

Date: November 28, 2019

To,

The Board of Directors
DFM Foods Limited
8377, Roshanara Road.
New Delhi
Delhi - 110 007

Sub: Open offer of fully paid-up equity shares of face value of Rs 2 each ("Equity Shares") of DFM Foods Limited ("Target Company") by AI Global Investments (Cyprus) PCC Limited ("Acquirer") under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ("Takeover Regulations") ("Offer"/"Open Offer")

With regard to the captioned Offer, the Acquirer has appointed us as the Manager to the Offer, pursuant to and in accordance with Regulation 12(1) of the SEBI (SAST) Regulations.

Further to the public announcement of the Offer made by the Acquirer on September 09, 2019 and the detailed public statement dated September 16, 2019 ("DPS") which appeared on September 17, 2019 in all the editions of Financial Express (English), all the editions of Jansatta (Hindi), and in the Mumbai edition of Mumbai Lakshadeep (Marathi) the Acquirer had filed the draft letter of offer dated September 24, 2019 ("DLOF") for the captioned Offer with the Securities and Exchange Board of India on September 24, 2019.

Subsequently, vide letter bearing reference number SEBI/HO/CFD/DCR1/OW/P/2019/11119/1 dated November 19, 2019, SEBI provided its final comments on the DLOF ("Observation Letter").

In this regard, please find enclosed a copy of the letter of offer dated November 26, 2019 ("LOF"), post incorporating the changes suggested by the SEBI in the Observation Letter for your record.

Further, you are requested to take note of the above and the obligations of Board of Directors of Target Company in terms of Regulation 24 of the Takeover Regulations and the obligations of Target Company in terms of Regulation 26 of the Takeover Regulations

Should you require any further information / clarifications on the same, please contact the following persons:

Name	Contact Number	E-mail ID
Nidhi Wangnoo	Tel: +91 22 6637 7215	nidhi.wangnoo@icicisecurities.com
Sameer Purohit	Tel: +91 22 6637 7507	sameer.purohit@icicisecurities.com
Arjun Mehrotra	Tel: +91 22 6637 7468	arjun.mehrotra@icicisecurities.com

For and on behalf of ICICI Securities Limited


Name: Nidhi Wangnoo
Designation: VP

Member of National Stock Exchange of India Ltd, BSE Ltd and Metropolitan Stock Exchange of India Ltd.
SEBI Registration : IN2000183651
CIN No.: L67120MH1995PLC086241

ICICI Securities Limited
Registered Office (Institutional):
ICICI Centre, H. T. Parekh Marg,
Churchgate, Mumbai 400 020, India.
Tel (91 22) 2288 2460/70
Fax (91 22) 2288 2455

Corporate Office (Retail):
Shree Sawan Knowledge Park, Plot No. D-507,
T.T.C. Ind. Area, M.I.D.C., Turbhe, Navi Mumbai - 400 705
Tel (91 22) 4070 1000
Fax (91 22) 4070 1022

Name of Compliance Officer (Broking Operations) : Mr. Anoop Goyal
Email Address: complianceofficer@icicisecurities.com / Tel (91 22) 4070 1000
Website Address: www.icicisecurities.com / www.icicidirect.com



LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is being sent to you as a Public Shareholder (*defined below*) of DFM Foods Limited. 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. In case you have recently sold your Equity Shares, please hand over the Letter of Offer and the accompanying Form of Acceptance-cum-Acknowledgement to the member of the Stock Exchange through whom the said sale was effected.

By

AI GLOBAL INVESTMENTS (CYPRUS) PCC LIMITED (“Acquirer”)

Registered Office: 1st and 2nd Floors, Elizabeth House, Les Ruettes Brayes, St Peter Port, Guernsey, GY1 1EW 3

Tel: +357 2202 9420 **Fax:** +357 22028387

TO ACQUIRE

up to 13,070,429 fully paid-up equity shares of face value of Rupees 2 each (“**Equity Share**”) representing 26.00% of the Expanded Voting Share Capital from the Public Shareholders (“**Offer Size**”)

OF

DFM Foods Limited (“Target Company”)

Registered Office: 8377, Roshanara Road, New Delhi, Delhi – 110007

Tel: 011-23826445, 23822409; **Fax:** 011-23822409;

Website: www.dfmfoods.com

AT A PRICE OF

INR 249.50 per Equity Share (“Offer Price”) payable in cash

pursuant to the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto (“**Takeover Regulations**”)

Notes:

1. This Offer is being made by the Acquirer pursuant to Regulations 3(1) and 4 and other applicable provisions of the Takeover Regulations.
2. This Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of the Takeover Regulations.
3. **This Offer is not a competing offer in terms of Regulation 20 of the Takeover Regulations.**
4. To the best knowledge of the Acquirer, other than as stated herein, there are no statutory approvals required by the Acquirer to complete this Offer.
5. If there is any upward revision in the Offer Price at any time prior to 1 Working Day before the commencement of the Tendering Period in terms of the Takeover Regulations, the Acquirer shall (i) make a corresponding increase to the escrow amount, as more particularly set out in Part 5 (Offer Price and Financial Arrangements), (b) make a public announcement in the Newspapers in which the detailed public statement (“**DPS**”) was published, and (c) simultaneously with the making of such announcement, inform SEBI, the Stock Exchanges and the Target Company of such revision.
6. **There has been no competing offer as on the date of this LoF.**
7. Unless otherwise stated, the information set out in this LoF reflects the position as of the date hereof.
8. A copy of the public announcement in relation to this Offer (“**PA**”), DPS and Letter of Offer (including Form of Acceptance cum Acknowledgement) is also expected to be available on the website of Securities and Exchange Board of India (“**SEBI**”) (<http://www.sebi.gov.in>).

