

May 07, 2019

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street
Mumbai – 400001

National Stock Exchange of India Limited
Exchange Plaza, Plot no. C/1, G Block
Bandra Kurla Complex, Bandra (E)
Mumbai 400 051, India

Dear Sir/ Madam,

Subject: Draft Letter of Offer dated May 07, 2019 (the “DLoF”) in relation to an open offer to the Public Shareholders (as defined in the DLOF) of Essel Propack Limited (the “Target Company”) (“Open Offer”/ “Offer”).

Epsilon BidCo Pte. Ltd. (“Acquirer”) together with Blackstone Capital Partners Asia L.P. (“PAC 1”) and Blackstone Capital Partners (Cayman) VII L.P. (“PAC 2”) (hereinafter PAC 1 and PAC 2 are collectively referred to as the “PACs”), in their capacity as the persons acting in concert with the Acquirer, have announced an open offer for acquisition of up to 82,058,934 fully paid-up equity shares of face value of Rs. 2 each (“Equity Shares”) from the Public Shareholders of Essel Propack Limited (the “Target Company”), representing 26.00% of the Expanded Voting Share Capital, at a price of Rs. 139.19 per Equity Share (the “Offer Price”) aggregating to total consideration of Rs. 11,421,783,024, payable in cash.

We had submitted the public announcement vide our e-mail dated April 22, 2019 and the detailed public statement vide our e-mail dated April 29, 2019.

In accordance with regulation 18(1) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 and subsequent amendments thereto, we are pleased to enclose a copy of the DLoF.

Capitalized terms not defined herein have the same meaning as specified in the enclosed DLoF.

Thanking You,

Yours truly,

JM Financial Limited



Authorized Signatory

Name: Rashmi Haralka

Designation: VP

JM Financial Limited

Corporate Identity Number : L67120MH1986PLC038784

Regd. Office: 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025.

T: +91 22 6630 3030 F: +91 22 6630 3330 www.jmfl.com

DRAFT LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The Letter of Offer (*as defined below*) will be sent to you as a Public Shareholder (*as defined below*) of Essel Propack Limited (“Essel”/ “Target Company”). If you require any clarification about the action to be taken, you may consult your stock broker or investment consultant or the Manager to the Offer or the Registrar to the Offer (*as defined below*). In case you have recently sold your Equity Shares (*as defined below*), please hand over the Letter of Offer and the accompanying Form of Acceptance-cum-Acknowledgement (*as defined below*) to the member of stock exchange through whom the said sale was effected.

EPSILON BIDCO PTE. LTD.

A private limited company incorporated under the laws of Singapore

Registration Number: 201736984W

Registered address: 77 Robinson Road, #13-00, Robinson 77, Singapore 068896 (Tel: +65 6500 6400, Fax: +65 6438 6221)
(hereinafter referred to as the “Acquirer”)

ALONG WITH

BLACKSTONE CAPITAL PARTNERS ASIA L.P.

An exempted limited partnership incorporated under the laws of Cayman Islands

Corporate identification Number: 90330

Registered address: Intertrust Corporate Services (Cayman) Ltd., 190 Elgin Avenue, George Town, Grand Cayman KY1-9005, Cayman Islands.
(Tel: +1 345 943 3100, Fax: +1 345 945 4757)
(hereinafter referred to as “PAC 1”)

AND

BLACKSTONE CAPITAL PARTNERS (CAYMAN) VII L.P.

An exempted limited partnership incorporated under the laws of Cayman Islands

Corporate identification Number: 84655

Registered address: Intertrust Corporate Service (Cayman) Ltd., 190 Elgin Avenue, George Town, Grand Cayman KY1-9005, Cayman Islands.
(Tel: +1 345 943 3100, Fax: +1 345 945 4757)
(hereinafter referred to as “PAC 2”)

(hereinafter PAC 1 and PAC 2 are collectively referred to as the “PACs”)

MAKE A CASH OFFER OF Rs. 139.19 (RUPEES ONE HUNDRED AND THIRTY NINE AND NINETEEN PAISE ONLY) PER EQUITY SHARE (“OFFER PRICE”) OF FACE VALUE OF RS. 2 EACH, TO ACQUIRE UP TO 82,058,934 FULLY PAID UP EQUITY SHARES REPRESENTING 26.00% OF THE EXPANDED VOTING SHARE CAPITAL (AS DEFINED BELOW), IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011, AS AMENDED (“SEBI (SAST) REGULATIONS”) FROM THE PUBLIC SHAREHOLDERS OF

ESSEL PROPACK LIMITED

A public limited company incorporated under the Companies Act, 1956

CIN: L74950MH1982PLC028947

Registered office: P.O. Vasind Taluka Shahapur, Thane, Maharashtra- 421604, India. (Tel: +91 22 24819000, Fax: +91 22 24963137)

Website: www.esselpropack.com

(hereinafter referred to as the “Target Company”)

1. This Offer (*as defined below*) is made pursuant to and in compliance with the provisions of Regulation 3(1) and Regulation 4 of the SEBI (SAST) Regulations.
2. This Offer is not a conditional offer and is not subject to any minimum level of acceptance.
3. This Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
4. The consummation of the Underlying Transaction (*as defined below*) and the Offer is subject to the receipt of all Anti-Trust and Foreign Investment Approvals (*as defined below*) and Other Governmental Approvals (*as defined below*) (which may be waived by the Acquirer at its discretion). To the best of the knowledge of the Acquirer and the PACs, there are no other statutory or governmental approvals required for the consummation of the Transaction (*as defined below*). If any other statutory or governmental approval(s) are required or become applicable prior to completion of the Offer, the Transaction would also be subject to such other statutory or other governmental approval(s). Please refer to Paragraph B of Section VI (Terms and Conditions of the Offer) for further details and the current status of such statutory and governmental approval(s).
5. Where any statutory approval extends to some but not all of the Public Shareholders, the Acquirer and/ or PACs shall have the option to make payment to such Public Shareholders in respect of whom no statutory approvals are required in order to complete this Offer.
6. The Acquirer and/or the PACs may withdraw the Offer in accordance with the conditions specified in Paragraph 3 of Section VI.B (Terms and conditions of the Offer – Statutory and Other Approvals) of this DLoF (*as defined below*). In the event of a withdrawal of the Offer, the Acquirer and/or the PACs (through the Manager) shall, within two Working Days (*as defined below*) of such withdrawal, make a public announcement of such withdrawal, in the same newspapers in which the Detailed Public Statement (*as defined below*) had appeared in accordance with Regulation 23(2) of the SEBI (SAST) Regulations and such public announcement also will be sent to SEBI (*as defined below*), Stock Exchanges (*as defined below*) and the Target Company at its registered office.
7. Under Regulation 18(4) of the SEBI (SAST) Regulations, the Acquirer and/ or PACs are permitted to revise the Offer Price or the number of Offer Shares at any time prior to the commencement of the last one Working Day (*as defined below*) before the commencement of the Tendering Period (*as defined below*). In the event of such revision, the Acquirer and PACs shall (i) make corresponding increase to the escrow amount, as more particularly set out in Section V (Offer Price and Financial Arrangements) of this DLoF (ii) make public announcement in the same newspapers in which the Detailed Public Statement (*as defined below*) has been published and (iii) simultaneously notify the Stock Exchanges, SEBI and the Target Company at its registered office of such revision. The Acquirer would pay such revised price for all the Equity Shares validly tendered during the Offer and accepted under the Offer in accordance with the terms of the Letter of Offer.
8. **There has been no competing offer as of the date of this DLoF.**
9. **If there is a competing offer, the public offers under all subsisting bids shall open and close on the same date.**
10. Unless otherwise stated, the information set out in this DLoF reflects the position as of the date hereof.
11. A copy of the Public Announcement (*as defined below*), the Detailed Public Statement and the Letter of Offer (including the Form of Acceptance-cum-Acknowledgement) will also be available on the website of Securities and Exchange Board of India (“SEBI”) (www.sebi.gov.in).

MANAGER TO THE OFFER



JM Financial Limited

7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi,
Mumbai – 400 025, India.

Tel: +91 22 6630 3030; Fax: +91 22 6630 3330

Email: essel.openoffer@jmf.com; Website: <https://www.jmf.com>

Contact person: Ms. Prachee Dhuri

SEBI Registration Number: INM000010361

CIN : L67120MH1986PLC038784

REGISTRAR TO THE OFFER



Link Intime India Private Limited

C-101, 247 Park, LBS Marg, Vikhroli (W), Mumbai -400 083, India

Tel: +91 22 4918 6200, Fax: +91 22 4918 6195

E-mail: esselpropack.offer@linkintime.co.in

Website: <https://linkintime.co.in>

Contact person: Mr.Sumeet Deshpande

SEBI Registration Number: INR000004058

CIN: U67190MH1999PTC118368

The tentative schedule of key activities under the Offer is as follows:

No	Nature of the Activity	Schedule (Day and Date) *
1	Issue of Public Announcement	Monday, April 22, 2019
2	Date of publishing the DPS in newspapers	Monday, April 29, 2019
3	Last date for filing of the draft letter of offer with SEBI	Tuesday, May 7, 2019
4	Last date for the public announcement of competing offer(s) as per first DPS	Tuesday, May 21, 2019
5	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, May 28, 2019
6	Identified Date [#]	Thursday, May 30, 2019
7	Date by which the Letter of Offer is to be dispatched to the Public Shareholders whose names appear in the records of the Depositories on the Identified Date	Friday, June 7, 2019
8	Last Date by which the committee of the independent directors of the Target Company shall give its recommendation to the Public Shareholders of the Target Company for this Offer	Wednesday, June 12, 2019
9	Last date for upward revision of the Offer Price and/or the Offer Size	Wednesday, June 12, 2019
10	Date of publication of Offer opening public announcement in the newspapers in the which the DPS has been published	Thursday, June 13, 2019
11	Date of commencement of Tendering Period	Friday, June 14, 2019
12	Date of closure of Tendering Period	Thursday, June 27, 2019
13	Last date of communicating the rejection/ acceptance and completion of payment of consideration or refund of Equity Shares to the Public Shareholders of the Target Company ⁽¹⁾	Thursday, July 11, 2019
14	Last date for issue of post-offer advertisement	Thursday, July 18, 2019

**The above timelines are indicative (prepared on the basis of timelines provided under the SEBI (SAST) Regulations) and are subject to receipt of statutory/ regulatory approvals and may have to be revised accordingly.*

[#]Date falling on the 10th Working Day prior to the commencement of the Tendering Period. Identified Date is only for the purpose of determining the names of the Public Shareholders as on such date to whom the Letter of Offer would be sent. It is clarified that all Public Shareholders who own Equity Shares are eligible to participate in the Offer any time before the Offer Closing Date.

⁽¹⁾Subject to all Anti-Trust and Foreign Investment Approvals and the Other Governmental Approvals been obtained, granted and not delayed.

RISK FACTORS

The risk factors set forth below are limited to this Offer, the Underlying Transaction contemplated under the SPA, the Acquirer and the PACs, and are not in relation to the present or future business operations of the Target Company or other related matters. These are neither exhaustive nor intended to constitute a complete analysis of all the risks involved in the participation by Public Shareholders in this Offer, or in association with the Acquirer and the PACs, but are merely indicative in nature. Public Shareholders are advised to consult their stockbrokers, investment consultants and/or tax advisors, for understanding and analysing all risks associated with respect to their participation in this Offer.

For capitalised terms used herein please refer to the section on Definitions and Abbreviations set out below.

I. Risks relating to the Offer and the Underlying Transaction

1. The Offer is an open offer under the SEBI (SAST) Regulations to acquire not more than 82,058,934 Equity Shares representing 26.00% of the Expanded Voting Share Capital, from the Public Shareholders. If the number of Equity Shares validly tendered by the Public Shareholders under this Offer is more than the Offer Size, then the Offer Shares validly tendered by the Public Shareholders will be accepted on a proportionate basis, subject to acquisition of a maximum of 82,058,934 Equity Shares, representing 26.00% of the Expanded Voting Share Capital. Accordingly, there is no assurance that all the Equity Shares tendered by the Public Shareholders in the Offer will be accepted. The unaccepted Equity Shares will be returned to the Public Shareholders in accordance with the schedule of activities for the Offer.
2. The consummation of the Underlying Transaction and the Offer is subject to the receipt of all Anti-Trust and Foreign Investment Approvals, Other Governmental Approvals (unless waived by the Acquirer) and certain Identified SPA Conditions (unless waived by the Acquirer). In the event that either: (a) any of the above, are not obtained, granted or satisfied, or are delayed, as applicable; (b) there is any litigation leading to a stay/injunction on the Offer or that restricts/restrains the Acquirer/PACs from performing its obligations hereunder; or (c) SEBI instructs the Acquirer/PACs not to proceed with the Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this DLoF or may be withdrawn in terms of the SEBI (SAST) Regulations. In case any statutory approval or other governmental approval that may be required by the Acquirer and/ or PACs, is not received in time, SEBI may, if satisfied, grant an extension of time to the Acquirer and/ or PACs for making payment of the consideration to the Public Shareholders whose Offer Shares have been accepted in the Offer, subject to such terms and conditions as may be specified by SEBI, including payment of interest in accordance with Regulation 18(11) of the SEBI (SAST) Regulations. In addition, where any statutory approval extends to some but not all of the Public Shareholders, the Acquirer and/ or PACs shall have the option to make payment to such Public Shareholders in respect of whom no statutory approvals are required in order to complete this Offer.
3. To the best of the knowledge of the Acquirer and the PACs, except as set out above, there are no other statutory or governmental approvals required for the consummation of the Underlying Transaction and the Offer. If any other statutory or governmental approval(s) are required or become applicable prior to completion of the Offer, the Underlying Transaction and the Offer would also be subject to such other statutory or other governmental approval(s) and the Acquirer and/ or the PACs shall make the necessary applications for such other approvals.

4. If (a) any Anti-Trust and Foreign Investment Approval, Other Governmental Approval or any other statutory approval is not obtained or granted or (b) any Identified SPA Condition is not satisfied, as applicable, the Acquirer and/or the PACs may rescind the SPA and withdraw the Offer in terms of Regulation 23 of the SEBI (SAST) Regulations.
5. The acquisition of Equity Shares under the Offer from all Public Shareholders (resident and non-resident) is subject to all approvals required to be obtained by such Public Shareholders in relation to the Offer and the transfer of Equity Shares held by them to the Acquirer. Further, if the Public Shareholders who are not persons resident in India require or had required any approvals in respect of the transfer of Equity Shares held by them, they will be required to submit such previous approvals that they would have obtained for holding the Equity Shares, to tender the Equity Shares held by them pursuant to this Offer, along with the other documents required to be tendered to accept this Offer. In the event such prior approvals are not submitted, the Acquirer and/or PACs reserve their right to reject such Equity Shares tendered in this Offer. If the Equity Shares are held under general permission of the Reserve Bank of India (“**RBI**”), the non-resident Public Shareholder should state that the Equity Shares are held under general permission and clarify whether the Equity Shares are held on repatriable basis or non-repatriable basis.
6. Equity Shares, once tendered through the Form of Acceptance-cum-Acknowledgement in the Offer, cannot be withdrawn by the Public Shareholders, even if the acceptance of Equity Shares under the Offer and/or dispatch of consideration are delayed. The tendered Equity Shares and documents will be held in trust by the Registrar to the Offer (*as defined below*) until such time as the process of acceptance of tenders and the payment of consideration is complete.
7. The Equity Shares tendered in the Offer will be held in trust by the Registrar to the Offer until the completion of the Offer formalities and the Public Shareholders who have tendered their Equity Shares will not be able to trade such Equity Shares. During such period, there may be fluctuations in the market price of the Equity Shares that may adversely impact the Public Shareholders who have tendered their Equity Shares in this Offer. It is understood that the Public Shareholders will be solely responsible for their decisions regarding the participation in this Offer. None of the Acquirer, the PACs (nor any persons deemed to be acting in concert with the Acquirer) nor the Manager to the Offer makes any assurance with respect to the market price of the Equity Shares before the commencement of the Offer, during the period that the Offer is open and upon completion of the Offer and each of them disclaims any responsibility with respect to any decision by the Public Shareholders on whether or not to participate in the Offer.
8. This DLoF has not been and the LoF shall not be filed, registered or approved in any jurisdiction outside India. Recipients of this DLoF or the LoF who are resident in jurisdictions outside India should inform themselves of and comply with all applicable legal requirements. This Offer is not directed towards any person or entity in any jurisdiction or country where the same would be contrary to applicable laws or regulations or would subject the Acquirer and the PACs or the Manager to the Offer to any new or additional registration requirements.
9. The Offer is being made for securities of an Indian company and Public Shareholders of the Target Company in the U.S. should be aware that this DLoF and any other documents relating to the Offer have been or will be prepared in accordance with Indian procedural and disclosure requirements, including requirements regarding the offer timetable and timing of payments, all of which differ from those in the United States. Any financial information included in this DLoF or in any other documents relating to the Offer, has been or will be prepared in accordance with non-U.S. accounting standards that may not be comparable to financial

statements of companies in the U.S. or other companies whose financial statements are prepared in accordance with U.S. generally accepted accounting principles.

