wish to tender their Shares must submit the following information along with the Form of Acceptance-cum-Acknowledgement:

(a) <u>Information requirement from non-resident Shareholder</u>:

(i) Self-attested copy of PAN card;

(ii) Certificate from the Income-tax Authorities for no/lower deduction of tax;

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

(iv) In case of FII, self-attested declaration certifying the nature of income arising from the sale of Equity Shares is capital gains;

(v) SEBI registration certificate for FII; and

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

(b) <u>Information requirement in case of resident Shareholder</u>:

(i) Self-attested copy of PAN card;

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

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

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

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

7.20 The tax deducted under the Offer is not the final liability of the Public Shareholders or in no way discharges the obligation of Public Shareholders to disclose the consideration received pursuant to the Offer in their respective tax returns. The tax rates and other provisions may undergo changes.

7.21 Public Shareholders who wish to tender their Shares must submit the information all at once as given in the Form of Acceptance-cum-Acknowledgement and those that may be additionally requested for by the Acquirers and/or the PACs. The documents submitted by the Public Shareholders along with the Form of Acceptance-cum-Acknowledgement will be considered as final. Any further/delayed submission of additional documents, unless specifically requested by the Acquirers and/or the PACs may not be accepted. In case the documents/information as requested in this Draft Letter of Offer/Form of Acceptance-cum-Acknowledgement are not submitted by a Public Shareholder, or the Acquirers and/or the PACs consider the documents/information submitted by a Public Shareholder to be ambiguous/incomplete/conflicting, the Acquirers and the PACs reserve the right to withhold tax on the gross consideration at the maximum marginal rate as applicable to the category of the shareholder.

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

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

7.24 The Acquirers and/or the PACs shall deduct tax (if required) as per the information provided and representation made by the Public Shareholders. 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 the Public Shareholders, such Public Shareholders will be responsible to pay such income tax demand (including interest, penalty, etc.) and provide the Acquirers and/or the PACs with all information/documents that may be necessary and co-operate in any proceedings before any income tax/appellate authority.

7.25 All Public Shareholders are advised to consult their tax advisors for the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. The Acquirer/PACs and the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of such advice. The aforesaid treatment of tax deduction at source may not necessarily be the treatment also for filing the return of income.

8. DOCUMENTS FOR INSPECTION

8.1 The following documents are available for inspection to the Public Shareholders at the office of the Manager to the Offer at 5/F, Crescenzo, BKC, Bandra (E), Mumbai – 400 051; between 10.00 am and 4:00 pm on all Working Days (except Saturdays, Sundays and bank holidays) during the Tendering Period:

8.1.1 Copies of the certificate of incorporation and constitution documents of the Acquirers and the PACs;

8.1.2 Chartered Accountant certificates certifying the adequacy of financial resources with the Acquirers to fulfill the obligations under the Offer;

8.1.3 Copy of the letter issued by the Escrow Agent confirming the amounts kept in the Escrow Account – Cash and a lien in favour of the Manager to the Offer in accordance with the terms of the Offer Escrow Agreement;

8.1.4 Copy of the Bank Guarantee issued by the BG Issuer;

8.1.5 Copy of the audited annual reports of the Acquirers and the PACs (where the PACs are corporate entities) for the last 3 (three) financial years, as applicable;

8.1.6 Copy of the audited annual reports of the Target Company for the last 3 (three) financial years;

8.1.7 Copy of the PA, the DPS and the Offer opening public announcement;

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

8.1.9 Copy of the letter from SEBI containing its comments on this Draft Letter of Offer;

8.1.10 Copies of the PAA, the JVA and the Framework Agreement;

8.1.11 Copy of the agreement entered with the DP for opening of the Depository Escrow Account for the purposes of the Offer; and

8.1.12 Copy of the Offer Escrow Agreement.

8.1.13 Certificates issued by the Chartered Accountants certifying the net worth of Narendra Madhusudan Murkumbi, Vidya Murkumbi, Apoorva Narendra Murkumbi, Anuradha Ravindra Kulkarni, Supriya Shailesh Rojekar and Dilip Vasant Rao Deshpande, i.e. individual PACs.

9. DECLARATION BY THE ACQUIRERS AND THE PACs

9.1 The Acquirers and the PACs along with their respective directors (where applicable) accept the responsibility for the obligations of the Acquirers as laid down in terms of the SEBI (SAST) Regulations. Acquirer 1 and PAC 1 accept full responsibility for all the information contained in this Draft Letter of Offer in relation to them and they shall not responsible for any other information contained in this Draft Letter of Offer. Acquirer 2 and PAC 2 accept full responsibility for all the information contained in this Draft Letter of Offer in relation to them and they shall not responsible for any other information contained in this Draft Letter of Offer. All information pertaining to the Target Company has been obtained from publicly available sources and the accuracy thereof has not been independently verified by the Manager to the Offer.

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

9.3 The person(s) signing this Draft Letter of Offer are duly and legally authorized by the Acquirers and the PACs to sign this Draft Letter of Offer.

Signed by

For and on behalf of Wilmar Sugar Holdings Pte. Ltd. (as Acquirer 1)

Sd/-
Authorized Signatory

For and on behalf of SRS Investments Pte. Ltd. (as Acquirer 2)

Sd/-
Authorized Signatory

For and on behalf of Wilmar International Limited (as PAC 1)

Sd/-
Authorized Signatory

For and on behalf of Current Promoter Group (as PAC 2)

Sd/-
Authorized Signatory

Place: Mumbai
Date: March 7, 2014