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
	
ICICI Securities Limited ICICI Centre, H.T. Parekh Marg, Churchgate, Mumbai – 400 020, Maharashtra, India Tel: +91 22 2288 2460 Fax: +91 22 2282 6580 Email ID: dfmfoods.openoffer2019@icicisecurities.com Contact Person: Arjun A Mehrotra / Sameer Purohit / Nidhi Wangnoo SEBI Registration No.: INM000011179	Link Intime India Private Limited C-101, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai – 400 083 Tel: + 91 22 49186200 Fax: + 91 22 49186195 Website: www.linkintime.co.in Email ID: dfmfoods.offer@linkintime.co.in Contact Person: Mr. Sumeet Deshpande SEBI Registration No.: INR000004058

The Schedule of major activities under this Offer is as follows:

No.	Activity	Schedule (Day and Date)	Revised Schedule (Day and Date)
1.	Issue of PA.	Monday, September 9, 2019	Monday, September 9, 2019
2.	Date of publishing the DPS in the newspapers.	Tuesday, September 17, 2019	Tuesday, September 17, 2019
3.	Date of filing of the DLoF with SEBI.	Tuesday, September 24, 2019	Tuesday, September 24, 2019
4.	Last date for the public announcement of competing offer(s) as per the first detailed public statement. [#]	Thursday, October 10, 2019	Thursday, October 10, 2019
5.	Last date for SEBI observations on the DLoF (in the event SEBI has not sought clarifications or additional information from the Manager).	Thursday, October 17, 2019	Tuesday, November 19, 2019
6.	Identified Date*	Monday, October 21, 2019	Thursday, November 21, 2019
7.	Date by which the Letter of Offer is to be dispatched to the Public Shareholders whose name appears on the register of members on the Identified Date.	Tuesday, October 29, 2019	Thursday, November 28, 2019
8.	Last date for upward revision of the Offer Price / Offer Size.	Friday, November 1, 2019	Tuesday, December 3, 2019
9.	Last Date by which the committee of the independent directors of the Target Company shall publish its recommendation to the Public Shareholders of the Target Company for this Offer.	Friday, November 1, 2019	Tuesday, December 3, 2019
10	Date of publication of Offer opening public announcement in the newspapers in which this DPS has been published.	Monday, November 4, 2019	Wednesday, December 4, 2019
11	Date of commencement of the tendering period.	Tuesday, November 5, 2019	Thursday, December 5, 2019
12	Date of closure of the tendering period.	Tuesday, November 19, 2019	Wednesday, December 18, 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.	Tuesday, December 3, 2019	Thursday, January 2, 2020
14	Last date for issue of post-offer advertisement.	Tuesday, December 10, 2019	Thursday, January 9, 2020

[#]There has been no competing offer as of the date of this LoF.

*Date falling on the 10th Working Day prior to the commencement of the Tendering Period. The Identified Date is only for the purpose of determining the Public Shareholders (as defined below) as on such date to whom the Letter of Offer would be dispatched / mailed. It is clarified that all the Public Shareholders of the Target Company (registered or unregistered) who own Equity Shares are eligible to participate in this Offer at any time prior to the Offer Close Date.

RISK FACTORS

The risk factors set forth below pertain to this Offer and the Acquirer 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 the risks involved in the participation by Public Shareholders in this Offer but are merely indicative. Public Shareholders are advised to consult their stockbrokers, investment consultants and / or tax advisors, for analyzing and understanding all the risks with respect to their participation in this Offer.

For capitalized terms used herein please refer to ‘Definitions / Abbreviations’ set out below.