10. The receipt of cash pursuant to the Offer by a Public Shareholder of the Target Company may be a taxable transaction for U.S. federal income tax purposes and under applicable U.S. state and local, as well as foreign and other, tax laws. Each Public Shareholder of the Target Company is urged to consult his independent professional adviser immediately regarding the tax consequences of accepting the Offer.
11. Neither the U.S. Securities Exchange Commission (the “SEC”) nor any U.S. state securities commission has approved or disapproved the Offer or passed any comment upon the adequacy or completeness of this DLoF. Any representation to the contrary is a criminal offence in the U.S.
12. The information contained in this DLoF is as of date of this DLoF. The Acquirer, PACs and the Manager are under no obligation to update the information contained herein at any time after the date of this DLoF.
13. The Acquirer, the PACs and the Manager to the Offer accept no responsibility (nor shall any persons deemed to be acting in concert with the Acquirer be responsible) for statements made otherwise than in the PA, the DPS, this DLoF or in the advertisement or any materials issued by or at the instance of the Acquirer and/or PACs, excluding such information pertaining to the Target Company, which has been obtained from publicly available sources or provided or confirmed by the Target Company. Any person placing reliance on any other source of information will be doing so at his/her/its own risk.
14. The mechanism for acquisition of Equity Shares of the Target Company through stock exchange in terms of SEBI circular CIR/CFD/POLICYCELL/2015 dated April 13, 2015 and SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 is not available for this Offer due to the restrictions under FEMA Regulations (*as defined below*) and other applicable laws. Accordingly, the Public Shareholders whose Equity Shares have been validly tendered and accepted may be subject to applicable capital gains tax and securities transaction tax will not be applicable to the Equity Shares accepted in this Offer. The Public Shareholders are advised to consult their respective tax advisors for assessing the tax liability, pursuant to this Offer, or in respect of other aspects such as the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. The Acquirer, the PACs and the Manager to the Offer do not accept any responsibility (nor shall any deemed persons acting in concert with the Acquirer be responsible) for the accuracy or otherwise of the tax provisions set forth in this DLoF.

II. Risks involved in associating with the Acquirer and the PACs

1. None of the Acquirer, the PACs or the Manager to the Offer (*as defined below*) makes any assurance with respect to the financial performance of the Target Company or the continuance of past trends in the financial performance of the Target Company nor do they make any assurance with respect to the market price of the Equity Shares before, during or after the Offer. Each of the Acquirer and the PACs expressly disclaim (nor shall any persons deemed to be acting in concert with the Acquirer have) any responsibility or obligation of any kind (except as required under Applicable Law) with respect to any decision by any Public Shareholder on whether to participate or not in this Offer.

2. None of the Acquirer, the PACs or the Manager to the Offer makes any assurance with respect to their investment or disinvestment relating to their proposed shareholding in the Target Company.
3. If the public shareholding in the Target Company falls below the minimum prescribed level required for continued listing as a result of the Open Offer and/or the Underlying Transaction, then, the Acquirer and the PACs shall take appropriate actions in compliance with applicable laws to ensure continued compliance with the conditions of the Securities Contracts (Regulation) Rules, 1957, as amended (“**SCRR**”) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI (LODR) Regulations**”). However, any failure to do so could have an adverse effect on the price and tradability of the Equity Shares.

CURRENCY OF PRESENTATION

1. In this DLoF, all references to “**Rupees**”, “**Rs.**” Or “**INR**” are to Indian Rupees, the official currency of the Republic of India and all references to “**USD**” are references to United States Dollar, the official currency of the United States of America.
2. Throughout this DLoF, all figures have been expressed in “million”, unless otherwise specifically stated.
3. In this DLoF, any discrepancy in any table between the total and sums of amounts listed are due to rounding off and/or regrouping.
4. All the data presented in USD in this DLoF has been converted into INR. The conversion has been assumed at the RBI reference rate as on December 31, 2018 (unless otherwise stated in this DLoF):

1 USD = INR 69.7923 (Source: Reserve Bank of India: www.rbi.org.in)

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DEFINITIONS / ABBREVIATIONS

Term	Details / Definition/ Description
Acquirer	Epsilon Bidco Pte. Ltd.
Applicable Law	Applicable Law means any applicable national, supranational, foreign, provincial, local or other law, regulations, including applicable provisions of all: (i) constitutions, decrees, treaties, statutes, enactments, laws (including the common law), codes, notifications, rules, regulations, policies, guidelines, circulars, directions, directives, ordinances or orders of any Governmental Authority (as defined in the SPA), statutory authority, court, tribunal having jurisdiction over the parties to the SPA or any recognised stock exchange (including the Stock Exchanges); (ii) Governmental Approvals (as defined in the SPA); and (iii) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any Governmental Authority, statutory authority, court or tribunal; in each case having jurisdiction over such party.
Anti-Trust and Foreign Investment Approvals	(i) the unconditional approval of the Competition Commission of India for the consummation of the Transaction (as defined below), or where such conditions are imposed, such conditions being acceptable to the Acquirer at its sole discretion; (ii) the expiry or termination of any applicable waiting periods, or the receipt of required approvals without restrictions/ conditions, in each case as applicable, under the competition related Applicable Laws of Austria, Bulgaria, Colombia, Germany, Kenya, Peoples Republic of China, Poland, and Russia in connection with the Transaction; and (iii) the approval without restrictions/ conditions of the German Federal Ministry for Economic Affairs and Energy for the consummation of the Transaction under German foreign investment control regulations.
Bank Guarantee	Bank Guarantee shall have the meaning given to it in Paragraph 2 of Section V.B (Offer Price and Financial Arrangements – Financial Arrangements) of this DLoF.
Beneficial Owner	Beneficial owners of the Equity Shares, whose names appeared as beneficiaries in the records of the Depositories at the close of business hours on the Identified Date or at any time before the closure of the Tendering Period.
BSE	BSE Limited.
Cash Escrow	Cash Escrow shall have the meaning ascribed to it in Paragraph 3 of Section V.B (Offer Price and Financial Arrangements – Financial Arrangements) of this Draft Letter of Offer.
CDSL	Central Depository Services (India) Limited.
Completion	Completion shall have the meaning as provided in the SPA.
Depositories	CDSL and NSDL.
DP	Depository participant.
DPS/Detailed Public Statement	Detailed public statement, published on April 29, 2019 on behalf of the Acquirer and the PACs in Business Standard (English, all editions), Business Standard (Hindi, all editions) and Navshakti (Marathi, Mumbai edition).
Draft Letter of	This draft Letter of Offer filed with SEBI in accordance with Regulation 16(1)

Term	Details / Definition/ Description
Offer/DLoF	of the SEBI (SAST) Regulations dated May 7, 2019.
Expanded Voting Share Capital	The total voting equity share capital of the Target Company on a fully diluted basis expected as of the 10 th (Tenth) Working Day from the closure of the Tendering Period for the Offer. This includes 367,664 outstanding employee stock options which have already vested as on the date of the Public Announcement and are exercisable into equal number of Equity Shares. There will not be any additional employee stock options that will vest between the date of the Public Announcement and December 31, 2019 (assuming December 31, 2019 as the 10 th (Tenth) Working Day from the closure of the Tendering Period).
Equity Shareholders	All holders of Equity Shares, including Beneficial Owners.
Equity Shares	Fully paid-up equity shares of the Target Company having a face value of Rs. 2 each.
Escrow Account	Escrow Account shall have the meaning given to it in Paragraph 3 of Section V.B (Offer Price and Financial Arrangements – Financial Arrangements) of this Draft Letter of Offer.
Escrow Agent	Escrow Agent shall have the meaning given to it in Paragraph 3 of Section V.B (Offer Price and Financial Arrangements – Financial Arrangements) of this Draft Letter of Offer.
Escrow Agreement	Escrow Agreement shall have the meaning given to it in Paragraph 3 of Section V.B (Offer Price and Financial Arrangements – Financial Arrangements) of this Draft Letter of Offer.
Escrow Demat Account	Escrow Demat Account shall have the meaning given to it in Paragraph 6(a) of Section VII (Procedure for Acceptance and Settlement of the Offer) of this Draft Letter of Offer.
ESOSs	Employee stock options granted by the Target Company to its employees and employees of its wholly owned subsidiaries.
Form of Acceptance-cum-Acknowledgment	Form of acceptance-cum-acknowledgement, which will be a part of the Letter of Offer.
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, as amended or modified.
FPI	Foreign portfolio investor registered with SEBI under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended or modified.
Identified Date	Identified Date means the date falling on the 10 th (Tenth) Working Day prior to the commencement of the Tendering Period, for the purpose of determining the Public Shareholders to whom the letter of offer in relation to this Offer shall be sent.
Identified SPA Conditions	Identified SPA Conditions have the meaning ascribed to them in Paragraph 5(b) of Section II.A (Details of the Offer – Background to the Offer) of this Draft Letter of Offer.
Letter of Offer/LoF	The letter of offer, including the Form of Acceptance-cum-Acknowledgement,

Term	Details / Definition/ Description
	which shall be dispatched to the Public Shareholders in accordance with the SEBI (SAST) Regulations.
Manager to the Offer/ Manager	JM Financial Limited
Maximum Consideration	Maximum Consideration shall have the meaning ascribed to it in Paragraph 1 of Section V.B (Offer Price and Financial Arrangements – Financial Arrangements) of this Draft Letter of Offer.
MM/Mn/Million	1,000,000 units.
NRI	Non-Resident Indian as defined under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, as amended or modified.
NSDL	National Securities Depository Limited.
NSE	National Stock Exchange of India Limited.
OCB	Overseas Corporate Body as defined in the Foreign Exchange Management (Deposit) Regulations, 2000, as amended or modified.
Offer Closing Date	Date of closure of the Tendering Period i.e., [●].
Offer/Open Offer	The Offer, being made by the Acquirer and the PACs, for acquiring up to 82,058,934 Equity Shares representing 26.00% of the Expanded Voting Share Capital as of the tenth (10 th) Working Day from the closure of the Tendering Period, from the Public Shareholders at the Offer Price payable in cash.
Offer Period	The period starting from April 22, 2019 (being the date of the PA) until the date on which payment of consideration to Public Shareholders who have validly tendered their Equity Shares in the Offer is completed, or the date on which the Offer is withdrawn, as the case may be.
Offer Price	Price of Rs. 139.19 per Equity Share at which the Offer is being made to the Public Shareholders.
Offer Shares	82,058,934 fully paid up Equity Shares of the Target Company.
Offer Size	Up to 82,058,934 Equity Shares, representing 26.00% of the Expanded Voting Share Capital of the Target Company.
Other Governmental Approvals	Other governmental approvals shall have the meaning as ascribed to them in Paragraph 5(b) of Section II.A (Details of the Offer – Background to the Offer).
PACs	Collectively PAC 1 and PAC 2.
PAC 1	Blackstone Capital Partners Asia L.P.
PAC 2	Blackstone Capital Partners (Cayman) VII L.P.
PAN	Permanent account number.
Public Announcement/PA	Public announcement of the Offer made by the Manager to the Offer on behalf of the Acquirer and the PACs on April 22, 2019, in accordance with Regulation 3(1) and Regulation 4 read with Regulation 13(1) and Regulation 15(1) of the SEBI (SAST) Regulations.

Term	Details / Definition/ Description
Public Shareholders	All the equity shareholders of the Target Company excluding (i) the Acquirer and the PACs; (ii) parties to the SPA (defined below); and (iii) the persons deemed to be acting in concert with the persons set out in (i) and (ii).
RBI	Reserve Bank of India.
Registrar to the Offer	M/s. Link Intime India Private Limited, having its registered office at C-101, 247 Park, LBS Marg, Vikhroli (W), Mumbai -400 083, India; Tel: +91 22 4918 6200, Fax: +91 22 4918 6195
Rs./Rupees/INR	The lawful currency of the Republic of India.
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended or modified.
SEBI	Securities and Exchange Board of India.
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended.
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended or modified.
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended or modified.
Seller	Ashok Goel Trust (acting through its trustees, Mr. Ashok Goel and Mrs. Kaveeta Goel), having its office at Times Tower, Top Floor, Kamala City, Kamala Mills Compound, Lower Parel, Mumbai – 400013, India. Tel: +91 22 24819066 / +91 22 24819076
SPA	SPA means the share purchase agreement dated April 22, 2019 executed amongst the Acquirer, the Seller and Mr. Ashok Goel pursuant to which the Acquirer has agreed to acquire from the Seller, being one of the promoters of the Target Company, up to 160,961,755 Equity Shares of the Target Company representing a maximum of 51.00% of the Expanded Voting Share Capital at a price of INR 134.00 per Equity Share, completion under which is subject to receipt of all Anti-Trust and Foreign Investment Approvals and satisfaction of certain other conditions precedent specified in the share purchase agreement.
Stock Exchanges	Collectively, the BSE and the NSE.
Transaction	Collectively the Underlying Transaction and the Open Offer.
Target Company	Essel Propack Limited, which is listed on the Stock Exchanges.
Tendering Period	Period commencing from [●] and closing on [●] (both days inclusive).
Underlying Transaction	The transaction to acquire up to 160,961,755 Equity Shares of the Target Company representing a maximum of 51.00% of the Expanded Voting Share Capital at a price of INR 134.00 per Equity Share, by the Acquirer from the Seller, being one of the promoters of the Target Company.
Working Day	The working day of SEBI.

I. DISCLAIMER CLAUSE

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THIS 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. THIS DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (SAST) REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE PUBLIC SHAREHOLDERS OF ESSEL PROPACK LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER, THE PACs OR THE TARGET COMPANY WHOSE EQUITY SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER DULY DISCHARGES ITS RESPONSIBILITIES ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OPEN OFFER, JM FINANCIAL LIMITED, HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED MAY 7, 2019 TO SEBI IN ACCORDANCE WITH THE SEBI (SAST) REGULATIONS AND SUBSEQUENT AMENDMENTS THEREOF. THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER AND PACS FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.”

UNITED STATES OF AMERICA

THE OFFER IS BEING MADE FOR SECURITIES OF AN INDIAN COMPANY AND PUBLIC SHAREHOLDERS OF THE TARGET COMPANY IN THE U.S. SHOULD BE AWARE THAT THIS DLOF AND ANY OTHER DOCUMENTS RELATING TO THE OPEN OFFER HAVE BEEN OR WILL BE PREPARED IN ACCORDANCE WITH INDIAN PROCEDURAL AND DISCLOSURE REQUIREMENTS, INCLUDING REQUIREMENTS REGARDING THE OFFER TIMETABLE AND TIMING OF PAYMENTS, ALL OF WHICH DIFFER FROM THOSE IN THE U.S. ANY FINANCIAL INFORMATION INCLUDED IN THIS DLOF OR IN ANY OTHER DOCUMENTS RELATING TO THE OFFER HAS BEEN OR WILL BE PREPARED IN ACCORDANCE WITH NON-U.S. ACCOUNTING STANDARDS THAT MAY NOT BE COMPARABLE TO FINANCIAL STATEMENTS OF COMPANIES IN THE U.S. OR OTHER COMPANIES WHOSE FINANCIAL STATEMENTS ARE PREPARED IN ACCORDANCE WITH U.S. GENERALLY ACCEPTED ACCOUNTING PRINCIPLES.

THE RECEIPT OF CASH PURSUANT TO THE OFFER BY A PUBLIC SHAREHOLDER OF THE TARGET COMPANY MAY BE A TAXABLE TRANSACTION FOR U.S.

FEDERAL INCOME TAX PURPOSES AND UNDER APPLICABLE U.S. STATE AND LOCAL, AS WELL AS FOREIGN AND OTHER, TAX LAWS. EACH PUBLIC SHAREHOLDER OF THE TARGET COMPANY IS URGED TO CONSULT HIS INDEPENDENT PROFESSIONAL ADVISER IMMEDIATELY REGARDING THE TAX CONSEQUENCES OF ACCEPTING THE OFFER.

IT MAY BE DIFFICULT FOR U.S. HOLDERS OF EQUITY SHARES TO ENFORCE THEIR RIGHTS AND ANY CLAIMS THEY MAY HAVE ARISING UNDER THE U.S. FEDERAL SECURITIES LAWS IN CONNECTION WITH THE OFFER, SINCE THE TARGET COMPANY, THE ACQUIRER AND THE PACs ARE INCORPORATED IN COUNTRIES OTHER THAN THE U.S., AND SOME OR ALL OF THEIR OFFICERS AND DIRECTORS MAY BE RESIDENTS OF COUNTRIES OTHER THAN THE U.S. U.S. HOLDERS OF EQUITY SHARES IN THE TARGET COMPANY MAY NOT BE ABLE TO SUE THE TARGET COMPANY, THE ACQUIRER, THE PACs OR THEIR RESPECTIVE OFFICERS OR DIRECTORS IN A NON-U.S. COURT FOR VIOLATIONS OF U.S. SECURITIES LAWS. FURTHER, IT MAY BE DIFFICULT TO COMPEL THE TARGET COMPANY, THE ACQUIRER, THE PACs OR THEIR RESPECTIVE AFFILIATES TO SUBJECT THEMSELVES TO THE JURISDICTION OR JUDGMENT OF A U.S. COURT.

NEITHER THE U.S. SECURITIES EXCHANGE COMMISSION NOR ANY U.S. STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED THE OFFER OR PASSED ANY COMMENT UPON THE ADEQUACY OR COMPLETENESS OF THIS DLOF. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE U.S.

UNITED KINGDOM

IN THE UNITED KINGDOM, THE LOF TOGETHER WITH THE DPS AND THE PA IN CONNECTION WITH THE OFFER SHALL BE DISTRIBUTED ONLY TO, AND ARE DIRECTED ONLY AT, PERSONS WHO ARE (I) PERSONS HAVING PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS FALLING WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005 (THE “ORDER”), OR (II) HIGH NET WORTH ENTITIES FALLING WITHIN ARTICLE 49(2)(A) TO (D) OF THE ORDER, OR (III) PERSONS TO WHOM IT WOULD OTHERWISE BE LAWFUL TO DISTRIBUTE THEM, ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS “RELEVANT PERSONS”. THE LOF TOGETHER WITH THE DPS AND THE PA IN CONNECTION WITH THE OFFER AND THEIR CONTENTS ARE CONFIDENTIAL AND SHOULD NOT BE DISTRIBUTED, PUBLISHED OR REPRODUCED (IN WHOLE OR IN PART) OR DISCLOSED BY ANY RECIPIENTS TO ANY OTHER PERSON IN THE UNITED KINGDOM, AND ANY PERSON IN THE UNITED KINGDOM THAT IS NOT A RELEVANT PERSON SHOULD NOT ACT OR RELY ON THEM.

GENERAL

THIS DLOF TOGETHER WITH THE DPS AND THE PA IN CONNECTION WITH THE OFFER, HAS BEEN PREPARED FOR THE PURPOSES OF COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS OF INDIA, INCLUDING THE SEBI ACT AND THE SEBI (SAST) REGULATIONS, AND HAS NOT BEEN REGISTERED OR APPROVED UNDER ANY LAWS OR REGULATIONS OF ANY COUNTRY OUTSIDE OF INDIA. THE DISCLOSURES IN THIS DLOF AND THE OFFER PARTICULARS INCLUDING BUT NOT LIMITED TO THE OFFER PRICE, OFFER SIZE AND PROCEDURES FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER IS GOVERNED BY SEBI (SAST) REGULATIONS, AND OTHER APPLICABLE LAWS, RULES AND REGULATIONS OF INDIA, THE PROVISIONS OF WHICH MAY BE DIFFERENT FROM THOSE OF ANY JURISDICTION OTHER THAN INDIA. ACCORDINGLY, THE INFORMATION DISCLOSED MAY NOT BE THE SAME AS THAT WHICH WOULD HAVE BEEN DISCLOSED IF THIS DOCUMENT HAD BEEN PREPARED IN ACCORDANCE WITH THE LAWS AND REGULATIONS OF ANY JURISDICTION OUTSIDE OF INDIA. THE INFORMATION CONTAINED IN THIS DLOF IS AS OF THE DATE OF THIS DLOF. THE ACQUIRER, PACs, THE MANAGER TO THE OFFER AND ANY DEEMED PERSONS ACTING IN CONCERT WITH THE ACQUIRER ARE UNDER NO OBLIGATION TO UPDATE THE INFORMATION CONTAINED HEREIN AT ANY TIME AFTER THE DATE OF THIS DLOF.

NO ACTION HAS BEEN OR WILL BE TAKEN TO PERMIT THIS OFFER IN ANY JURISDICTION WHERE ACTION WOULD BE REQUIRED FOR THAT PURPOSE. THE LOF SHALL BE DISPATCHED TO ALL PUBLIC SHAREHOLDERS HOLDING THE EQUITY SHARES WHOSE NAMES APPEAR IN THE RECORDS OF DEPOSITORY, AT THEIR STATED ADDRESS, AS OF THE IDENTIFIED DATE. HOWEVER, RECEIPT OF THE LOF BY ANY PUBLIC SHAREHOLDER IN A JURISDICTION IN WHICH IT WOULD BE ILLEGAL TO MAKE THIS OFFER, OR WHERE MAKING THIS OFFER WOULD REQUIRE ANY ACTION TO BE TAKEN (INCLUDING, BUT NOT RESTRICTED TO, REGISTRATION OF THE LOF UNDER ANY LOCAL SECURITIES LAWS OF SUCH JURISDICTION), SHALL NOT BE TREATED BY SUCH PUBLIC SHAREHOLDER AS AN OFFER BEING MADE TO THEM AND SHALL BE CONSTRUED BY THEM AS BEING SENT FOR INFORMATION PURPOSES ONLY.

PERSONS IN POSSESSION OF THE LOF ARE REQUIRED TO INFORM THEMSELVES OF ANY RELEVANT RESTRICTIONS IN THEIR RESPECTIVE JURISDICTIONS. ANY PUBLIC SHAREHOLDER WHO TENDERS HIS, HER OR ITS EQUITY SHARES IN THIS OFFER SHALL BE DEEMED TO HAVE DECLARED, REPRESENTED, WARRANTED AND AGREED THAT HE, SHE OR IT IS AUTHORISED UNDER THE PROVISIONS OF ANY APPLICABLE LOCAL LAWS, RULES, REGULATIONS AND STATUTES TO PARTICIPATE IN THIS OFFER.

II. DETAILS OF THE OFFER

A. Background to the Offer

1. This Offer is a mandatory open offer being made by Epsilon Bidco Pte. Ltd., being the Acquirer, together with Blackstone Capital Partners Asia L.P. and Blackstone Capital Partners (Cayman) VII L.P. in terms of Regulations 3(1) and 4 of the SEBI (SAST) Regulations, pursuant to the execution of the SPA to acquire in excess of 25% of the equity share capital of the Target Company and control over the Target Company. The PA announcing the Open Offer, under Regulation 3(1) and Regulation 4 read with Regulation 13(1) and Regulation 15(1) of the SEBI (SAST) Regulations, was released to the Stock Exchanges on April 22, 2019.
2. The Acquirer and PACs are making this Offer to all the Public Shareholders of the Target Company, to acquire up to 82,058,934 Equity Shares representing 26.00% of the Expanded Voting Share Capital of the Target Company at a price of INR 139.19 per Equity Share determined in accordance with the SEBI (SAST) Regulations aggregating to total consideration of INR 11,421,783,024.
3. The Acquirer entered into a SPA on April 22, 2019, pursuant to which the Acquirer has agreed to acquire from the Seller, being one of the existing promoters of the Target Company, up to 160,961,755 Equity Shares (“**Sale Shares**”) of the Target Company representing a maximum of 51.00% of the Expanded Voting Share Capital at a price of INR 134.00 per Equity Share, completion under which is subject to receipt of all Anti-Trust and Foreign Investment Approvals, Other Governmental Approvals and satisfaction of certain other conditions precedent specified in the SPA.
4. In terms of the SPA and subject to the conditions therein, if the shareholding of the Acquirer in the Target Company, computed as the sum of (a) number of Equity Shares validly tendered by the Public Shareholders and accepted in the Open Offer and (b) the Sale Shares agreed to be purchased by the Acquirer from the Seller, exceeds 75% of the issued and outstanding equity share capital of the Target Company, then, the Sale Shares shall be adjusted (“**Adjusted Sale Shares**”) such that the Acquirer will acquire such lesser number of Equity Shares from the Seller so as to ensure that its aggregate shareholding (i.e., after acquiring the Equity Shares validly tendered in the Offer and the Adjusted Sale Shares) in the Target Company does not exceed 75% of the issued and outstanding equity share capital of the Target Company after completion of the Transaction. The Adjusted Sale Shares shall not be less than 154,373,781 Equity Shares.
5. Salient features of the SPA are set out below:
 - (a) The SPA sets forth the terms and conditions agreed between the Seller, the Acquirer and Mr. Ashok Goel, and their respective rights and obligations.
 - (b) The consummation of the Underlying Transaction is subject to the fulfillment of the conditions precedent as specified under the SPA, including the following:
 - (i) The Anti-Trust and Foreign Investment Approvals having been obtained or deemed by Applicable Laws to have been obtained (e.g., as a result of the lapse, expiration or termination of the applicable waiting periods or because jurisdiction has been declined) by the Acquirer in accordance with the Competition Laws (as defined in the SPA), for the Transaction.

- (ii) The Seller shall have procured that the Target Company or the relevant subsidiary of the Target Company shall have obtained no-objection certificates from the identified lenders (as identified in the SPA).
- (iii) The Target Company or any of the subsidiaries of the Target Company having not been admitted to a corporate insolvency, liquidation or a similar process pursuant to an order of a governmental authority under Applicable Law.
- (iv) The Seller shall have obtained a no-objection certificate issued by the relevant assessing officer, under the provisions of Section 281 of the Income Tax Act, 1961 for the transfer of the Sale Shares (“**Tax NOC**”) and shall have provided a valid copy of the said Tax NOC to the Acquirer.
- (v) Seller shall have ensured that the Target Company has obtained a consent in writing, from the Assam Pollution Control Board in terms with the “Consent to Operate” for change in particulars submitted as part of the “Consent to Operate” application.
- (vi) Seller shall have ensured that the Target Company has obtained a no-objection certificate for change in control of the Target Company from the Goa Industrial Development Corporation in connection with lease deeds dated (i) 21 June 2006 bearing registration number 716/2000; and (ii) 20 December 2000 bearing registration number 51/2000.

The conditions precedent specified in paragraph 5(b)(ii) to paragraph 5(b)(iv) above are referred to as the “**Identified SPA Conditions**”.

The conditions precedent specified in paragraph 5(b)(v) to paragraph 5(b)(vi) above are referred to as the “**Other Governmental Approvals**”.

6. Details of the underlying transaction pursuant to the SPA is set out below:

Details of Underlying Transaction						
Type of transaction (direct/ indirect)	Mode of transaction (Agreement/ Allotment/ Market Purchase)	Shares/ Voting rights acquired/ proposed to be acquired		Total Consideration for shares/ Voting rights acquired (INR)	Mode of payment (Cash/ securities)	Regulation which has triggered
		Number	% vis a vis total equity /voting rights			
Direct	Agreement – The Acquirer entered into a Share Purchase Agreement dated 22 April 2019 with Ashok Goel Trust (acting through its trustees, Mr. Ashok Goel and Mrs. Kaveeta Goel), and Mr. Ashok Goel to acquire up to 160,961,755 Equity Shares from Ashok Goel Trust, constituting up to 51.00% of the Expanded Voting Share Capital. ⁽¹⁾	Acquisition of a maximum of 160,961,755 Equity Shares from the Seller. ⁽¹⁾	Acquisition of a maximum of 51.00% of the Expanded Voting Share Capital from the Seller. ⁽¹⁾	Up to INR 21,568,875,170 for acquisition of a maximum of 160,961,755 Equity Shares from the Seller. ⁽¹⁾⁽²⁾	Cash	Regulation 3(1) and Regulation 4 of the SEBI (SAST) Regulations

- 1) *Please refer to Paragraph 4 under Section II.A. (Details of the Offer-Background to the Offer).*
 - 2) *This amount has been determined by multiplying the purchase price of INR 134.00 with the maximum of 160,961,755 Equity Shares proposed to be acquired by the Acquirer from the Seller. The total consideration payable to the Seller may be reduced proportionately, depending upon the Equity Shares validly tendered and accepted in the Open Offer. Please refer to Paragraph 4 under Section II.A. (Details of the Offer-Background to the Offer).*
7. Upon Completion of the Underlying Transaction, Mr. Ashok Goel will step down from the board of directors of the Target Company and cease to be engaged in any role with the Target Company including any executive role. As and when requested by the Target Company, Mr. Ashok Goel has agreed to be available to the Target Company to ensure a smooth transition given his experience and industry knowledge. Towards this end, subject to receipt of necessary approvals, the Target Company will enter into an agreement with Mr. Ashok Goel or any of his affiliates pursuant to which, as and when required, Mr. Ashok Goel would provide transition support services for a period of five years after the closing of the Underlying Transaction. In consideration of such support, the Target Company will pay an amount of INR 160,000,000 every year to Mr. Ashok Goel for a period of five years. Regardless of such payment being made by the Target Company for transition support services, the Acquirer has added the gross payment over five years, i.e., INR 800,000,000, which translates to a per Equity Share value of INR 5.19, to the price determined under the SEBI (SAST) Regulations for the purpose of arriving at the Offer Price of INR 139.19 per Equity Share.
 8. Upon consummation of the Transaction, the Acquirer will acquire control over the Target Company and shall become a promoter of the Target Company, including in accordance with the provisions of the SEBI (LODR) Regulations. The Seller and its affiliates (including all persons currently identified as promoters and promoters group of the Target Company) will cease to be in control of the Target Company, and will no longer be a part of the promoter or promoter group. Accordingly, the Seller and its affiliates will, immediately after the closing of the Transaction, submit a request to the board of directors of the Target Company to be re-classified as public shareholders, and such re-classification shall take place as soon as possible subject to receipt of necessary approvals in terms of the SEBI (LODR) Regulations and conditions prescribed therein.
 9. Upon the consummation of the Underlying Transaction, Mr. Ashok Goel and other identified nominees of the Seller will resign from the board of directors of the Target Company. The Acquirer reserves the right to propose its nominees to be appointed as directors on the board of directors of the Target Company, to the extent permitted under Applicable Law.
 10. As per Regulation 26(6) of the SEBI (SAST) Regulations, the Board of Directors of the Target Company is required to, upon receipt of the Detailed Public Statement, constitute a committee of independent directors to provide its written reasoned recommendations on the Open Offer to the Public Shareholders. As per Regulation 26(7) read with Regulation 26(6) of the SEBI (SAST) Regulations, the written reasoned recommendations of the committee of independent directors shall be published by the Target Company at least two Working Days prior to the commencement of the Tendering Period in the same newspapers where the Detailed Public Statement was published and simultaneously, a copy of such recommendations needs to be sent to SEBI, the Stock Exchanges and to the Manager to the Offer.
 11. The Acquirer and PACs have not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act or under any regulations made under the SEBI Act.

B. Details of the proposed Offer

1. The PA announcing the Open Offer, under Regulation 3(1) and Regulation 4 read with Regulation 13(1) read with Regulation 15(1) of the SEBI (SAST) Regulations, was made on April 22, 2019 to the Stock Exchanges and a copy thereof was also filed with SEBI and sent to the Target Company at its registered office.
2. The Detailed Public Statement in respect of the Open Offer was published on April 29, 2019 in the following newspapers:

Newspaper	Language	Editions
Business Standard	English	All editions
Business Standard	Hindi	All editions
Navshakti	Marathi	Mumbai

(The PA and the DPS are available at the SEBI website: www.sebi.gov.in.)

3. The Offer is being made by the Acquirer together with the PAC 1 and PAC 2 in their capacity as persons acting in concert to all Public Shareholders of the Target Company in terms of Regulation 3(1) and Regulation 4 of the SEBI (SAST) Regulations.
4. The Acquirer, together with the PACs is making the Offer to the Public Shareholders under the SEBI (SAST) Regulations for the acquisition of up to 82,058,934 fully paid-up Equity Shares representing 26.00% of the Expanded Voting Share Capital of the Target Company at the Offer Price of Rs. 139.19, determined in accordance with SEBI (SAST) Regulations aggregating to total consideration of INR 11,421,783,024. 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 the DLoF and in accordance with the SEBI (SAST) Regulations.
5. The Expanded Voting Share Capital of the Target Company as of the 10th working day from the closure of the tendering period is computed as per the table below:

Particulars	Number of Shares
Fully paid up equity shares as of the date of the DPS	315,243,620
Partly paid up equity shares as of the date of the DPS	NIL
Outstanding and vested employee stock options *	367,664
Expanded Voting Share Capital	315,611,284

**There will not be any additional employee stock options which will vest on or prior to 31 December 2019 (assuming 31 December 2019 as the 10th (Tenth) Working Day from the closure of the Tendering Period)*

6. There are no partly paid-up shares in the Target Company. Besides outstanding employee stock options, the Target Company does not have any other convertible instruments.
7. This Open Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of the SEBI (SAST) Regulations.
8. The Acquirer and the PACs have not acquired any Equity Shares between the date of the PA i.e., April 22, 2019 and the date of this Draft Letter of Offer.

9. There has been no competing offer under Regulation 20 of the SEBI (SAST) Regulations as on the date of this DLoF.
10. There is no differential pricing being offered for the Equity Shares tendered in this Offer.
11. The Equity Shares are listed on the Stock Exchanges.
12. Please refer to Paragraph B of Section VI (Terms and Conditions of the Offer) in relation to the details of the statutory, governmental and other approvals required for the Underlying Transaction and the Offer and Paragraph 5(b) of Section II.A (Details of the Offer - Background to the Offer) for details on conditions precedent stipulated in the SPA, meeting of which are outside the reasonable control of the Acquirer, and in view of which the Transaction may be withdrawn under Regulation 23 of the SEBI (SAST) Regulations, 2011. If (a) any Anti-Trust and Foreign Investment Approval, Other Governmental Approval or any other statutory approval is not obtained or granted or (b) any Identified SPA Condition is not satisfied, the Acquirer and/or the PACs may rescind the SPA and withdraw the Offer in terms of Regulation 23 of the SEBI (SAST) Regulations. In the event of the SPA being rescinded and a withdrawal of this Offer, a public announcement will be made within two Working Days of such withdrawal, in the same newspapers in which this DPS has been published and such public announcement will also be sent to the Stock Exchanges, SEBI and the Target Company at its registered office.
13. As per Regulation 38 of the SEBI (LODR) Regulations read with Rules 19(2) and 19A of the SCRR, the Target Company is required to maintain at least 25% public shareholding as determined in accordance with SCRR, on a continuous basis for listing. If the public shareholding in the Target Company falls below the minimum prescribed level required for continued listing as a result of the Open Offer and/or the Underlying Transaction, then, the Acquirer and the PACs may take appropriate actions in compliance with applicable laws to ensure continued compliance with the conditions of the SCRR and the SEBI (LODR) Regulations.
14. The Manager to the Offer does not hold any Equity Shares of the Target Company. The Manager to the Offer further declares and undertakes not to deal on their account in the Equity Shares during the Offer Period (as defined under the SEBI (SAST) Regulations).