Risk factors relating to the Offer

1. As on the date of this Letter of Offer, to the best knowledge of the Acquirer there are no statutory approval(s) required by the Acquirer to complete the acquisitions under the SPAs. The completion of the acquisitions under the SPAs are conditional upon the SPA Conditions (*as defined below*) being satisfied or waived (as the case may be). In the event the SPA Conditions are not met for reasons outside the reasonable control of the Acquirer, then the SPAs may be rescinded and this Offer may be withdrawn, subject to applicable law.
2. Non-resident holders and Overseas Corporate Bodies (the “OCBs”) holders of Equity Shares must obtain all requisite approvals, if any, to tender the Equity Shares held by them in this Offer. Further, if the Public Shareholders 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 Equity Shares held by them pursuant to this Offer, along with the Form of Acceptance-cum-Acknowledgment and other documents required to be tendered to accept this Offer. In the event such prior approvals are not submitted, the Acquirer reserves its right to reject such Equity Shares tendered in this Offer. If the Equity Shares are held under general permission of the RBI, the non-resident Public Shareholder or OCB 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.
3. In the event of any litigation leading to a stay on the Offer by a court of competent jurisdiction, or SEBI instructing that the Offer should not proceed, the Offer may be withdrawn or the Offer process may be delayed beyond the schedule of activities indicated in this LoF.
4. The Equity Shares tendered in this Offer may 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. During such period, there may be fluctuations in the market price of the Equity Shares that may adversely impact the Public Shareholders who have tendered their Equity Shares in this Offer. It is understood that the Public Shareholders will be solely responsible for their decisions regarding their participation in this Offer.
5. The Public Shareholders should note that, under the Takeover Regulations, once the Public Shareholders have tendered their Equity Shares, they will not be able to withdraw their Equity Shares from the Offer during the Tendering Period even in the event of a delay in the acceptance of Equity Shares under the Offer and/or the dispatch of consideration.
6. The Public Shareholders may tender their Offer 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 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. The Acquirer will pay such consideration within 10 Working Days after closure of the Tendering Period.
7. The Acquirer and the Manager accept no responsibility for the statements made otherwise than in this LoF, the DPS, the Public Announcement or in the advertisement or any materials issued by or at the instance of

the Acquirer (excluding all 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 its own risk.

8. This LoF has not been filed, registered or approved in any jurisdiction outside India. Recipients of this LoF resident in jurisdictions outside India should inform themselves of and observe any 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 the applicable laws or regulations or would subject the Acquirer or the Manager to the Offer to any new or additional registration requirements.
9. 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 and the Manager do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in this LoF.

Probable risks involved in associating with the Acquirer

1. Neither the Acquirer nor the Manager make any assurance with respect to the continuation of past trends in the financial performance of the Target Company.
2. Neither the Acquirer nor the Manager can provide any assurance with respect to the market price of the Equity Shares before, during or after the Offer Period and each of them expressly disclaim any responsibility or obligation of any kind with respect to any decision by any Public Shareholder regarding whether or not to participate in the Offer.
3. Neither the Acquirer nor the Manager make any assurance with respect to their investment or disinvestment relating to their proposed shareholding in the Target Company.

NO OFFER / SOLICITATION / REGISTRATION IN OTHER JURISDICTIONS

General

This LoF together with the DPS and the Public Announcement in connection with the Offer, has been prepared for the purposes of compliance with the applicable laws and regulations of India, including the SEBI Act and the Takeover Regulations, as amended, and has not been registered or approved under any laws or regulations of any country outside of India. The disclosures in this LoF 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 the Takeover Regulations, as amended, 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 Acquirer and the Manager to the Offer are under no obligation to update the information contained herein at any time after the date of this LoF.

No action has been or will be taken to permit this Offer in any jurisdiction where action would be required for that purpose. The Letter of Offer shall be dispatched to all Public Shareholders whose name appears on the register of members of the Target Company, at their stated address, as of the Identified Date, subject to Regulation 18 (2) of the Takeover Regulations, viz. provided that where local laws or regulations of any jurisdiction outside India may expose the Acquirer or the Target Company to material risk of civil, regulatory or criminal liabilities in the event the Letter of Offer in its final form were to be sent without material amendments or modifications into such jurisdiction, and the shareholders resident in such jurisdiction hold Equity Shares entitling them to less than five per cent of the voting rights of the Target Company, the Acquirer may refrain from dispatch of the Letter of Offer into such jurisdiction: provided further that, subject to applicable law, every person holding Equity Shares, regardless of whether he, she or it held Equity Shares on the Identified Date or has not received the Letter of Offer, shall be entitled to tender such Equity Shares in acceptance of the Offer. Further, receipt of the Letter of Offer 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 Letter of Offer under any local securities laws), 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 Letter of Offer 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.

CURRENCY OF PRESENTATION

1. In this LoF, all references to “Rs.”/“INR” are to Indian Rupee(s), the official currency of India and references to EUR are references to Euro. Throughout this LoF, all figures have been expressed in “thousand”, or “lakh” unless otherwise specifically stated.
2. In this LoF, any discrepancy in any table between the total and sums of the amounts listed are due to rounding off and/or regrouping.
3. The exchange rates taken for conversion of the Acquirer financials from Euro to INR are from www.rbi.org.in / www.fbil.org.in. For profit and loss related line items, the average rates of INR 71.26, INR 74.37, INR 73.55, INR 80.66 and INR 80.11 during the years ending December 31, 2015, December 31, 2016, December 31, 2017, December 31, 2018 and 3 months ended March 31, 2019 respectively have been considered and for balance sheet related line items, the closing rates of INR 72.50, INR 71.62, INR 76.39, INR 79.78 and INR 77.70 for the years ending December 31, 2015, December 31, 2016, December 31, 2017, December 31, 2018 and 3 months ended March 31, 2019 respectively have been considered.