C. Object of the acquisition/ Offer

1. The Offer is being made as a result of the acquisition of more than 25% of the Equity Shares, voting rights and control of the Target Company by the Acquirer resulting in a change of control of the Target Company in terms of Regulations 3(1) and 4 of the SEBI (SAST) Regulations. Following the completion of the Offer, the Acquirer intends to work with the management and employees of the Target Company to accelerate the Target Company's growth across categories including beauty, cosmetics and pharmaceuticals. The Target Company along with its subsidiaries, joint ventures and associates is currently engaged in the business of *inter alia* manufacturing, marketing and selling of extruded and laminated plastic tubes, laminates, closures and other related products and services. The Acquirer proposes to continue with the existing activities.
2. After completion of the Open Offer, the Acquirer may consider various options for distribution of capital to the shareholders of the Target Company from time to time including any buybacks (which may or may not be at a premium to the market price) or declaration of special or interim dividends to shareholders, in each case, subject to applicable laws. None of the Acquirer and the PACs or the Manager to the Offer make any assurance with respect to the Target Company or its board of directors considering, favourably or otherwise, any buyback or dividend proposed by the Acquirer. The Acquirer is merely making these disclosures in good faith and expressly disclaims

its responsibility or obligation of any kind (except as required under Applicable Law) with respect to any decision by the board of directors or the shareholders of the Target Company.

3. Subsequent to the completion of the Offer, the Acquirer and the PACs reserve the right to streamline/ restructure the operations, assets, liabilities and/ or businesses of the Target Company through arrangement/ reconstruction, restructuring, buybacks, merger, demerger/ delisting of the Equity Shares of the Target Company from the Stock Exchanges and/ or sale of assets or undertakings, at a later date. The Acquirer and/or the PACs may also consider disposal of or otherwise encumbering any assets or investments of the Target Company or any of its subsidiaries, through sale, lease, reconstruction, restructuring and/or re-negotiation or termination of existing contractual/operating arrangements, for restructuring and/or rationalising the assets, investments or liabilities of the Target Company and/or its subsidiaries, to improve operational efficiencies and for other commercial reasons. The board of directors of the Target Company will take decisions on these matters in accordance with the requirements of the business of the Target Company and in accordance with and as permitted by Applicable Law.

III. BACKGROUND OF THE ACQUIRER AND THE PACS

A. Information about the Acquirer:

Epsilon Bidco Pte. Ltd.

1. The Acquirer is a private limited company and was incorporated on December 27, 2017 under the laws of Singapore with the registration number 201736984W. Its registered office is located at 77 Robinson Road, #13-00, Robinson 77, Singapore 068896. The contact details of the Acquirer are as follows: telephone number: +65 6500 6400 and fax number: + 65 6438 6221. The Acquirer was incorporated under the name of BCP Topco III Pte. Ltd. The name of the Acquirer was changed to Epsilon BidCo Pte. Ltd., its current name, with effect from April 5, 2019. The Acquirer is a part of the Blackstone group.
2. The principal activity of the Acquirer is that of investment holding and related activities.
3. Epsilon PledgeCo Pte. Ltd. holds 100% of the equity share capital of the Acquirer. Epsilon PledgeCo Pte. Ltd. and the Acquirer are indirectly controlled by the PACs.
4. Shareholding pattern of the Acquirer is as follows:

S.No.	Name of Shareholder	Number of shares held	Percentage of shares held
1.	Promoters ⁽¹⁾	2 ordinary equity shares	100.0%
2.	FPIs/ Mutual Funds/Financial Institutions/Banks	Nil	Nil
3.	Public	Nil	Nil
	Total number of ordinary equity shares	2 ordinary equity shares	100.0%
	Total paid-up capital	USD 2	

(1) Refers to the holding company of the Acquirer.

5. The securities of the Acquirer are not listed on any stock exchange in India or abroad.

6. The details of directors of the Acquirer are as follows:

Name of the Director	Appointment Date	DIN	Qualification and Experience
William Nicholson	December 31, 2018	Not applicable	<p>Mr. William Nicholson is a Senior Associate in the tactical opportunities group of the Blackstone group and is based in Singapore. Since joining the Blackstone group, Mr. Nicholson has been primarily involved in tactical opportunities' investments in residential, residential real estate and data centers. Prior to joining the Blackstone group in 2014, Mr. Nicholson worked at Barclays Capital in their technology, media and telecommunications investment banking group.</p> <p>Mr. Nicholson graduated from Oxford University.</p>
Kimmo Tammela	December 31, 2018	Not applicable	<p>Mr. Kimmo Tammela is a Managing Director and Head of Finance for Asia Pacific at the Blackstone group and is based in Singapore. From 2010 to 2018, he managed the Asia Pacific real estate finance team and had overall responsibility for all financial and tax-related matters of Blackstone Real Estate Partners' Asian investments.</p> <p>He holds a Bachelor of Arts degree with honors in international relations from Brown University.</p>
SEE, Kwang Yew	April 30, 2019	Not applicable	<p>Mr. See is a Senior Associate in Blackstone's tactical opportunities group in Asia and has been involved in investments within the financial services, healthcare and specialty real estate sectors.</p> <p>Prior to joining Blackstone, Mr. See was at J.P. Morgan's Investment Banking team where he worked on mergers and acquisition, equity and debt capital market transactions across multiple sectors within the Southeast Asia region.</p> <p>Mr. See received a BS in Economics (Finance) from the Wharton School and a BA in History from the University of Pennsylvania, where he graduated summa-cum-laude in 2011.</p>

7. Neither the Acquirer nor its directors or key employees have any relationship or interest in the Target Company except for the Underlying Transaction. Further, there are no common directors on the board of the Acquirer and the Target Company.

8. The Acquirer does not hold any Equity Shares or voting rights in the Target Company. Furthermore, the Acquirer has not acquired any Equity Shares after the date of the PA.
9. The Acquirer has not been prohibited by SEBI, from dealing in securities pursuant to the terms of any directions issued under section 11B of the SEBI Act or under any regulations made under the SEBI Act.
10. The Acquirer has not been categorized as a “wilful defaulter” in terms of Regulation 2(1)(ze) of the SEBI (SAST) Regulations.
11. The compliance officer of the Acquirer is Mr. Kimmo Tammela (Director) (Email: kimmo.tammela@blackstone.com).
12. The Acquirer was incorporated on December 27, 2017. The first financial year of the Acquirer commenced on December 27, 2017 and ended on December 31, 2018. As per the applicable laws of Singapore, the audited financial statements of the Acquirer are required to be presented in the annual general meeting of the Acquirer to be held within 6 months from the end of the financial year. Accordingly, audited financial statements of the Acquirer for its first completed year of operations (i.e. for the period December 27, 2017 to December 31, 2018) are not available as of the date of this DLoF.

B. Information about the persons acting in concert

B1. Blackstone Capital Partners Asia L.P. (PAC 1)

1. PAC 1 is an exempted limited partnership which was incorporated on April 27, 2017 under the laws of Cayman Islands with the corporate identification number being 90330. The registered office of PAC 1 is located at Intertrust Corporate Services (Cayman) Ltd., 190 Elgin Avenue, George Town, Grand Cayman, KY1-9005, Cayman Islands. The contact details of PAC 1 are as follows: Telephone number: +1 345 943 3100 and Fax number: +1 345 945 4757.
2. There has been no change in the name of PAC 1 since its incorporation.
3. PAC 1 is in the business of investment holding and related activities. PAC 1 is a part of the Blackstone group.
4. PAC 1, along with PAC 2, indirectly controls the Acquirer. PAC 1 is an exempted limited partnership controlled by its general partner, Blackstone Management Associates Asia L.P. BMA Asia L.L.C and BMA Asia Ltd. are the general partners of Blackstone Management Associates Asia L.P.
5. The securities of PAC 1 are not listed on any stock exchange in India or abroad.
6. PAC 1 does not hold any Equity Shares or voting rights in the Target Company. Furthermore, PAC 1 has not acquired any Equity Shares of the Target Company after the date of the PA.
7. Neither PAC 1, nor its general partner or key employees have any relationship or interest in the Target Company except for the Underlying Transaction. Further, since PAC 1 is an exempted limited partnership, PAC 1 does not have any directors. Hence, there are no common directors on the board of the PAC 1 and the Target Company.

8. PAC 1 has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under section 11B of the SEBI Act or under any regulations made under the SEBI Act.
9. PAC 1 has not been categorized as a "wilful defaulter" in terms of Regulation 2(1)(ze) of the SEBI (SAST) Regulations.
10. The compliance officer for PAC 1 is Mr. Omar Rehman (Managing Director, Legal & Compliance) (Telephone: +1 (212) 583-5006; Email: Omar.Rehman@Blackstone.com).
11. PAC 1 was incorporated on April 27, 2017 and its operations/ investment period commenced on December 12, 2017. The key financial information of PAC 1 as at and for the period ended December 31, 2017 and the financial year ended December 31, 2018 extracted from the audited financial statements for the respective period/ financial year are as follows:

Amount in millions, except otherwise mentioned

Statement of Operations				
Particulars	From December 12, 2017 to December 31, 2017		For the year ended December 31, 2018	
	USD	INR*	USD	INR*
Total Income	-	-	-	-
Total Expenses, net	2.2	156.6	30.1	2,098.3
Net Investment Income/ (Loss)	(2.2)	(156.6)	(30.1)	(2,098.3)
Net change in unrealized gain / (Loss) on investments	-	-	45.7	3,186.3
Net Increase / (Decrease) in partners' capital resulting from operations	(2.2)	(156.6)	15.6	1,088.0

Amount in millions, except otherwise mentioned

Statement of Financial Condition				
Particulars	As of			
	31-Dec-17		31-Dec-18	
	USD	INR*	USD	INR*
Liabilities and Partner's Capital				
Liabilities:				
Loans Payable	122.4	8,541.7	172.2	12,018.2
Due to affiliates	5.8	407.6	10.6	740.7
Accounts Payable and accrued expenses	2.2	152.3	2.7	191.6
Interest payable	-	-	0.6	39.4
Total Liabilities (A)	130.4	9,101.6	186.1	12,989.9
Partner's Capital/ (Deficit)				
Limited Partners	(2.2)	(153.5)	119.4	8,335.3
General Partners	(0.0)	(3.0)	4.5	316.9
Total Partner's Capital/ (Deficit) (B)	(2.2)	(156.6)	124.0	8,652.2
Total liabilities and partners' capital/ (deficit) (A+B)	128.2	8,945.0	310.1	21,642.1
Assets				
Investments at fair value	128.2	8,945.0	306.7	21,408.4

Amount in millions, except otherwise mentioned

Statement of Financial Condition				
Particulars	As of			
	31-Dec-17		31-Dec-18	
	USD	INR*	USD	INR*
Cash and cash equivalents	-	-	0.1	5.6
Deferred financing costs	-	-	3.2	224.0
Due from affiliates	-	-	0.0	2.8
Due from limited partners	-	-	0.0	1.3
Total Assets	128.2	8,945.0	310.1	21,642.1

Other Relevant Information				
Particulars	As of and for the period/ financial year ended			
	31-Dec-17		31-Dec-18	
	USD	INR*	USD	INR*
Earnings per share (USD/INR per share)	NA	NA	NA	NA
Dividend %	NA	NA	NA	NA

Notes:

*Since the financial statements of PAC 1 are presented in United States Dollar (USD), the financial information has been converted to INR for the purpose of convenience. The conversion has been done at the rate USD 1 = INR 69.7923 as on December 31, 2018 (Source: Financial Benchmarks India Pvt. Ltd. - <https://www.fbil.org.in/>)

Source: Certificate dated May 3, 2019 issued by Vishal Laheri & Associates, Chartered Accountants

Contingent Liabilities of PAC 1 as on December 31, 2018

- Blackstone Capital Partners Asia L.P. and affiliated alternative investment vehicles (the “Fund”) has contractual commitments to provide additional funding of \$32,214,000 to certain investments which may be funded from drawdowns from partners. The aforementioned commitments to investments are subject to certain terms and conditions prior to closing of the relevant transactions. There can be no assurance that such transactions will close as expected or at all.
- FASB ASC 460-10, Guarantees - Overall, requires entities to provide disclosure and, in certain circumstances, recognition of guarantees and indemnifications. In the normal course of business, the Fund enters into contracts that contain a variety of indemnification arrangements. The Fund’s exposure under these arrangements, if any, cannot be quantified. However, the Fund has not had claims or losses pursuant to these indemnification arrangements and expects the potential for a material loss to be remote.
- The Fund may, from time to time, be party to various legal matters arising in the ordinary course of business, including claims and litigation proceedings. Although the ultimate outcome of the foregoing matters, if any, cannot be ascertained at this time, it is the opinion of the General Partners, after consultation with counsel, that the resolution of such matters would not have a material adverse effect on the Fund’s combined financial statements.

B2. Blackstone Capital Partners (Cayman) VII L.P. (PAC 2)

1. PAC 2 is an exempted limited partnership which was incorporated on January 22, 2016 under the laws of Cayman Islands with the corporate identification number being 84655. The registered office of PAC 2 is located at Intertrust Corporate Services (Cayman) Ltd., 190 Elgin Avenue, George Town, Grand Cayman, KY1-9005, Cayman Islands. The contact details of PAC 2 are as follows: Telephone number: +1 345 943 3100 and Fax number: +1 345 945 4757.
2. There has been no change in the name of PAC 2 since its incorporation.
3. PAC 2 is in the business of investment holding and related activities. PAC 2 is a part of the Blackstone group.
4. PAC 2 along with PAC 1 indirectly controls the Acquirer. PAC 2 is an exempted limited partnership controlled by its general partner, Blackstone Management Associates (Cayman) VII L.P. BCP VII GP L.L.C. and Blackstone LR Associates (Cayman) VII Ltd. are the general partners of Blackstone Management Associates (Cayman) VII L.P.
5. PAC 2 does not hold any Equity Shares or voting rights in the Target Company. PAC 2 has not acquired any Equity Shares after the date of the PA.
6. The securities of PAC 2 are not listed on any stock exchange in India or abroad.
7. Neither PAC 2, nor its general partner or key employees have any relationship or interest in the Target Company except for the Underlying Transaction. Further, since PAC 2 is an exempted limited partnership, PAC 2 does not have any directors. Hence, there are no common directors on the board of the PAC 2 and the Target Company.
8. PAC 2 has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under section 11B of the SEBI Act or under any regulations made under the SEBI Act.
9. PAC 2 has not been categorized as a "wilful defaulter" in terms of Regulation 2(1)(ze) of the SEBI (SAST) Regulations.
10. The compliance officer for PAC 2 is Mr. Omar Rehman (Managing Director, Legal & Compliance) (Telephone: +1 (212) 583-5006; Email: Omar.Rehman@Blackstone.com).
11. PAC 2 was incorporated on January 22, 2016 and its operations/ investment period commenced on May 4, 2016. The key financial information of PAC 2 as at and for the period ended December 31, 2016 and the financial years ended December 31, 2017 and December 31, 2018 extracted from the audited financial statements for the respective period/ financial years are as follows:

Amount in millions, except otherwise mentioned

Statement of Operations						
Particulars	From May 4, 2016 to December 31, 2016		For the year ended December 31, 2017		For the year ended December 31, 2018	
	USD	INR*	USD	INR*	USD	INR*
Total Income	-	-	-	-	-	-
Total Expenses	0.1	5.4	34.6	2,412.7	128.7	8,983.3
Net Investment Income/ (Loss)	(0.1)	(5.4)	(34.6)	(2,412.7)	(128.7)	(8,983.3)
Net realized gain / (Loss) on investments	-	-	1.0	67.4	5.4	375.0
Net change in unrealized gain / (Loss) on investments	-	-	62.9	4,386.6	852.5	59,496.7
Net change in unrealized gain / (loss) on translation of liabilities in foreign currencies	-	-	-	-	16.4	1,145.5
Net Increase / (Decrease) in partners' capital resulting from operations	(0.1)	(5.4)	29.2	2,041.3	745.6	52,033.9

Amount in millions, except otherwise mentioned

Statement of Financial Condition						
Particulars	As of					
	31-Dec-16		31-Dec-17		31-Dec-18	
	USD	INR*	USD	INR*	USD	INR*
Liabilities and Partner's Capital						
Liabilities:						
Loans Payable	234.7	16,380.3	1,690.6	117,989.3	2,282.9	159,330.1
Accounts Payable and accrued expenses	0.1	3.9	2.0	142.7	0.0	0.5
Management fees payable	-	-	-	-	-	-
Due to limited partners	-	-	-	-	0.0	0.1
Due to affiliates	-	-	0.7	51.8	9.6	671.5
Total Liabilities (A)	234.8	16,384.1	1,693.4	118,183.8	2,292.5	160,002.2
Partner's Capital						
Limited Partners	(0.1)	(3.8)	320.7	22,382.3	3,285.4	229,298.9
General Partners	(0.0)	(0.1)	(1.1)	(77.8)	201.4	14,059.5
Total Partner's Capital (B)	(0.1)	(3.9)	319.6	22,304.5	3,486.9	243,358.4
Total liabilities and partner's capital (A+B)	234.7	16,380.3	2,012.9	140,488.2	5,779.4	403,360.6

Amount in millions, except otherwise mentioned

Statement of Financial Condition						
Particulars	As of					
	31-Dec-16		31-Dec-17		31-Dec-18	
	USD	INR*	USD	INR*	USD	INR*
Assets						
Investments at fair value	188.9	13,186.1	1,181.0	82,426.1	5,740.0	400,606.2
Cash and cash equivalents	0.1	4.6	14.3	995.7	8.2	570.8
Pending deal costs	-	-	804.9	56,174.0	1.4	100.6
Other assets	-	-	-	-	-	-
Deferred financing costs, net	-	-	-	-	-	-
Due from limited partners	-	-	-	-	-	-
Due from affiliates	45.7	3,189.5	12.8	892.5	29.8	2,083.0
Total Assets	234.7	16,380.3	2,012.9	140,488.2	5,779.4	403,360.6

Other Relevant Information						
Particulars	As of and for the period/ financial year ended					
	31-Dec-16		31-Dec-17		31-Dec-18	
	USD	INR*	USD	INR*	USD	INR*
Earnings per share	NA	NA	NA	NA	NA	NA
Dividend %	NA	NA	NA	NA	NA	NA

Notes

*Since the financial statements of PAC 2 are presented in United States Dollar (USD), the financial information has been converted to INR for the purpose of convenience. The conversion has been done at the rate USD 1 = INR 69.7923 as on December 31, 2018 (Source: Financial Benchmarks India Pvt. Ltd. - <https://www.fbil.org.in/>)

Source: Certificate dated May 3, 2019 issued by Vishal Laheri & Associates, Chartered Accountants

Contingent Liabilities of PAC 2 as on December 31, 2018

- Blackstone Capital Partners VII L.P. and its affiliated alternative investment vehicles (the “Fund 2”) has contractual commitments to provide additional funding of USD 1,015,097,742 to certain investments which may be funded from drawdowns from partners. The aforementioned commitments to investments are subject to certain terms and conditions prior to closing of the relevant transactions. There can be no assurance that such transactions will close as expected or at all.
- FASB ASC 460-10, Guarantees - Overall, requires entities to provide disclosure and, in certain circumstances, recognition of guarantees and indemnifications. In the normal course of business, the Fund 2 enters into contracts that contain a variety of indemnification arrangements. The Fund 2’s exposure under these arrangements, if any, cannot be quantified. However, the Fund 2 has not had claims or losses pursuant to these indemnification arrangements and expects the potential for a material loss to be remote.

3. The Fund 2 may, from time to time, be party to various legal matters arising in the ordinary course of business, including claims and litigation proceedings. Although the ultimate outcome of the foregoing matters, if any, cannot be ascertained at this time, it is the opinion of the General Partners, after consultation with counsel, that the resolution of such matters would not have a material adverse effect on the Fund 2's combined financial statements.
4. Other than PAC 1 and PAC 2, no other persons are presently acting in concert with the Acquirer and the PACs for the purposes of this Offer, within the meaning of Regulation 2(1)(q)(1) of the SEBI (SAST) Regulations. During the Offer period, the PACs may induct one or more new investors as shareholders who will not exercise "control" (as defined in the SEBI (SAST) Regulations) either on PAC 1 or PAC 2 or on the Acquirer or on the Target Company.

IV. BACKGROUND OF THE TARGET COMPANY

1. The Target Company was incorporated on December 22, 1982 as Essel Packagings Limited under the provisions of the Companies Act, 1956. The details of changes in name of the Target Company are provided below:

Former Name	Changed Name	Date of certificate of the Registrar of Companies
Essel Packagings Limited	Essel Packaging Limited	September 29, 1983
Essel Packaging Limited	Essel Propack Limited	July 25, 2001

2. The Corporate Identity Number (CIN) of the Target Company is L74950MH1982PLC028947. The registered office of the Target Company is situated at P.O. Vasind, Taluka Shahpur, District Thane, Maharashtra, 421604. The contact details of the Target Company are as follows: Telephone number: +91 22 24819000, Fax number: +91 22 24963137.
3. The Target Company along with its subsidiaries, joint ventures and associate is engaged in the business of *inter alia* manufacturing, marketing and selling of extruded and laminated plastic tubes, laminates, closures and other related products and services.
4. The names of the promoter and promoter group of the Target Company as disclosed by it to the Stock Exchanges under Regulation 31 of the SEBI (LODR) Regulations, as of March 31, 2019, are as follows:
 - (a) Seller (Ashok Goel Trust acting through its trustees, Ashok Goel and Kaveeta Goel)
 - (b) Kaveeta Goel
 - (c) Ashok Kumar Goel
 - (d) Nandkishore
 - (e) Ganjam Trading Company Private Limited⁽¹⁾
 - (f) Rupee Finance and Management Private Limited⁽¹⁾
 - (g) Pan India Paryatan Private Limited

⁽¹⁾ As per the NCLT order dated August 27, 2018, Ganjam Trading Company Pvt. Ltd and Rupee Finance and Management Pvt. Ltd. have been merged with Vyoman Tradelink India Private Limited. This has been reflected in the records of depositories w.e.f. April 2019.

5. The total authorized share capital of the Target Company is INR 700,000,000 consisting of 350,000,000 Equity Shares of face value of Rs 2 each. The issued capital of the Target Company is INR 630,601,480 consisting of 315,300,740 Equity Shares of face value of Rs 2 each. The subscribed and paid-up share capital of the Target Company is INR 630,487,240 consisting of 315,243,620 Equity Shares of face value of Rs 2 each.
6. The share capital structure of the Target Company as of the date of the DLoF is as below:

Equity Shares	No. of Equity Shares/voting rights	% of Equity Shares/voting rights
Fully paid up Equity Shares	315,243,620	100%
Partly paid Up Equity Shares	NIL	NIL
Total paid up Equity Shares	315,243,620	100%
Total voting rights in Target Company	315,243,620	100%

7. As on the date of the PA, the DPS and this Draft Letter of Offer, there are no: (i) partly paid-up equity shares; and (b) outstanding convertible instruments (warrants, convertible debentures and convertible preference shares) issued by the Target Company, other than ESOSs.
8. The Expanded Voting Share Capital of the Target Company calculated in compliance with Regulation 7 of the SEBI (SAST) Regulations is as follows:

Particulars	Number of Shares	% of Expanded Voting Share Capital
Shares outstanding as on the date of the PA, DPS and this DLoF	315,243,620	99.88%
Outstanding and vested employee stock options *	367,664	0.12%
Expanded Voting Share Capital	315,611,284	100%

**There will not be any additional employee stock options which will vest on or prior to 31 December 2019 (assuming 31 December 2019 as the 10th (Tenth) Working Day from the closure of the Tendering Period)*

9. The Equity Shares are listed on the BSE (Scrip Code: 500135) and the NSE (Symbol: ESSELPACK). The ISIN of Equity Shares is INE255A01020. The Equity Shares are frequently traded in terms of Regulation 2(1)(j) of the SEBI (SAST) Regulations.
10. The trading of the Equity Shares of the Target Company is currently not suspended on BSE and NSE.
11. The composition of the board of directors of the Target Company is as follows. No director on the board of directors of the Target Company is a representative of the Acquirer or PACs:

Name	Director Identification Number	Date of appointment	Designation
Mr. Ashok Goel	00025350	September 10, 1984	Chairman and Managing Director
Mr. Atul Goel	00013157	November 5, 2014	Non-Executive Director

Name	Director Identification Number	Date of appointment	Designation
Mr. Boman Moradian	00242123	March 14, 2006	Independent Director
Mr. Mukund Chitale	00101004	March 24, 2009	Independent Director
Ms. Radhika Pereira	00016712	July 9, 2014	Independent Director
Mr. Ramesh Chander Gupta	07531730	March 14, 2019	Non-Executive Director

12. The holding company of the Target Company, i.e., Whitehills Advisory Services Private Limited merged with the Target Company with effect from October 6, 2016 pursuant to a scheme of amalgamation and arrangement sanctioned by the High Court of Bombay. As per the scheme, 8,89,17,843 equity shares of face value Rs.2/- each of the Transferee Company i.e. the Target Company held by the Transferor Company i.e., Whitehills Advisory Services Pvt. Ltd. were cancelled. Accordingly, the share capital of Essel Propack Limited was reduced / extinguished to such extent. However, there was no change in the share capital of Essel Propack Limited as equal number of shares (8,89,17,843 equity shares of face value Rs.2/- each) held by Whitehills Advisory Services Pvt. Ltd. were issued and allotted to the shareholders of Whitehills Advisory Services Pvt. Ltd.
13. The key financial information of the Target Company as at and for the financial years ended March 31, 2018, March 31, 2017 and March 31, 2016 and for the nine months period ended December 31, 2018 is provided below. In this regard, please note that the key financial information of the Target Company as at and for the financial years ended March 31, 2018 and March 31, 2017 have been extracted from the respective audited consolidated financial statements for the said financial years and as at and for the financial year ended March 31, 2016 has been extracted from the comparative financial information in the audited consolidated financial statements as at and for the financial year ended March 31, 2017. The key financial information of the Target Company as at and for the nine months period ended December 31, 2018 has been extracted from financial statements for the said period which have been subjected to limited review, are as follows:

INR in millions (except per share data)

Particulars	For the period/ financial year ending			
	31-Mar-16	31-Mar-17	31-Mar-18	Nine month period from April 1, 2018 to December 31, 2018
	12 months (Audited)	12 months (Audited)	12 months (Audited)	9 months (Limited Review)
Statement of Profit and Loss				
Income from Operations	22,056.2	23,879.4	24,464.2	20,132.6
Other Income	238.2	353.0	263.7	192.4
Total Income	22,294.4	24,232.4	24,727.9	20,325.0
Total Expenditure (<i>Excluding Depreciation, Interest and Tax</i>)	18,018.4	19,660.5	19,816.7	16,457.1

Particulars	For the period/ financial year ending			
	31-Mar-16	31-Mar-17	31-Mar-18	Nine month period from April 1, 2018 to December 31, 2018
	12 months (Audited)	12 months (Audited)	12 months (Audited)	9 months (Limited Review)
Profit before Depreciation, Interest and Tax	4,276.0	4,571.9	4,911.2	3,867.9
Depreciation and Amortisation expense	1,231.6	1,414.8	1,670.7	1,364.8
Interest	609.1	581.2	549.1	456.9
Profit before share of associates/ joint ventures and exceptional items	2,435.3	2,575.9	2,691.4	2,046.2
Profit before Tax (after share of associates/ joint ventures and exceptional items)	2,506.9	2,742.9	2,631.2	2,100.6
Total tax expense	775.7	786.9	889.1	679.3
Profit After Tax⁽¹⁾	1,731.2	1,956.0	1,742.1	1,421.3
Profit Attributable to owners of the parent (<i>excludes OCI</i>)	1,701.0	1,903.2	1,716.0	1,401.5
Profit Attributable to Non-controlling interest (<i>excludes OCI</i>)	30.2	52.8	26.1	19.8
Balance Sheet				
Sources of Funds				
Paid Up Share Capital	314.2	314.3	314.5	-
Reserves and Surplus (excluding revaluation reserves)	9,333.6	10,075.6	12,191.4	-
Non-controlling interest	81.4	57.2	43.0	-
Net Worth	9,729.2	10,447.1	12,548.9	-
Secured Loans ⁽²⁾	5,863.3	6,389.6	4,801.7	-
Unsecured Loans ⁽²⁾	561.1	725.1	1088.2	-
Non-Current Liability	498.7	640.6	592.5	-
Total	16,652.30	18,202.4	19,031.30	-
Uses of Funds				
Net Fixed Assets	9,812.7	11,987.9	12,258.2	-
Other Non Current Assets	856.0	806.7	816.9	-
Investments	303.8	152.6	131.0	-
Net Current Assets ⁽³⁾	5,679.8	5,255.2	5,825.2	-
Total	16,652.3	18,202.4	19,031.3	-
Other Financial Data				
Earnings per share				
<i>Basic</i> ⁽⁴⁾	10.83	12.12	10.92	4.45**
<i>Diluted</i> ⁽⁴⁾	10.83	12.05	10.89	4.45**
Dividend % ⁽⁵⁾	110%	120%	120%	-
Return on net worth (%)	17.8%	18.7%	13.9%	-
Book Value per share ⁽⁶⁾	61.95	66.50	79.84	-

Notes:

⁽¹⁾ Excludes other comprehensive income ("OCI") and includes non-controlling interest

⁽²⁾ Includes current maturities of long term borrowings/ finance

⁽³⁾ Excludes current maturities of long term borrowings/ finance

⁽⁴⁾Excludes non-controlling interest

⁽⁵⁾Computed as dividend proposed for the said financial year or period, paid in the subsequent year excluding dividend distribution tax divided by face value per share

⁽⁶⁾Computed as Net Worth (including NCI) divided by the outstanding equity shares as at the end of the respective period comprehensive income and includes non-controlling interest

** Not Annualised

14. Pre and Post Offer shareholding pattern of the Target Company is as follows:

S. No.	Shareholder Category	Shareholding & Voting rights prior to SPA and Offer ⁽⁴⁾		Shares or voting rights agreed to be acquired/ (sold) through the SPA		Shares/voting rights to be acquired in the Open Offer (assuming full acceptance)		Shareholding/voting rights after the acquisition under the SPA and Offer	
		(A)		(B)		(C)		(A+B+C)	
		No.	% ⁽³⁾	No.	% ⁽³⁾	No.	% ⁽³⁾	No.	% ⁽³⁾
(1)	Promoter Group⁽²⁾								
(a)	Parties to the agreement								
i)	Ashok Goel Trust (acting through its trustees, Mr. Ashok Goel and Mrs. Kaveeta Goel) (“Seller”)	178,678,028	56.61%	(154,373,781) ⁽⁵⁾⁽⁶⁾	(48.91%) ⁽⁵⁾⁽⁶⁾	-	-	24,304,247 ⁽⁵⁾⁽⁶⁾	7.70% ⁽⁵⁾⁽⁶⁾
ii)	Mr. Ashok Goel	847,520	0.27%	-	-	-	-	847,520	0.27%
(b)	Promoter/ Promoter Group other than (a) above	250,438	0.08%	-	-	-	-	250,438	0.08%
	Total (1)= (a)+(b)	179,775,986	56.96%	(154,373,781)⁽⁵⁾⁽⁶⁾	(48.91%)⁽⁵⁾⁽⁶⁾	-	-	25,402,205⁽⁵⁾⁽⁶⁾	8.05%⁽⁵⁾⁽⁶⁾
(2)	Acquirer and PACs								
(a)	Acquirer	-	-	154,373,781 ⁽⁵⁾⁽⁶⁾	48.91% ⁽⁵⁾⁽⁶⁾	82,058,934	26.00%	236,432,715 ⁽⁵⁾⁽⁶⁾	74.91% ⁽⁵⁾⁽⁶⁾
(b)	PAC 1	-	-	-	-	-	-	-	-
(c)	PAC 2	-	-	-	-	-	-	-	-
	Total (2) = (a)+(b)+(c)	-	-	154,373,781⁽⁵⁾⁽⁶⁾	48.91%⁽⁵⁾⁽⁶⁾	82,058,934	26.00%	236,432,715⁽⁵⁾⁽⁶⁾	74.91%⁽⁵⁾⁽⁶⁾
(3)	Parties to the agreement other than those mentioned (1) and (2) above	-	-	-	-	-	-	-	-
(4)	Public (other than parties to agreement, Acquirer & PACs)⁽¹⁾								
(a)	FIs/ MFs/ FPIs/ Banks/ Insurance Companies/ AIFs	63,273,998	20.05%	-	-	(82,058,934)	(26.00%)	53,408,700	16.92%

S. No.	Shareholder Category	Shareholding & Voting rights prior to SPA and Offer ⁽⁴⁾		Shares or voting rights agreed to be acquired/ (sold) through the SPA		Shares/voting rights to be acquired in the Open Offer (assuming full acceptance)		Shareholding/voting rights after the acquisition under the SPA and Offer	
		(A)		(B)		(C)		(A+B+C)	
		No.	% ⁽³⁾	No.	% ⁽³⁾	No.	% ⁽³⁾	No.	% ⁽³⁾
(b)	Others	72,193,636	22.87%	-	-				
	Total (4)=(a)+(b)	135,467,634	42.92%	-	-	(82,058,934)	(26.00%)	53,408,700	16.92%
	Grand Total (1)+(2)+(3)+(4)	315,243,620	99.88%					315,243,620	99.88%

Notes:

- (1) As on April 26, 2019, the total number of shareholders of the Target Company in the “public category” were 36,361.
- (2) The existing promoters and promoter group of the Target Company shall be re-classified to public upon consummation of the Transaction. Please refer to Paragraph 8 of Section II.A (Details of the Offer – Background to the Offer).
- (3) Computed as a % of Expanded Voting Share Capital
- (4) As on April 26, 2019
- (5) Please refer to Paragraph 4 of Section II.A (Details of the Offer – Background to the Offer).
- (6) Computed assuming that the entire 26.00% of the Expanded Voting Share Capital is tendered and accepted in the Offer. Assuming full acceptance in the Offer, the Acquirer will acquire 154,373,781 Equity Shares of the Target Company from the Seller constituting 48.91% of the Expanded Voting Share Capital pursuant to the SPA. In case no Equity Shares are validly tendered and accepted in the Offer, in terms of the SPA and subject to the terms contained therein, the Acquirer shall acquire 160,961,755 Equity Shares constituting 51.00% of the Expanded Voting Share Capital from the Seller and accordingly the post transaction holding of the Seller shall be 17,716,273 Equity Shares constituting 5.61% of the Expanded Voting Share Capital. Kindly note that the aforementioned calculations are based on the issued and outstanding equity share capital as on the date of the Public Announcement, which may change if any vested employee stock options are exercised before the completion of the Transaction.