TABLE OF CONTENTS

Sr. No.	Subject	Page No.
1.	Disclaimer Clause	10
2.	Details of this Offer	11
3.	Background of the Acquirer	17
4.	Background of the Target Company	22
5.	Offer Price and Financial Arrangements	26
6.	Terms and conditions of the Offer	28
7.	Procedure for Acceptance and Settlement of the Offer	32
8.	Compliance with Tax Requirements	36
9.	Documents for Inspection	40
10.	Declaration by the Acquirer	41
	Form of Acceptance cum Acknowledgement	43

DEFINITIONS / ABBREVIATIONS

Sr. No.	Particulars	Details / Definition
1.	Acquirer	AI Global Investments (Cyprus) PCC Limited.
2.	AIH	Aravali Investment Holdings.
3.	Aravali Shares	means the 8,500 Equity Shares held by AIH.
4.	Beneficial Owner	Beneficial owners of the Equity Shares, whose names appeared as beneficiaries on the records of their respective DP at the close of business hours on the Identified Date or at any time before the closure of the Tendering Period.
5.	Board	The board of directors of the Target Company.
6.	BSE	BSE Limited.
7.	DPS	The detailed public statement dated September 16, 2019, published on behalf of the Acquirer in the Newspapers on September 17, 2019 and filed with the BSE, NSE, SEBI and sent to the Target Company on September 17, 2019.
8.	DLoF / Draft Letter of Offer	This draft letter of offer filed with SEBI pursuant to Regulation 16(1) of the Takeover Regulations.
9.	Equity Shares	Fully paid up equity shares of the Target Company having a face value of INR 2 each.
10.	Escrow Bank	ICICI Bank Limited
11.	Expanded Voting Share Capital	means the total voting equity share capital of the Target Company on a fully diluted basis expected as of the 10th working day from the closure of the Tendering Period for this Offer. This includes 162,500 outstanding employee stock options which have already vested as on the date of the PA 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 PA and January 31, 2020 (assuming January 31, 2020 as the 10th (Tenth) Working Day from the closure of the Tendering Period)
12.	FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, as amended from time to time.
13.	Form of Acceptance-cum-Acknowledgment	The form of acceptance-cum-acknowledgement.
14.	FII	Foreign Institutional Investor as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995, amended from time to time.
15.	FPI	Foreign Portfolio Investor as defined under the SEBI (Foreign Portfolio Investors) Regulations, 2014, as amended, registered with SEBI under applicable laws in India.
16.	GAAP	Generally Accepted Accounting Principles.
17.	Identified Date	November 21, 2019 i.e. the date falling on the 10 th Working Day prior to the commencement of Tendering Period, for the purposes of determining the Public Shareholders to whom the Letter of Offer shall be sent.
18.	Income Tax Act	The Income Tax Act, 1961, as amended from time to time.
19.	JIH	Jwalamukhi Investment Holdings.
20.	Jwalamukhi Shares	means the 4,975,830 Equity Shares held by JIH.

Sr. No.	Particulars	Details / Definition
21.	Letter of Offer	The Letter of Offer, duly incorporating SEBI's comments on the DLoF.
22.	Maximum Consideration	INR 3,261,072,035.50 being the maximum consideration payable assuming full acceptance of the Offer.
23.	Manager / Manager to the Offer	ICICI Securities Limited
24.	Newspapers	The newspapers wherein the DPS was published on behalf of the Acquirer as more specifically detailed below in Clause 2.2.2.
25.	NRIs	Non Resident Indians and persons of Indian origin residing abroad.
26.	NSE	National Stock Exchange of India Limited.
27.	Offer	Open offer being made by the Acquirer to the Public Shareholders of the Target Company, to acquire up to 13,070,429 Equity Shares at a price of INR 249.50 per Equity Share.
28.	Offer Escrow Account	Account No. 000405121815 with the name "AI Global Escrow Account" opened with the Escrow Bank pursuant to the Offer Escrow Agreement.
29.	Offer Escrow Agreement	Agreement dated September 9, 2019 entered into between the Acquirer, Manager to the Offer and the Escrow Bank.
30.	Offer Opening Public Announcement	The announcement of the commencement of the Tendering Period to be made on behalf of the Acquirer at least 1 Working Day prior to the commencement of Tendering Period.
31.	Offer Opening Date	Date of commencement of the Tendering Period i.e. December 5, 2019.
32.	Offer Closing Date	Date of closure of the Tendering Period i.e. December 18, 2019.
33.	Offer Period	Has the same meaning as ascribed to it under the Takeover Regulations.
34.	Offer Price	INR 249.50 per Equity Share at which the Offer is being made to the Public Shareholders.
35.	Offer Shares	13,070,429 Equity Shares representing 26.00% of the Expanded Voting Share Capital.
36.	Offer Size	Up to 13,070,429 Equity Shares to be purchased in the Offer, assuming full acceptance representing 26.00% of the Expanded Voting Share Capital.
37.	Other Individual Shareholders	Collectively mean Mr. Man Mohan Singh and Ms. Anuradha Sharma.
38.	Other Shareholder Shares	means 2,500,000 Equity Shares to be acquired from the Other Individual Shareholders in terms of SPA 3.
39.	Paid Up Share Capital	means the paid up equity share capital of the Target Company as on the date of the Public Announcement.
40.	PAN	Permanent Account Number.
41.	Promoter Shares	means 19,174,350 Equity Shares to be acquired from the Promoters in terms of SPA 1.
42.	Promoters	Collectively means The Delhi Flour Mills Company Limited, Mr. Mohit Jain, Mr. Rohan Jain, Mr. Rashad Jain and Ms. Surekha Jain
43.	Public Announcement / PA	Announcement of the Offer made by the Manager to the Offer on behalf of the Acquirer dated September 9, 2019 and sent to BSE, NSE the Target Company and SEBI on September 9, 2019.