V. OFFER PRICE AND FINANCIAL ARRANGEMENTS

A. Justification of Offer Price

1. The Equity Shares are listed on the Stock Exchanges.
2. The trading turnover in the Equity Shares based on the trading volumes during the twelve calendar months prior to the calendar month in which the PA is made i.e. April 1, 2018 to March 31, 2019 on the BSE and NSE is as under:

Stock Exchanges	Traded turnover of Equity Shares of the Target Company during the twelve months period (“A”)	Weighted average number of Equity Shares during the twelve months period (“B”)	Trading turnover % (A/B)
BSE	6,130,017	279,447,178	2.19%
NSE	34,077,326	279,447,178	12.19%

Source: Certificate dated April 26, 2019 issued by Vishal Laheri & Associates, Chartered Accountants.

3. Based on the above, the Equity Shares are frequently traded on the NSE in terms of Regulation 2(1)(j) of the SEBI (SAST) Regulations.
4. The Offer is being made at an Offer Price of INR 139.19 per Offer Share which is in accordance with Regulation 8 read with other applicable regulations of the SEBI (SAST) Regulations. In terms of Regulation 8(1) and Regulation 8(2) of the SEBI (SAST) Regulations, the Offer Price shall not be lower than the highest of the following:

Sr. No.	Particulars	Amount (In INR per Equity Share)
(a)	The highest negotiated price per share, if any, of the Target Company for any acquisition under the agreement attracting the obligation to make a public announcement of an open offer.	134.00
(b)	The volume-weighted average price paid or payable for any acquisition, whether by the Acquirer or by PACs, during the fifty-two weeks immediately preceding the PA.	Not Applicable
(c)	The highest price paid or payable for any acquisition, whether by the Acquirer or by PACs, during the twenty-six weeks immediately preceding the PA.	Not Applicable
(d)	The volume-weighted average market price of the Equity Shares for a period of sixty trading days immediately preceding the PA, as traded on the NSE, being the stock exchange where the maximum volume of trading in the Equity Shares are recorded during such period, provided such Equity Shares are frequently traded.	113.16
(e)	Where the Equity Shares are not frequently traded, the price determined by the Acquirer, PACs and the Manager to the Offer taking into account valuation parameters including book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such companies.	Not Applicable
(f)	The per share value computed under Regulation 8(5), if applicable.	Not Applicable ⁽¹⁾

Source: Certificate dated April 26, 2019 issued by Vishal Laheri & Associates, Chartered Accountants.

Notes: (1) Not applicable since this is not an indirect acquisition.

5. The Acquirer has added an amount of INR 5.19 per Equity Share to the minimum offer price of INR 134.00 per Equity Share determined as highest of item numbers (a) to (f) in the above table for the purpose of determining the Offer Price of INR 139.19 per Offer Share.
6. In view of the parameters considered and set forth above, Offer Price of INR 139.19 per Offer Share is justified, in terms of Regulation 8 read with other applicable regulations of the SEBI (SAST) Regulations.
7. There have been no corporate actions by the Target Company warranting adjustment of the relevant price parameters under Regulation 8(9) of the SEBI (SAST) Regulations. There has been no revision in the Offer Price or Offer Size. In case of any revision in the Offer Price or Offer Size, the Acquirer and PACs shall comply with Regulations 18(4) and 18(5) of the SEBI (SAST) Regulations and other applicable provisions of the SEBI (SAST) Regulations.

8. In terms of Regulations 18(4) and 18(5) of the SEBI (SAST) Regulations, the Offer Price or the Offer Shares may be revised at any time prior to the commencement of the last 1 working day before the commencement of the Tendering Period. In the event of such revision, the Acquirers and PACs shall (i) make corresponding increase to the escrow amount, (ii) make public announcement in the same newspapers in which this DPS has been published, and (iii) simultaneously notify the BSE, NSE, SEBI and the Target Company at its registered office of such revision. Such revision would be done in compliance with applicable requirements prescribed under the SEBI (SAST) Regulations.
9. If the number of Equity Shares validly tendered by the Public Shareholders under this Offer is more than the Offer Size, then the Offer Shares validly tendered by the Public Shareholders will be accepted on a proportionate basis, in consultation with the Manager, subject to acquiring a maximum of 82,058,934 Equity Shares, representing 26.00% of the Expanded Voting Share Capital.

B. Financial Arrangements

1. The total consideration for the Offer Size at the Offer Price, assuming full acceptance of the Offer, is INR 11,421,783,024 (“**Maximum Consideration**”).
2. In accordance with Regulation 17 of the SEBI (SAST) Regulations, the Acquirer has furnished an unconditional, irrevocable, and on demand bank guarantee dated April 23, 2019 from IndusInd Bank Limited (having its registered office at 2401, Gen. Thimmayya Road, Pune – 411 001, India and acting through its branch at Barakhamba Road, New Delhi, India) having bank guarantee number OGT0005190031186 of an amount of INR 1,892,179,000.00, which is in excess of the requirements specified under Regulation 17 of the SEBI (SAST) Regulations (i.e. 25% of the first INR 5,000 million of the Maximum Consideration and 10% of the remainder of the Maximum Consideration) in favor of the Manager to the Offer (“**Bank Guarantee**”). The Bank Guarantee is valid up to October 23, 2019. The Manager to the Offer has been duly authorised to realize the value of the aforesaid Bank Guarantee in terms of the SEBI (SAST) Regulations. The Acquirer has undertaken to extend the validity of the Bank Guarantee or make other arrangements for such period as may be required, in accordance with the SEBI (SAST) Regulations, such that the Bank Guarantee shall be valid for atleast thirty days after completion of payment of consideration to shareholders who have validly tendered their shares in acceptance of the Open Offer. The bank issuing the Bank Guarantee is neither an associate company nor a group company of the Acquirer or the Target Company.
3. Further, in accordance with Regulation 17(4) of the SEBI (SAST) Regulations, the Acquirer has opened an escrow account under the name and title of “Escrow Account – Epsilon BidCo – Essel Propack Ltd – Open Offer” (“**Escrow Account**”) with Deutsche Bank AG, a banking corporation incorporated under the laws of the Federal Republic of Germany and having its branch office at Deutsche Bank House, Hazarimal Marg, Fort Mumbai 400 001, India (the “**Escrow Agent**”) pursuant to an escrow agreement dated April 22, 2019 (“**Escrow Agreement**”) and have made a cash deposit in such Escrow Account of INR 114,217,830.71 (being 1% of the total consideration payable under the Offer assuming full acceptance) (“**Cash Escrow**”). In terms of the Escrow Agreement, the Manager has been authorized to operate the Escrow Account in accordance with the SEBI (SAST) Regulations. The cash deposit has been confirmed by the Escrow Agent by way of a confirmation letter dated April 23, 2019.
4. The Acquirer has received a commitment letter, pursuant to which the PACs have undertaken to provide the Acquirer with the necessary finances to meet the payment obligations under the Offer.

The PACs have confirmed that they have available capital resources for the purpose of providing such commitment. The Acquirer has also vide letter dated April 22, 2019 confirmed that, based on the aforementioned, it has sufficient means and capability for the purpose of fulfilling its obligations under the Offer and that it has firm arrangements for funds to fulfil the payment obligations under the Offer. After considering the aforementioned, Vishal Laheri & Associates, Chartered Accountants (Mr Vishal R Laheri, Partner, Membership No. 115033)(Address:81, Nirmal's Nest, Devidas Road, Borivali- West, Mumbai-400103; Telephone No.:+91 22 69408000; Email:vl.associates001@gmail.com), vide certificate dated April 22, 2019, have certified that the Acquirer has adequate financial resources for fulfilling its obligations under the Offer.

5. Based on the above, the Manager to the Offer is satisfied that firm arrangements have been put in place by the Acquirer and PACs to fulfill the obligations in relation to this Offer through verifiable means in accordance with the SEBI (SAST) Regulations.
6. In case of any upward revision in the Offer Price or the Offer Size, corresponding increase to the escrow amounts as mentioned above in this Part shall be made by the Acquirer in terms of Regulation 17(2) of the SEBI (SAST) Regulations, prior to effecting such revision.

VI. TERMS AND CONDITIONS OF THE OFFER

1. The Offer is being made by the Acquirer and PACs to (i) all the Public Shareholders, who hold the Equity Shares in dematerialised form and whose name appear in the records of the Depositories as of the close of business on the Identified Date; and (ii) those persons (other than (a) the Acquirer and the PACs; (b) parties to the SPA; and (c) the persons deemed to be acting in concert with the persons set out in (a) and (b)) who acquire the Equity Shares any time prior to the date of the closure of the Tendering Period for this Offer.
2. The Identified Date for this Open Offer as per the indicative schedule of key activities is [●]. In terms of the indicative schedule of key activities, the Tendering Period for the Open Offer is expected to commence on [●] and close on [●].
3. The Offer is not conditional on any minimum level of acceptance.
4. The Public Shareholders may tender their Equity Shares in the Offer at any time from the commencement of the Tendering Period but prior to the closure of the Tendering Period. The Acquirer has up to ten (10) Working Days from the closure of the Tendering Period to pay the consideration to the Public Shareholders whose Equity Shares are accepted in the Offer.
5. The Public Shareholders who tender their Equity Shares in this Offer shall ensure that they have good and valid title on the Offer Shares. The Public Shareholders who tender their Equity Shares in this Offer shall ensure that the Offer Shares are clear from all liens, charges and encumbrances. The Offer Shares will be acquired, subject to such Offer Shares being validly tendered in this Offer, together with all the economic, voting and beneficial rights attached thereto, including all the rights to dividends, bonuses and right offers declared thereof, and the tendering Public Shareholders shall have obtained all necessary consents required by them to tender the Offer Shares.
6. The acquisition of Equity Shares under the Offer from all Public Shareholders (resident and non-resident) is subject to all approvals required to be obtained by such Public Shareholders in relation to the Offer and the transfer of Equity Shares held by them to the Acquirer. Further, if the Public Shareholders who are not persons resident in India require or had required any approvals in respect of the transfer of Equity Shares held by them, they will be required to submit such previous

approvals that they would have obtained for holding the Equity Shares, to tender the Equity Shares held by them pursuant to this Offer, along with the other documents required to be tendered to accept this Offer. In the event such prior approvals are not submitted, the Acquirer and/or PACs reserve their right to reject such Equity Shares tendered in this Offer. If the Equity Shares are held under general permission of the RBI, the non-resident Public Shareholder should state that the Equity Shares are held under general permission and clarify whether the Equity Shares are held on repatriable basis or non-repatriable basis.

7. The Target Company does not have any Equity Shares which are currently locked-in.
8. In terms of Regulation 18(9) of the SEBI (SAST) Regulations, the Public Shareholders who tender their Equity Shares in acceptance of this Offer shall not be entitled to withdraw such acceptance during the Tendering Period.
9. The instructions, authorisations and provisions contained in the Form of Acceptance-cum-Acknowledgement constitute an integral part of the terms and conditions of this Offer. The Public Shareholders can write to the Registrar to the Offer / Manager to the Offer requesting for the Letter of Offer along with Form of Acceptance-cum-Acknowledgement. Alternatively, the Letter of Offer along with the Form of Acceptance cum Acknowledgement is also expected to be available at SEBI's website, www.sebi.gov.in, and the Public Shareholders can also apply by downloading such forms from the website.
10. Public Shareholders to whom the Offer is being made are free to tender their shareholding in the Target Company in whole or in part while accepting the Offer. The acceptance must be unconditional and should be absolute and unqualified.
11. The marketable lot for the Equity Shares of the Target Company for the purpose of this Offer shall be 1 (one).
12. There has been no revision in the Offer Price or Offer Size as of the date of this DLoF. The Acquirer reserve the right to revise the Offer Price and/or the number of Offer Shares upwards at any time prior to the commencement of 1 (one) Working Day prior to the commencement of the Tendering Period, in accordance with the SEBI (SAST) Regulations. In the event of such revision, in terms of Regulation 18(5) of the SEBI (SAST) Regulations, the Acquirer and the PACs shall (i) make a corresponding increase to the escrow amount, (ii) make a public announcement in the same newspapers in which the DPS was published, and (iii) simultaneously notify Stock Exchanges, SEBI and the Target Company at its registered office. In case of any revision of the Offer Price, the Acquirer / PACs would pay such revised price for all the Equity Shares validly tendered at any time during the Open Offer and accepted under the Open Offer in accordance with the terms of the LOF.
13. Any Equity Shares that are subject matter of litigation or are held in abeyance due to pending court cases/attachment orders/restriction from other statutory authorities wherein the Public Shareholder may be precluded from transferring the Equity Shares during pendency of the said litigation, are liable to be rejected if directions/orders are passed regarding the free transferability of such Equity Shares tendered under the Open Offer prior to the date of closure of the Tendering Period.
14. The Underlying Transaction (which triggered the Offer) is a Foreign Direct Investment under the terms of the FEMA Regulations. Under Regulation 5(1) read with Schedule 1 of the FEMA Regulations, a person resident outside India is permitted to purchase the equity shares of a listed Indian company on the stock exchange if such person has already acquired control of such Indian listed company in accordance with the SEBI (SAST) Regulations. Accordingly, the Acquirer

(being a person resident outside India) is not permitted to purchase the Equity shares on the stock exchange under the mechanism for acquisition of equity shares specified in SEBI circular CIR/CFD/POLICYCELL/2015 dated April 13, 2015 (“SEBI Circular”) and SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016. Further, as provided in the SEBI Circular, the Acquirer shall be following the “tender offer method” for acquisition of the Offer Shares. Accordingly, securities transaction tax will not be applicable to the Equity Shares accepted in this Offer and the Public Shareholders whose Equity Shares have been validly tendered and accepted may be subject to applicable capital gains tax. The Public Shareholders are advised to consult their respective tax advisors for assessing the tax liability, pursuant to this Offer, or in respect of other aspects such as the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take.

15. All the Equity Shares validly tendered under this Offer to the extent of the Offer Size will be acquired by the Acquirer in accordance with the terms and conditions set forth in this Draft Letter of Offer and subject to the conditions specified in the SPA.
16. The Acquirer and the PACs shall not be (nor shall any persons deemed to be acting in concert with the Acquirer be) responsible in any manner for any loss of documents during transit and the Public Shareholders are advised to adequately safeguard their interests in this regard.

A. Eligibility for accepting the Offer

1. The Letter of Offer (along with the Form of Acceptance-cum-Acknowledgement) shall be sent to all Public Shareholders holding Equity Shares in dematerialized form whose names appear in records of Depositories at the close of business hours on the Identified Date. Accidental omission to dispatch the LoF to any person to whom the Offer is made or the non-receipt or delayed receipt of the LoF by any such person will not invalidate the Offer in any way.
2. All Public Shareholders who own Equity Shares and are able to tender such Equity Shares in this Offer at any time before the closure of the Tendering Period, are eligible to participate in this Offer.
3. The acceptance of this Offer by the Public Shareholders must be absolute and unqualified. Any acceptance to this Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever.
4. All Public Shareholders, (including resident or non-resident shareholders) must obtain all requisite approvals required, if any, to tender the Offer Shares (including without limitation, the approval from the RBI) held by them, in the Offer and submit such approvals, along with the other documents required to accept this Offer. In the event such approvals are not submitted, the Acquirer and the PACs reserve the right to reject such Equity Shares tendered in this Offer. Further, if the holders of the Equity Shares who are not persons resident in India had required any approvals (including from the RBI, or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender the Offer Shares held by them, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer and PACs reserve the right to reject such Offer Shares.
5. The acceptance of this Offer is entirely at the discretion of the Public Shareholder(s).
6. The acceptance of Equity Shares tendered in this Offer will be made by the Acquirer in consultation with the Manager to the Offer. If the number of Equity Shares validly tendered by the

Public Shareholders under this Offer is more than the Offer Size, then the Offer Shares validly tendered by the Public Shareholders will be accepted on a proportionate basis, subject to acquisition a maximum of 82,058,934 Equity Shares, representing 26.00% of the Expanded Voting Share Capital, in consultation with the Manager to the Offer.

7. For any assistance please contact the Manager to the Offer or the Registrar to the Offer.

B. Statutory and other approvals

1. The consummation of the Underlying Transaction and the Offer is subject to the receipt of all Anti-Trust and Foreign Investment Approvals. Further, there are Other Governmental Approvals required to consummate the Underlying Transaction. The Offer shall also be subject to such Other Governmental Approvals (which may be waived by the Acquirer at its discretion). To the best of the knowledge of the Acquirer and the PACs, there are no other statutory or governmental approvals required for the consummation of the Underlying Transaction and the Offer. If any other statutory or governmental approval(s) are required or become applicable prior to completion of the Offer, the Underlying Transaction and the Offer would also be subject to such other statutory or other governmental approval(s) and the Acquirer and/ or the PACs shall make the necessary applications for such other approvals. Other than the Anti-Trust and Foreign Investment Approvals and the Other Governmental Approvals, the Transaction is also subject to the satisfaction of Identified SPA Conditions (which may be waived by the Acquirer at its discretion). For further details, refer to Paragraph 5(b) of Section II.A (Details of the Offer – Background to the Offer).