Sr. No.	Particulars	Details / Definition
44.	Public Shareholders	mean all the equity shareholders of the Target Company excluding (i) the Acquirer; (ii) parties to the SPAs (defined below); and (iii) the persons deemed to be acting in concert with the persons set out in (i) and (ii).
45.	RBI	Reserve Bank of India.
46.	Registrar to the Offer	Link Intime India Private Limited
47.	SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.
48.	SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
49.	SEBI	Securities and Exchange Board of India.
50.	SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time.
51.	SPA 1	means the share purchase agreement dated September 9, 2019 entered into between the Acquirer, Promoters and the Target Company.
52.	SPA 2	means the share purchase agreement dated September 9, 2019 entered into between the Acquirer and WestBridge..
53.	SPA 3	means the share purchase agreement dated September 9, 2019 entered into between the Acquirer and the Other Shareholders.
54.	SPAs	Collectively refers to SPA 1, SPA 2 and SPA 3.
55.	Stock Exchanges	Collectively refers to BSE and NSE.
56.	Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.
57.	Target Company	DFM Foods Limited, having its registered office at 8377, Roshanara Road, New Delhi, Delhi – 110007.
58.	TDS	Tax deducted at source.
59.	Tendering Period	Period commencing from December 5, 2019 and closing on December 18, 2019 (both days inclusive).
60.	WCF	WestBridge Crossover Fund, LLC.
61.	WCF Shares	means 7,476,255 Equity Shares held by WCF.
62.	WestBridge	Collectively means WCF, AIH and JIH.
63.	WestBridge Shares	Collectively means WCF Shares, Aravali Shares and Jwalamukhi Shares to be acquired from WestBridge in terms of SPA 2.
64.	Working Day	Working days of SEBI as defined in the Takeover Regulations.

Note: All capitalized terms used in this LoF and not specifically defined herein, shall have the meanings ascribed to them in the Takeover Regulations.

1 DISCLAIMER CLAUSE

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN

CONFORMITY WITH THE TAKEOVER REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE PUBLIC SHAREHOLDERS OF DFM FOODS LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF THE ACQUIRER 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 THIS LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MANAGER TO THIS OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER, ICICI SECURITIES LIMITED, HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 24, 2019 TO SEBI IN ACCORDANCE WITH THE TAKEOVER REGULATIONS. THE FILING OF THIS LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.”

2 DETAILS OF THIS OFFER

2.1 Background of this Offer:

2.1.1 This Offer is a mandatory open offer made by the Acquirer in terms of Regulation 3(1) and 4 of the Takeover Regulations pursuant to the execution of SPAs to acquire in excess of 25% of the shares carrying voting rights of the Target Company and control over the Target Company.

2.1.2 On September 9, 2019 the Acquirer entered into (i) SPA 1 with the Promoter and the Target Company to acquire the Promoter Shares constituting 38.27% of the Paid Up Share Capital and 38.14% of the Expanded Voting Share Capital; (ii) SPA 2 with WestBridge to acquire the WestBridge Shares constituting 24.87% of the Paid Up Share Capital and 24.79% of the Expanded Voting Share Capital; and (iii) SPA 3 with the Other Individual Shareholders to acquire Other Shareholder Shares constituting 4.99% of the Paid Up Share Capital and 4.97% Expanded Voting Share Capital. The Acquirer has agreed to acquire the Equity Shares under the SPAs at a price of INR. 249.50 per Equity Share. The completion of the transactions under the SPAs is subject to the satisfaction or waiver of certain conditions under the SPAs as stated below.

2.1.3 Salient features of the SPAs are set out below:

(i) Salient features of SPA 1

(a) Closing and reconstitution of the Board: Completion of the sale and purchase of Equity Shares under the SPAs may be undertaken in multiple tranches. Upon acquisition of the Aravali Shares and WCF Shares under SPA 2 on the Closing Date (*as defined in SPA 1*), (a) Mr. Mohit Jain or Mr. Rohan Jain (but not both) will resign as director of the Target Company, (b) Mr. Sandeep Singhal's resignation as director of the Target Company will be accepted by the Board, (c) the Acquirer shall appoint up to 5 nominees as directors of the Target Company and (d) the Promoters shall vote or abstain from voting on the Promoter Shares from the Closing Date till the Promoter Closing Date (*as defined in SPA 1*) as per the written directions of the Acquirer. Upon completion of the acquisition of the Promoter Shares, the remaining nominee director of the Promoters i.e. either Mr. Mohit Jain or Mr. Rohan Jain, as the case may be, will resign as a director of the Target Company.

(b) The sale and purchase of the Promoter Shares may be consummated as an on-market transfer (either as a block deal or a bulk deal) or an off-market transfer.

- (c) Sell down obligation: After completion of the Open Offer and the transactions contemplated in the SPAs, to the extent that the aggregate holding of the “promoter and promoter group” in the Target Company exceeds the maximum permissible promoter holding, the Acquirer and the Promoters (in the event that they hold any residual Equity Shares in the Target Company) have agreed to sell their respective shares within the time period set out in applicable law to ensure that the Target Company complies with the minimum public shareholding requirements.
- (d) Standstill obligations of the Target Company: Pending completion of the transactions contemplated in the SPAs, the Target Company and the Promoters have agreed to certain standstill obligations including the following: The Target Company shall (a) carry on its business in the ordinary course, (b) not effect any changes in the constitution of the Board, (c) not declare, pay or make any dividend or distribution (whether in cash, securities, property or other assets) on any class of equity or other securities; (d) not take any action for the winding up or dissolution; (e) not amend the charter documents of the Target Company. The parties to SPA 1 have also acknowledged that the Target Company is in the process of setting up a new manufacturing facility for the manufacture *inter-alia* of potato chips.
- (e) Conditions to closing: Completion of transactions under SPA 1 is subject to fulfillment of certain conditions including the following (collectively, “**SPA 1 Conditions**”):
 - (A) The Promoters, the Acquirer and the Target Company being in compliance with their obligations and covenants under the SPA 1 in all material respects;
 - (B) Representations and warranties provided by the Promoters and the Acquirer, under the SPA 1, being true and accurate;
 - (C) All SPA 2 Conditions and SPA 3 Conditions having been fulfilled;
 - (D) Receipt of consent from certain lenders or repayment or refinancing of the facilities obtained from such lenders in terms of SPA 1;
 - (E) There shall not be in effect any writ, judgment, injunction, decree, or similar order of any court or other authority or law restraining or otherwise preventing the consummation of the transactions contemplated in the SPAs;
 - (F) The Promoters having furnished a certificate from a chartered accountant confirming that there are no outstanding deficiencies and/or liabilities for any unpaid Taxes in connection with the Promoter Shares or any pending proceedings under the Income Tax Act, 1961;
 - (G) No Material Adverse Change (as defined in SPA 1) shall have occurred;
 - (H) Receipt of prior written consent by the Target Company from the Uttar Pradesh State Industrial Development Corporation for the consummation of the transactions contemplated in the SPAs;
 - (I) Execution of an Escrow Agreement (as defined in SPA 1);
 - (J) Completion of the transactions contemplated in SPA 1 having occurred on or before nine months from September 9, 2019 or twenty-six weeks from the Open Offer Closing Date (as defined in SPA 1), whichever is earlier; and
 - (K) SPA 2 not having been terminated.

- (f) Creation of pledge by the Promoters: In terms of SPA 1, the Promoters are permitted to avail certain loan facilities against a pledge over the Promoter Shares (“**Pledged Shares**”) for an amount not exceeding INR 1,050,000,000 (“**Promoter Loan**”). The proceeds from the sale of Promoter Shares by the Promoters under SPA 1 will be used to repay the Promoter Loan and the pledge will be released simultaneously with such sale of such shares. The Promoters shall ensure that in the event of a default or otherwise, the lenders of the Promoter Loan shall not dispose off the Pledged Shares without allowing the Acquirer to acquire such Pledged Shares in accordance with and subject to the terms of SPA 1.
- (g) Non-compete, Non-solicit restrictions and Transition arrangements: The Promoters have agreed to certain non-compete and non-solicit restrictions under SPA 1. The Promoters have also agreed to provide certain transition services under SPA 1. No separate consideration is payable for the same.
- (h) Indemnities and Warranties: The Promoters have provided customary indemnities and warranties to the Acquirer under SPA 1.
- (ii) **Salient features of SPA 2**
 - (a) Closing: In terms of SPA 2, the Acquirer and WestBridge have agreed that the sale and purchase of the (i) Aravali Shares and the WCF Shares shall be consummated as an off-market transaction; and (ii) Jwalamukhi Shares shall be consummated as an on-market transfer (either as a block deal or a bulk deal), in each case in accordance with the terms of SPA 2. If for any reason the Jwalamukhi Shares cannot be transferred to the Acquirer by way of an on-market transfer within an agreed time frame, SPA 2 will terminate in relation to the Jwalamukhi Shares.
 - (b) The Acquirer shall acquire control over the Target Company immediately following consummation of the sale and purchase of the Aravali Shares and the WCF Shares on the Closing Date (*as defined in SPA 2*).
 - (c) Conditions to closing: Completion of transactions under SPA 2 is subject to completion of certain conditions including the following (collectively, “**SPA 2 Conditions**”):
 - (A) WestBridge and the Acquirer being in compliance with their obligations and covenants under SPA 2;
 - (B) The representations and warranties provided by WestBridge and the Acquirer, under SPA 2, being true and accurate;
 - (C) Completion of the SPA 1 Conditions and SPA 3 Conditions;
 - (D) WestBridge shall have delivered an opinion to the Acquirer certifying certain tax related matters;
 - (E) There not being in effect any writ, judgment, injunction, decree, or similar order of any court or other authority or law restraining or otherwise preventing the consummation of the transactions contemplated in the SPAs, including the actions to be taken at Closing (as defined in SPA 2);
 - (F) Completion of the transactions contemplated in SPA 2 having occurred on or before six months from September 9, 2019; and
 - (G) SPA 1 not having been terminated.
 - (d) On or before Closing Date (*as defined in SPA 2*), Mr. Sandeep Singhal shall submit his resignation as a director of the Target Company, which resignation shall be effective immediately.