2. Status of statutory and other approvals

- (a) The Acquirer has filed the following applications for Anti-Trust and Foreign Investment Approvals:
 - (i) The application to the Competition Commission of India; and
 - (ii) The notification to the State Administration for Market Regulation of the People's Republic of China.
- (b) The Target Company has filed the applications for Other Government Approvals.
- (c) The following applications for Anti-Trust and Foreign Investment Approvals are in the process of being filed by the Acquirer:
 - (i) The notification to the Federal Competition Authority of Austria;
 - (ii) The notification to the Commission for the Protection of Competition of Bulgaria;
 - (iii) The notification to the Superintendence of Industry and Commerce of Colombia;
 - (iv) The notification to the Federal Cartel Office of Germany;
 - (v) The application to the Competition Authority of Kenya;
 - (vi) The notification to the Office for Competition and Consumer Protection of Poland;
 - (vii) The application to the Federal Antimonopoly Service of Russia; and

- (viii) The application to the Federal Ministry for Economic Affairs and Energy of Germany.
3. If (a) any Anti-Trust and Foreign Investment Approval, Other Governmental Approval or any other statutory approval is not obtained or granted or (b) any Identified SPA Condition is not satisfied, as applicable, the Acquirer and/or the PACs may rescind the SPA and withdraw the Offer in terms of Regulation 23 of the SEBI (SAST) Regulations, as applicable, in case of each (a) and (b). In the event of the SPA being rescinded and a withdrawal of this Offer, a public announcement will be made within two working days of such withdrawal, in the same newspapers in which the DPS has been published and such public announcement will also be sent to the Stock Exchanges, SEBI and the Target Company at its registered office.
 4. In case of delay in receipt of any Anti-Trust and Foreign Investment Approval, Other Governmental Approval (unless waived) or any other statutory approval that may be required by the Acquirer and/ or PACs, SEBI may, if satisfied, grant an extension of time to the Acquirer and/ or PACs for making payment of the consideration to the Public Shareholders whose Offer Shares have been accepted in the Offer, subject to such terms and conditions as may be specified by SEBI, including payment of interest in accordance with Regulation 18(11) of the SEBI (SAST) Regulations.
 5. Where any statutory approval extends to some but not all of the Public Shareholders, the Acquirer and/ or PACs shall have the option to make payment to such Public Shareholders in respect of whom no statutory approvals are required in order to complete this Offer.
 6. All Public Shareholders, (including resident or non-resident shareholders) must obtain all requisite approvals required to be obtained by such Public Shareholders in relation to the Offer and the transfer of Equity Shares held by them to the Acquirer, and submit such approvals, along with the other documents required to accept this Offer. In the event such approvals are not submitted, the Acquirer and the PACs reserve the right to reject such Equity Shares tendered in this Offer. Further, if the holders of the Equity Shares who are not persons resident in India had required any approvals (including from the RBI, or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender the Offer Shares held by them, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer and PACs reserve the right to reject such Offer Shares.

VII. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER

1. A tender of Equity Shares pursuant to any of the procedures described in the Letter of Offer will constitute a binding agreement between the Acquirer and the tendering holder, including the tendering holder's acceptance of the terms and conditions of the Letter of Offer.
2. The Offer is made to the Public Shareholders as defined in this DLoF. While the Letter of Offer shall be dispatched to the Public Shareholders of the Target Company whose name appears in the records of the Depositories as of the Identified Date, all Public Shareholders holding Equity Shares in dematerialised form are eligible to participate in the Offer at any time during the Tendering Period.

3. Public Shareholders who wish to accept the Offer and tender their Equity Shares can send/deliver the Form of Acceptance-cum-Acknowledgment duly signed along with all the relevant documents (envelope should be super-scribed “**Unit : Essel Propack Offer**”) at any of the collection centers of the Registrar to the Offer mentioned below during the working hours on or before the date of closure of the Tendering Period in accordance with the procedure as set out in the Letter of Offer:

S. No.	City	Contact Person	Address	Telephone/email/fax	Mode
1.	Mumbai	Mr. Sumeet Deshpande	Link Intime India Pvt. Ltd., C-101, 247 Park, LBS Marg, Vikhroli (W), Mumbai -400 083	Tel: 022- 49186200 E-mail: esselpropack.offer@linkintime.co.in Fax: 022 - 4918 6195	Hand Delivery / courier/ registered post
2.	New Delhi	Mr. Bharat Bhushan	Link Intime India Pvt. Ltd., Noble Heights, 1st Floor,Plot NH2,C-1 Block LSC ,Near Savitri Market , Janakpuri , New Delhi -110058	Tel: 011-41410592/93/94 E-mail: esselpropack.offer@linkintime.co.in Fax: 011-41410591	Hand Delivery
3.	Kolkata	Mr Kuntal Mustafi	Link Intime India Pvt. Ltd., Fort Burlow, 3rd Floor, Room No. 5 59-C, Chowringhee Road, Kolkata – 700020	Tel: (033) 2289 0539/2289 0540 E-mail: esselpropack.offer@linkintime.co.in Fax: (033) 2289 0539	Hand Delivery
4.	Chennai	Mrs. Solly Soy	Link Intime India Pvt. Ltd., C/o SAS Partners Corporate Advisors Private Limited, #12, 3rd Floor, RMS Apartments, Gopalakrishna Street, Pondy Bazar, T Nagar, Chennai-17	Tel: 044-2815 2672/ 2815 2673 E-mail: esselpropack.offer@linkintime.co.in Fax: 022 - 4918 6195	Hand Delivery
5.	Bangalore	Mr. Nagendra Rao	Link Intime India Pvt. Ltd., 543/A, 7TH Main, 3rd Cross, S.L.Bhyrappa Road, Hanumanthanagar, Bangalore - 560 019	Tel: 080-26509004 E-mail: esselpropack.offer@linkintime.co.in Fax: 022 - 4918 6195 Tele Fax: 080-26509004	Hand Delivery

Note: Business Hours: Monday to Friday 10:00 AM to 1.00 PM and 2.00 PM to 4:30 PM, except public holidays

4. Equity Shares should not be submitted/ tendered to the Manager to the Offer, the Acquirer or the Target Company.
5. Applicants who cannot hand deliver their documents at the collection centre 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, M/s. Link Intime India Private Limited, **Unit - Essel Propack – Offer**, (Address: C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400 083, India; Telephone number:+91 22 49186200; Fax number: +91 22 49186195; Email: esselpropack.offer@linkintime.co.in; and Contact Person: Mr. Sumeet Deshpande).
6. Public Shareholders who have acquired the Equity Shares but whose names do not appear in the records of the Depositories on the Identified Date or those who have not received the Letter of Offer,

may participate in this Offer by submitting an application on a plain paper giving details set out below and in the Letter of Offer. In the alternate, such holders of the Equity Shares may apply in the form of acceptance-cum-acknowledgement in relation to this Offer that will be annexed to the Letter of Offer, which may also be obtained from the SEBI website (<http://www.sebi.gov.in/>) or from M/s Link Intime India Private Limited (“**Registrar to the Offer**”). The application is to be sent to the Registrar to the Offer at any of the collection centres that shall be mentioned in the Letter of Offer, so as to reach the Registrar to the Offer during business hours on or before 4:30 p.m. on the date of closure of the tendering period of this Offer, together with:

- (a) the DP name, DP ID, account number together with a photocopy or counterfoil of the delivery instruction slip in “off-market” mode duly acknowledged by the DP for transferring the Equity Shares to the special depository account (“**Escrow Demat Account**”), as per the details given below:

Name of the Depository Participant	Ventura Securities Limited
DP ID	IN303116
Client ID	12891848
Account Name	LI IPL ESSEL PROPACK OPEN OFFER ESCROW DEMAT ACCOUNT
Depository	NSDL
Mode of Instruction	Off Market

Note: Shareholders having their beneficiary account with Central Depository Services Limited (“CDSL”) must use the inter-depository delivery instruction slip for the purpose of crediting their equity shares of the Target Company in favour of the Escrow Demat Account.

- (b) **As per the provisions of Regulation 40(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI PR 51/2018 dated December 3, 2018, requests for transfer of securities shall not be processed unless the securities are held in dematerialised form with a depository w.e.f. April 1, 2019. Accordingly, the Public Shareholders who are holding Equity Shares in physical form and are desirous of tendering their Equity Shares in the Offer can do so only after the Equity Shares are dematerialised. Such Public Shareholders are advised to approach any depository participant to have their Equity Shares dematerialised.**

7. Documents to be delivered by all Public Shareholders holding Equity Shares in the DEMATERIALISED FORM:

- (i) Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein by all the beneficial holders of the Equity Shares, as per the records of the DP.
- (ii) Photocopy of the Delivery Instruction in “off-market” mode or counterfoil of the delivery instruction slip in “off-market” mode, duly acknowledged by the DP.

Please note the following:

- (i) For each delivery instruction, the Beneficial Owner should submit a separate Form of Acceptance-cum-Acknowledgment.
- (ii) The Registrar to the Offer is not bound to accept those acceptances, for which corresponding Equity Shares have not been credited to the above Escrow Demat Account

or for Equity Shares that are credited in the above Escrow Demat Account but the corresponding Form of Acceptance-cum- Acknowledgment has not been received as on the date of closure of the Offer.

8. Non-resident Public Shareholders should, in addition to the above, enclose copy(ies) of any permission(s) received from the RBI or any other regulatory authority to acquire Equity Shares held by them in the Target Company. Erstwhile OCBs are requested to seek a specific approval of the RBI for tendering their Equity Shares in the Offer and a copy of such approval must be provided along with other requisite documents in the event that any Public Shareholder who is an erstwhile OCB tenders its Equity Shares in the Open Offer. In case the above approvals from the RBI are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered.
9. Public Shareholders who have sent the Equity Shares held by them for dematerialisation need to ensure that the process of dematerialisation is completed in time for the credit in the Escrow Demat Account, to be received on or before the closure of the Tendering Period or else their application will be rejected.
10. Equity Shares that are subject to any charge, lien or any other form of encumbrance are liable to be rejected in the Offer.
11. Applications in respect of Equity Shares that are the subject matter of litigation wherein the Public Shareholders of the Target Company may be prohibited from transferring such Equity Shares during the pendency of the said litigation are liable to be rejected if the directions/orders regarding such Equity Shares are not received together with the Equity Shares tendered under the Offer. The Letter of Offer in some of these cases, wherever possible, will be forwarded to the concerned statutory authorities for further action by such authorities.
12. The Public Shareholders should also provide all relevant documents which are necessary to ensure transferability of the Equity Shares in respect of which the application is being sent. Such documents may include, but are not limited to:
 - (a) Duly attested death certificate and succession certificate/probate/letter of administration (in case of single 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 acceptance form and/or transfer deed(s);
 - (c) No objection certificate from any lender, if the Equity Shares in respect of which the acceptance is sent, were under any charge, lien or encumbrance;
 - (d) In case of companies, the necessary corporate authorisation (including certified copy of board and/or general meeting resolution(s)); and
 - (e) Any other relevant documents.
13. In the event the number of Equity Shares validly tendered in the Offer by the Public Shareholders are more than the Equity Shares to be acquired under the Offer, the acquisition of Equity Shares from each Public Shareholder will be on a proportionate basis in such a way that the acquisition from any Public Shareholder shall not be less than the minimum marketable lot, or the entire holding if it is less than the marketable lot. The minimum marketable lot for the Equity Shares is one Equity Share.

14. Subject to the receipt of such approvals as mentioned in Paragraph B of Section VI (Terms and Conditions of the Offer) and Paragraph 5(b) of Section II.A (Details of the Offer – Background to the Offer), the Acquirer and the PACs intends to complete all formalities, including the payment of consideration within a period of ten (10) Working Days from the closure of the Tendering Period and for the purpose open a special account as provided under Regulation 21(1) of the SEBI (SAST) Regulations, provided that where the Acquirer are unable to make the payment to the Public Shareholders who have accepted the Offer before the said period of ten (10) Working Days due to non-receipt of such approvals, SEBI may, if satisfied that non-receipt of such approvals was not due to any wilful default or neglect of the Acquirer or failure of the Acquirer to diligently pursue the applications for such approvals (where applicable), grant extension of time for the purpose, subject to the Acquirer agreeing to pay interest to the Public Shareholders for delay beyond such ten (10) Working Days period, as may be specified by SEBI from time to time.
15. The unaccepted documents in relation to transfer of Equity Shares, if any, would be returned by registered post or by ordinary post or courier at the Public Shareholders' sole risk. Unaccepted Equity Shares held in dematerialised form will be credited back to the Beneficial Owners' depository account with the respective depository participant as per details received from their depository participant. It will be the responsibility of the Public Shareholders to ensure that the unaccepted Equity Shares are accepted by their respective depository participants when transferred by the Registrar to the Offer. Public Shareholders holding Equity Shares in dematerialised form are requested to issue the necessary standing instruction for the receipt of the credit, if any, in their DP account. Public Shareholders should ensure that their depository account is maintained till all formalities pertaining to the Offer are completed.
16. The Registrar to the Offer will hold in trust the Form of Acceptance, Equity Shares, and/or other documents on behalf of the Public Shareholders of the Target Company who have accepted the Offer, until the warrants/cheques/drafts for the consideration are dispatched and unaccepted share certificate/Equity Shares, if any, are dispatched/returned to the relevant Public Shareholders.
17. Payment to those Public Shareholders whose tendered Equity Shares are found valid and in order and are approved by the Acquirer, will be done by obtaining the bank account details from the beneficiary position download to be provided by the depositories and the payment shall be processed with the said bank particulars, and not any details provided in the Form of Acceptance-cum-Acknowledgment. The decision regarding (i) the acquisition (in part or full), of the Equity Shares tendered pursuant to the Offer, or (ii) rejection of the Equity Shares tendered pursuant to the Offer along with any corresponding payment for the acquired Equity Shares will be dispatched to the Public Shareholders by registered post or by ordinary post or courier as the case may be, at the Public Shareholder's sole risk. Equity Shares held in dematerialised form to the extent not acquired will be credited back to the respective beneficiary account with their respective Depository Participants as per the details furnished by the Beneficial Owners in the Form of Acceptance-cum-Acknowledgment.
18. For Public Shareholders who do not opt for electronic mode of transfer or whose payment consideration is rejected/not credited through DC/NEFT/RTGS, due to technical errors or incomplete/incorrect bank account details, payment consideration will be dispatched through registered post or by ordinary post or courier at the Public Shareholder's sole risk.
19. All cheques/demand drafts/pay orders will be drawn in the name of the first holder, in case of joint holder(s).

20. In case of rejection of Equity Shares tendered for any reason, the documents, if any, will be returned by registered post or ordinary post or courier at the Public Shareholder's sole risk as per the details provided in the Form of Acceptance-cum-Acknowledgement. Equity Shares held in dematerialised form, to the extent not accepted, will be returned to the Beneficial Owner to the credit of the Beneficial Owner's DP account with the respective DP as per the details furnished by the Beneficial Owner(s) in the Form of Acceptance-cum-Acknowledgement.
21. A copy of the Letter of Offer (including Form of Acceptance-cum-Acknowledgment) is expected to be available on SEBI's website (<http://www.sebi.gov.in>) during the period the Offer is open and may also be downloaded from the site.

VIII. TAX PROVISIONS

THE SUMMARY OF THE TAX CONSIDERATIONS IN THIS SECTION ARE BASED ON THE CURRENT PROVISIONS OF THE INCOME-TAX ACT, 1961 AND THE REGULATIONS THEREUNDER. THE LEGISLATIONS, THEIR JUDICIAL INTERPRETATION AND THE POLICIES OF THE REGULATORY AUTHORITIES ARE SUBJECT TO CHANGE FROM TIME TO TIME, AND THESE MAY HAVE A BEARING ON THE IMPLICATIONS LISTED BELOW. ACCORDINGLY, ANY CHANGE OR AMENDMENTS IN THE LAW OR RELEVANT REGULATIONS WOULD NECESSITATE A REVIEW OF THE BELOW.

THE JUDICIAL AND THE ADMINISTRATIVE INTERPRETATIONS THEREOF, ARE SUBJECT TO CHANGE OR MODIFICATION BY SUBSEQUENT LEGISLATIVE, REGULATORY, ADMINISTRATIVE OR JUDICIAL DECISIONS. ANY SUCH CHANGES COULD HAVE DIFFERENT INCOME-TAX IMPLICATIONS. THIS NOTE ON TAXATION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND IS NOT A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE DISPOSAL OF EQUITY SHARES.

THE IMPLICATIONS ARE ALSO DEPENDENT ON THE SHAREHOLDERS FULFILLING THE CONDITIONS PRESCRIBED UNDER THE PROVISIONS OF THE RELEVANT SECTIONS UNDER THE RELEVANT TAX LAWS. IN VIEW OF THE PARTICULARISED NATURE OF INCOME-TAX CONSEQUENCES, SHAREHOLDERS ARE REQUIRED TO CONSULT THEIR TAX ADVISORS FOR THE APPLICABLE TAX PROVISIONS INCLUDING THE TREATMENT THAT MAY BE GIVEN BY THEIR RESPECTIVE TAX OFFICERS IN THEIR CASE AND THE APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE.

THE ACQUIRER DOES NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR OTHERWISE OF SUCH ADVICE. THEREFORE, SHAREHOLDERS CANNOT RELY ON THIS ADVICE AND THE SUMMARY OF INCOME-TAX IMPLICATIONS, RELATING TO THE TREATMENT OF INCOME-TAX IN THE CASE OF TENDERING OF LISTED EQUITY SHARES IN OPEN OFFER, AS SET OUT BELOW SHOULD BE TREATED AS INDICATIVE AND FOR GUIDANCE PURPOSES ONLY.