(iii) **Salient features of SPA 3**

- (a) Closing: The sale and purchase of the Other Shareholder Shares under SPA 3 may be consummated as an on-market transfer (either as a block deal or a bulk deal) or as an off-market transfer. The sale shall occur simultaneously with the acquisition of Promoter Shares in terms of SPA 1.
- (b) Conditions to closing: Completion of transactions under SPA 3 is subject to completion of certain conditions including the following (collectively, “SPA 3 Conditions”):
 - (A) The Other Shareholders and the Acquirer being in compliance with their obligations and covenants under the SPA 3 in all material respects;
 - (B) The representations and warranties provided by the Other Shareholders and the Acquirer, under SPA 3, being true and accurate;
 - (C) Completion of the SPA 1 Conditions and SPA 2 Conditions;
 - (D) Completion of closing in terms of SPA 2;
 - (E) The Other Shareholders shall have delivered an opinion to the Acquirer certifying that there are no outstanding deficiencies and/or liabilities for any unpaid Taxes in connection with the Other Shareholder Shares;
 - (F) There not being in effect any writ, judgment, injunction, decree, or similar order of any court or other authority or law restraining or otherwise preventing the consummation of the transactions contemplated in the SPAs, including the actions to be taken at Promoter Closing;
 - (G) SPA 1 and SPA 2 not having been terminated.
- 2.1.4 Object of the Offer: The Open Offer is being made as a result of the acquisition of more than 25% of 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 Takeover Regulations. The Target Company is presently engaged in the manufacture and sale of snack foods.
- 2.1.5 Adjustment to the Equity Shares acquired under the SPAs: Depending on the response to the Open Offer, the WestBridge Shares to be transferred to the Acquirer in accordance with the SPA 2 may stand reduced up to a maximum of 4.3% of the Paid Up Share Capital and the Promoter Shares to be transferred to the Acquirer in accordance with SPA 1 may stand reduced by a maximum of up to 1.7% of the Paid Up Share Capital.
- 2.1.6 Further, in terms of the SPAs, while it is contemplated that the transactions under the SPAs will be completed after the completion of this Offer, the Acquirer has the right to consummate such transactions during the Offer Period (as defined in the Takeover Regulations) by depositing an amount equal to 100% of the Maximum Consideration in cash in the Offer Escrow Account in accordance with the provisions of the Takeover Regulations.
- 2.1.7 Acquirer has deposited 25% of the Maximum Consideration in the Offer Escrow Account as more specifically detailed in Clause 5.2 below (Financial Arrangements), in accordance with Regulation 17 of the Takeover Regulations.
- 2.1.8 The proposed acquisition of voting rights in and control by the Acquirer over the Target Company is through the SPAs, as described above.
- 2.1.9 The Acquirer has not been prohibited by SEBI from dealing in securities, in terms of the directions issued under Section 11B of the SEBI Act or under any of the regulations made under the SEBI Act.

- 2.1.10 The Acquirer has the right to nominate up to 5 persons to the Board on the Closing Date. As of the date of this LoF, no persons have been identified for nomination.
- 2.1.11 There are no directors on the Board directly representing the Acquirer.
- 2.1.12 All the Offer Shares validly tendered and accepted in this Offer in accordance with and subject to the terms and conditions contained in the Public Announcement, DPS, and the Letter of Offer, will be acquired by the Acquirer.
- 2.1.13 The Manager to the Offer does not hold any Equity Shares.
- 2.1.14 The Offer is a mandatory offer and is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of the Takeover Regulations and is not a competitive bid in terms of Regulation 20 of the Takeover Regulations.
- 2.1.15 As per Regulation 26(6) of the Takeover Regulations, the Board is required to constitute a committee of independent directors to provide their written reasoned recommendation on the Offer to the Public Shareholders and such recommendations shall be published, at least 2 Working Days before the commencement of the Tendering Period, in the Newspapers in compliance with Regulation 26(7) of the Takeover Regulations.

2.2 Details of the Offer

- 2.2.1 The Public Announcement made on September 9, 2019 announcing the Offer is in compliance with Regulations 3(1) and 4 and other applicable provisions of the Takeover Regulations pursuant to the acquisition of up to 67.90% of the Expanded Voting Share Capital.
- 2.2.2 The DPS dated September 16, 2019 was published in Newspapers mentioned below on September 17, 2019:

Sr. No.	Newspaper	Language	Editions
1.	Financial Express	English	All editions
2.	Jansatta	Hindi	All editions
3.	Mumbai Lakshadeep	Marathi	Mumbai

The Public Announcement and the DPS are also available at SEBI's website: www.sebi.gov.in.