1. General:

- (a) Securities transaction tax will not be applicable to the Equity Shares accepted in this Offer.
- (b) The basis of charge of Indian income-tax depends upon the residential status of the taxpayer during a tax year. The Indian tax year runs from April 1 until March 31. A person who is an Indian tax resident is liable to income-tax in India on his worldwide income, subject to certain tax exemptions, which are provided under the Income Tax Act, 1961 as amended from time to time (“**Income Tax Act**” or the “**IT Act**”). A person who is treated as a non-resident for Indian income-tax purposes is generally subject to tax in India only on such person’s India-sourced income (i.e. income which accrues or arises or deemed to accrue or arise in India) as also income received by such persons in India. In case of shares of a company, the source of income from shares will depend on the “situs” of such shares. As per judicial precedents, generally the “situs” of the shares is where a company is “incorporated” and where its shares can be transferred.
- (c) Accordingly, since the Target Company is incorporated in India, the Target Company’s shares should be deemed to be “situated” in India and any gains arising to a non-resident on transfer of such shares should be taxable in India under the Income Tax Act.
- (d) Further, the non-resident shareholder can avail benefits of the Double Taxation Avoidance Agreement (“**DTAA**”) between India and the respective country of which the said shareholder is tax resident subject to satisfying relevant conditions including non-applicability of General Anti-Avoidance Rule (“**GAAR**”) and providing and maintaining necessary information and documents as prescribed under the Income Tax Act.
- (e) The Income Tax Act also provides for different income-tax regimes/ rates applicable to the gains arising from the tendering of shares under the Offer, based on the period of holding, residential status, classification of the shareholder and nature of the income earned, etc.
- (f) The summary of income-tax implications on tendering of listed equity shares is set out below. All references to equity shares herein refer to listed equity shares unless stated otherwise.

2. Classification of Shareholders: Shareholders can be classified under the following categories:

- (a) Resident Shareholders being:
 - (i) Individuals, Hindu Undivided Family (**HUF**), Association of Persons (“**AOP**”) and Body of Individuals (“**BOI**”)
 - (ii) Others
- (b) Non-Resident Shareholders being:
 - (i) Non-Resident Indians (NRIs)
 - (ii) Foreign Institution Investors (FIIs) / Foreign Portfolio Investors (FPIs)

- (iii) Others:
 - A. Company
 - B. Other than company

3. Classification of Income: Equity Shares can be classified under the following two categories

- (a) Equity Shares held as investment (Income from transfer taxable under the head “**Capital Gains**”)
- (b) Equity Shares held as stock-in-trade (Income from transfer taxable under the head “**Profits and Gains from Business or Profession**”)

4. Taxability of Capital Gains in the hands of shareholders

- (a) Gains arising from the transfer of shares may be treated either as “capital gains” or as “business income” for income-tax purposes, unless specifically exempted, depending upon whether such shares were held as a capital asset or trading asset (i.e. stock-in-trade).
- (b) As per the current provisions of the IT Act, where the shares are held as investments (i.e. capital assets), income arising from the transfer of such shares is taxable under the head “Capital Gains”. Further, Section 2(14) of the IT Act has provided for deemed characterization of securities held by FPIs as capital assets, whether or not such assets have been held as a capital asset; and therefore, the gains arising in the hands of FPIs will be taxable in India as capital gains. Capital Gains in the hands of shareholders would be computed as per provisions of Section 48 of the IT Act.
- (c) Period of holding: Depending on the period for which the shares are held, the gains would be taxable as “short-term capital gain/ STCG” or “long-term capital gain/ LTCG”:
 - (i) In respect of equity shares held for a period less than or equal to 12 (Twelve) months prior to the date of transfer, the same should be treated as a “short-term capital asset”, and accordingly the gains arising therefrom should be taxable as “STCG”.
 - (ii) Similarly, where equity shares are held for a period more than 12 (Twelve) months prior to the date of transfer, the same should be treated as a “long-term capital asset”, and accordingly the gains arising therefrom should be taxable as “LTCG”.
- (d) The Finance Act, 2018 (“**Finance Act**”), vide Section 112A, has imposed an income tax on long-term capital gains @ 10% on transfer of equity shares that are listed on a recognized stock exchange, which have been held for more than 12 (Twelve) months and have been subject to securities transaction tax (“**STT**”) upon both acquisition and sale.

However, since STT will not be applicable to the Equity Shares transferred in this Offer, the provisions of Section 112A of the IT Act shall not be applicable.

- (e) Where LTCG arising from tendering of Equity Shares in the Offer does not fall under the provisions of Section 112A, such LTCG shall be subject to tax as follows:
- (i) LTCG will be chargeable to tax at rate of up to 20% (plus applicable surcharge and cess) in the case of a non-resident shareholder (other than a FPI/FII, or a NRI who is governed by the provisions of Chapter XII-A of the Income Tax Act) in accordance with provisions of section 112 of the IT Act.
 - (ii) In the case of FIIs/FPIs, LTCG would be taxable at 10% (plus applicable surcharge and cess) in accordance with provisions of section 115AD of the IT Act.
 - (iii) For a NRI who is governed by the provisions of Chapter XII-A of the Income Tax Act, LTCG would be taxable at 10% (plus applicable surcharge and cess) under Section 115E of the Income Tax Act.
 - (iv) For a resident shareholder, an option is available to pay tax on such LTCG at either 20% (plus applicable surcharge and cess) with indexation or 10% (plus applicable surcharge and cess) without indexation.
- (f) Further, any gain realized on the sale of listed equity shares held for a period of 12 (twelve) months or less, which are transferred, will be subject to short term capital gains tax and shall be leviable to tax at the rates prescribed in First Schedule to the Finance Act (i.e. normal tax rates applicable to different categories of persons).
- (g) Minimum alternate tax (“MAT”) implications will get triggered in the hands of a resident corporate shareholder. Foreign companies will not be subject to MAT if the country of residence of such of the foreign country has entered into a DTAA with India and such foreign company does not have a permanent establishment in India in terms of the DTAA.
- (h) Taxability of capital gain arising to a non-resident in India from the transfer of equity shares shall be determined basis the provisions of the Income Tax Act or the DTAA entered between India and the country of which the non-resident seller is resident, whichever is more beneficial, subject to fulfilling relevant conditions and maintaining & providing necessary documents prescribed under the Income Tax Act..

5. Taxability of business income in hands of shareholders (Shares held as Stock-in-Trade): If the shares are held as stock-in-trade by any of the eligible Shareholders of the Target Company, then the gains will be characterized as business income and taxable under the head “Profits and Gains from Business or Profession”.

(a) **Resident Shareholders:**

Profits of:

- (i) Individuals, HUF, AOP and BOI will be taxable at applicable slab rates.
- (ii) Domestic companies having turnover or gross receipts not exceeding Rs. 250 crore in the relevant financial year as prescribed will be taxable @ 25%.

(iii) For persons other than stated in (i) and (ii) above, profits will be taxable @ 30%.

No benefit of indexation by virtue of period of holding will be available in any case.

(b) Non Resident Shareholders

(i) Non-resident Shareholders can avail beneficial provisions of the applicable DTAA entered into by India with the relevant shareholder country but subject to fulfilling relevant conditions and maintaining & providing necessary documents prescribed under the Income Tax Act.

(ii) Where DTAA provisions are not applicable:

- A. For non-resident individuals, HUF, AOP and BOI, profits will be taxable at slab rates
- B. For foreign companies, profits will be taxed in India @ 40%
- C. For other non-resident Shareholders, such as foreign firms, profits will be taxed in India @ 30%.

In addition to the above, applicable Surcharge, Health and Education Cess are leviable for resident and non-resident shareholders.

6. Tax Deduction at Source

(a) In case of Resident Shareholders

In absence of any specific provision under the Income Tax Act, the Acquirer is not required to deduct tax on the consideration payable to resident Shareholders pursuant to the said offer.

(b) In case of Non-resident Shareholders

1) In case of FIIs / FPIs:

(i) Section 196D of the Income Tax Act provides for specific exemption from withholding tax in case of Capital Gains arising in hands of FIIs / FPIs. Thus, no withholding of tax is required in case of consideration payable to FIIs / FPIs. The Acquirer would not deduct tax at source on the payments to FIIs / FPIs, subject to the following conditions:

- A. FIIs / FPIs furnishing the copy of the registration certificate issued by SEBI (including for subaccount of FII / FPI, if any);
- B. FIIs / FPIs declaring that they have invested in the Equity Shares in accordance with the applicable SEBI regulations. Such FIIs / FPIs will be liable to pay tax on their income as per the provisions of the Income Tax

Act.

- (ii) If the above conditions are not satisfied, FIIs / FPIs may submit a valid and effective certificate for deduction of tax at a nil/lower rate issued by the income tax authorities under the IT Act (“**TDC**”), along with the Form of Acceptance-cum-Acknowledgement, indicating the amount of tax to be deducted by the Acquirer before remitting the consideration. The Acquirer shall deduct tax in accordance with such TDC.
- 2) **In case of other non-resident Shareholders (other than FIIs / FPIs) holding Equity Shares of the Target Company:**
- (i) Section 195(1) of the Income Tax Act provides that any person responsible for paying to a non-resident, any sum chargeable to tax is required to deduct tax at source (including applicable surcharge and cess). Subject to regulations in this regard, wherever applicable and it is required to do so, tax at source (including applicable surcharge and cess) shall be deducted at appropriate rates as per the Income Tax Act read with the provisions of the relevant DTAA, if applicable. In doing this, the Acquirer will be guided by generally followed practices and make use of data available in the records of the Registrar to the Offer except in cases where the non-resident Public Shareholders provide a specific mandate in this regard.
 - (ii) In case TDC is not submitted requiring lower withholding of tax by non-resident shareholders (other than FIIs /FPIs) including NRIs / foreign shareholders or is otherwise not valid and effective as of the date on which tax is required to be deducted at source, the Acquirer will arrange to deduct tax at the maximum marginal rate as may be applicable to the relevant category to which the shareholder belongs under the IT Act (i.e. 40% in case of foreign company, 30% in case of all other category of persons plus applicable surcharge and cess), on the gross consideration towards acquisition of shares, payable to such shareholder under the Offer.
 - (iii) The non-resident Shareholders undertake to indemnify the Acquirer if any tax demand is raised on the Acquirer on account of gains arising to the non-resident Shareholders pursuant to this Offer. The non-resident Shareholders also undertake to provide the Acquirer, on demand, the relevant details in respect of the taxability / non-taxability of the proceeds pursuant to this Offer, copy of tax return filed in India, evidence of the tax paid etc.

7. Other Matters

(a) **Submission of PAN and other details**

- (i) All non-resident Public Shareholders are required to submit their PAN along with self-attested copy of the PAN card for income-tax purposes. In absence of PAN for non-resident Public Shareholders, as per Notification No. 53 /2016, F.No.370 142/16/2016-TPL, they shall furnish self-attested copy of documents containing the following details:

- A. Name, email id, contact number;
- B. Address in the country of residence;
- C. Tax Residency Certificate (“TRC”) from the government of the country of residence, if the law of such country provides for issuance of such certificate; and
- D. Tax identification number in the country of residence, and in case no such number is available, then a unique number on the basis of which such non-resident is identified by the government of the country of which he claims to be a resident.

- (ii) If PAN or in case of non-resident Public Shareholders not having a PAN the aforesaid details, are not furnished, the Acquirer will arrange to deduct tax at least at the rate of 20% as per Section 206AA of the Income Tax Act or at such rate as applicable and provided above for each category of the Public Shareholders, whichever is higher. The provisions of Section 206AA of the Income Tax Act would apply only where there is an obligation to deduct tax at source.

(b) **Other points for consideration**

- (i) Shareholders who wish to tender their Equity Shares must submit the information / documents, as applicable, all at once along with the Form of Acceptance-cum-Acknowledgement and those that may be additionally requested for by the Acquirer. The documents submitted by the 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 Acquirer, may not be accepted.
- (ii) Based on the documents and information submitted by the shareholder, the final decision to deduct tax or not, or the quantum of taxes to be deducted rests solely with the Acquirer.
- (iii) Taxes once deducted will not be refunded by the Acquirer under any circumstances.
- (iv) The Acquirer shall deduct tax (if required) as per the information provided and representation made by the 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 shareholders, such shareholders will be responsible to pay such income tax demand (including interest, penalty, etc.) and provide the Acquirer with all information / documents that may be necessary and co-operate in any proceedings before any income tax / appellate authority.
- (v) The tax deducted by the Acquirer while making the payment to a shareholder under this Offer may not be the final liability of such shareholders and shall in no way discharge the obligation of the shareholders to appropriately disclose the

amount received by it, pursuant to this Offer, before the income tax authorities. The rate at which tax is required to be deducted is based on the tax laws prevailing as on the date of this Draft Letter of offer. If there is any change in the tax laws with regards to withholding tax rates as on the date of deduction of tax, the tax will be deducted at the rates applicable at the time of deduction of tax.

- (vi) All 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 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.
- (vii) The tax deducted by the Acquirer while making payment to a Public Shareholder may not be the final tax liability of such Public Shareholder and shall in no way discharge the obligation of the Public Shareholder to appropriately disclose the amounts received by it, pursuant to this Open Offer, before the income tax authorities.
- (viii) The Acquirer and the Manager to the Open Offer do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth herein above.

(c) **Rate of Surcharge and Cess**

In addition to the basic tax rate, applicable Surcharge, Health and Education Cess are currently leviable as under:

- (i) ***Surcharge***
 - A. In case of domestic companies: Surcharge @ 12% is leviable where the total income exceeds Rs. 10 crore and @ 7% where the total income exceeds Rs. 1 crore but less than Rs. 10 crore.
 - B. In case of companies other than domestic companies: Surcharge @ 5% is leviable where the total income exceeds Rs. 10 crore and @ 2% where the total income exceeds Rs.1 crore but less than Rs. 10 crore.
 - C. In case of individuals, HUF, AOP, BOI: Surcharge @15% is leviable where the total income exceeds Rs. 1 crore and @10% where the total income exceeds Rs. 50 lac but less than Rs. 1 crore.
 - D. In case of Firm and Local Authority: Surcharge @12% is leviable where the total income exceeds Rs. 1 crore.
- (ii) ***Cess***
 - A. Health and Education Cess @ 4% is currently leviable in all cases.
- (iii) ***The tax rate and other provisions may undergo changes.***

THE ABOVE NOTE ON TAXATION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND DOES NOT PURPORT TO BE A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE DISPOSAL OF EQUITY SHARES.

THIS NOTE IS NEITHER BINDING ON ANY REGULATORS NOR CAN THERE BE ANY ASSURANCE THAT THEY WILL NOT TAKE A POSITION CONTRARY TO THE COMMENTS MENTIONED HEREIN. HENCE, YOU SHOULD CONSULT WITH YOUR OWN TAX ADVISORS FOR THE TAX PROVISIONS APPLICABLE TO YOUR PARTICULAR CIRCUMSTANCES.

IX. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection to the Public Shareholders at the registered office of the Manager to the Offer at JM Financial Limited, 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400 025, India . The documents can be inspected during normal business hours between 10:30 a.m. to 5:00 p.m. on any Working Day, *i.e.* Monday to Friday and not being a bank holiday in Mumbai, from the date of opening of the Offer until the closure of the Offer:

1. Copies of the Certificate of incorporation and Memorandum and Articles of Association of the Acquirer;
2. Copy of the SPA which triggered the Open Offer;
3. Audited financial statements pertaining to PAC 1 for the period ending December 31, 2017 and December 31, 2018 along with certificate from Vishal Laheri & Associates dated May 3, 2019, certifying the financials;
4. Audited financial statements pertaining to PAC 2 for the period ending December 31, 2016, December 31, 2017 and 31 December 2018 along with certificate from Vishal Laheri & Associates dated May 3, 2019, certifying the financials;
5. Copies of the annual reports of the Target Company for the financial years ending March 31, 2016, March 31, 2017 and March 31, 2018 and limited reviewed 9 month financial results for the period ended December 31, 2018;
6. Certificate dated April 22, 2019 from Vishal Laheri & Associates, Chartered Accountants, certifying the adequacy of financial resources of the Acquirer to fulfil its Offer obligations;
7. Certificate dated April 22, 2019 from Vishal Laheri & Associates, Chartered Accountants, certifying the Offer Price computation;
8. Copy of the Bank Guarantee dated April 23, 2019 issued by IndusInd Bank Limited for Rs.1,892,179,000.00 in favour of the Manager to the Offer;
9. Escrow Agreement dated April 22, 2019 between the Acquirer, Deutsche Bank AG and the Manager to the Offer;
10. Letter dated April 23, 2019 from Deutsche Bank AG, confirming the deposit of 114,217,830.71 in the Cash Escrow Account and a lien in favour of Manager to the Offer;
11. Copy of the Public Announcement dated April 22, 2019 and submitted to the Stock Exchanges;
12. Copy of the DPS dated April 27, 2019 published by the Manager to the Offer on behalf of the Acquirer on April 29, 2019;

13. Copy of the recommendation made by the committee of the independent directors of the Target Company; and
14. Copy of the letter number [●] from SEBI dated [●] containing its observations on the DLoF.

X. DECLARATION BY THE ACQUIRER AND THE PACS

1. The Acquirer accepts responsibility for the information contained in this DLoF.
2. The Acquirer and the PACs will be severally and jointly responsible for ensuring compliance with the SEBI (SAST) Regulations.

The persons signing this DLoF on behalf of the Acquirer and the PACs have been duly and legally authorized to sign this DLoF.

Signed for and on behalf of Epsilon Bidco Pte. Ltd. (Acquirer)

Sd/-

Authorized Signatory

Signed for and on behalf of Blackstone Capital Partners Asia L.P. (PAC 1)

Sd/-

Authorized Signatory

Signed for and on behalf of Blackstone Capital Partners (Cayman) VII L.P. (PAC 2)

Sd/-

Authorized Signatory

Place: Singapore / New York

Date: May 7, 2019