- 2.2.3 The Offer is being made by the Acquirer to all the Public Shareholders in terms of Regulations 3(1) and 4 of the Takeover Regulations.
- 2.2.4 The date of the opening of the Tendering Period for the Offer is December 5, 2019.
- 2.2.5 Pursuant to the Offer, the Acquirer proposes to acquire up to 13,070,429 Equity Shares tendered in this Offer at an Offer Price of INR 249.50 per Offer Share, aggregating to INR 3,261,072,035.50 payable by way of cash, subject to the terms and conditions of this LoF and in accordance with the Takeover Regulations.
- 2.2.6 The Offer Shares represent 26.00% of the Expanded Voting Share Capital of the Target Company.
- 2.2.7 The calculation of the Expanded Voting Share Capital and the Offer Size is as follows:

Particulars	Issued and Paid up Equity Shares and Voting Rights	% of Total Equity Shares / Expanded Voting Share Capital
Fully paid up Equity Shares	5,01,08,380	99.68%
Partly paid up Equity Shares	Nil	Nil
Vested options*	162500	0.32%
Total	5,02,70,880	100.00%

**Options vested till the date of the Public Announcement and 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 January 31, 2020 (assuming January 31, 2020 as the 10th (Tenth) Working Day from the closure of the Tendering Period)*

EXPANDED VOTING SHARE CAPITAL	
Equity Shares as on the date of PA	5,02,70,880
Offer Size (26.00 % of the Expanded Voting Share Capital)	1,30,70,429

- 2.2.8 All the Equity Shares validly tendered under this Offer to the extent of 26.00% of the Expanded Voting Share Capital will be acquired by the Acquirer in accordance with the terms and conditions set forth in this LoF. The Public Shareholders who tender their Equity Shares should ensure that the Equity Shares are free from all liens, charges, equitable interests and encumbrances and the Equity Shares will be acquired together with the rights attached thereto, including all rights to dividend, bonus and rights offer, if any, declared hereafter, and the tendering Public Shareholder shall have obtained any necessary consents for it to sell the Equity Shares on the foregoing basis. All Equity Shares validly tendered by the Public Shareholders will be accepted at the Offer Price by the Acquirer in accordance with the terms and conditions contained in the Public Announcement, DPS and this LoF.
- 2.2.9 Besides outstanding employee stock options, the Target Company does not have any (i) partly paid-up Equity Shares; and (ii) other convertible instruments.
- 2.2.10 There is no differential pricing for this Offer.
- 2.2.11 This Offer is not a competing offer in terms of Regulation 20 of the Takeover Regulations.
- 2.2.12 In terms of Regulation 23(1) of the Takeover Regulations, in the event that the approvals which become applicable prior to completion of the Offer are not received, the Acquirer shall have the right to withdraw the Offer. The completion of the acquisition under the SPAs is conditional upon the satisfaction or waiver of the SPA Conditions. In the event the SPA Conditions are not met for reasons outside the reasonable control of the Acquirer, then the SPAs may be rescinded, and the Offer may be withdrawn, subject to applicable law. In the event of withdrawal of this Offer, a public announcement will be made within 2 Working Days of such withdrawal, in accordance with the provisions of Regulation 23(2) of the Takeover Regulations.
- 2.2.13 The Acquirer has not acquired any Equity Shares between the date of the Public Announcement i.e. September 9, 2019 and the date of this LoF.
- 2.2.14 There has been no competing offers to this Offer.
- 2.2.15 The Equity Shares are listed on the Stock Exchanges.
- 2.2.16 As per Regulation 38 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Rules 19(2) and 19A of the Securities Contract (Regulation) Rules, 1957, as amended (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. Pursuant to completion of this Offer, in the event that the public shareholding in the Target Company falls below the minimum level required as per Rule 19A of the SCRR, the Acquirer acknowledges to ensure, as required under the Takeover Regulations, that the non-public

shareholding in the Target Company is reduced to the level specified and within the time prescribed in the SCRR, Takeover Regulations and the applicable SEBI guidelines. Please also refer to Paragraph 2.1.3(i)(e), in respect of the obligation of the Promoters to sell-down their shareholding in the Target Company under the SPAs.

2.2.17 The Manager to the Offer shall not deal on their own account in the Equity Shares during the Offer Period.

2.3 **Object of the Offer**

2.3.1 The execution of the SPAs has resulted in a direct acquisition of the Target Company and this Offer is being made, pursuant to Regulations 3(1) and 4 of the Takeover Regulations. The Target Company is presently engaged in the manufacture and sale of snack foods.

2.3.2 Currently, the Acquirer does not have any intention to dispose-off or otherwise encumber any assets or investments of the Target Company, through sale, lease, encumbrance, reconstruction, restructuring or otherwise, other than in the ordinary course of business. If the Acquirer intends to alienate any material asset of the Target Company or any of its subsidiaries within a period of 2 years from the date of completion of this Offer, a special resolution of the shareholders of the Target Company or any of its subsidiaries, as applicable, in accordance with the proviso to Regulation 25(2) of the Takeover Regulations would be taken before undertaking any such alienation of any material assets.

3 **BACKGROUND OF THE ACQUIRER**

3.1 **Acquirer**

3.1.1 The Acquirer is a private company limited by shares, incorporated in Guernsey on May 28, 2010 (company registration number (Guernsey): 51941). The Acquirer is a protected cell company (“**PCC**”) registered in Cyprus as an overseas company on September 8, 2010 under section 347 of the Cyprus Companies Law, Cap. 113 (company registration number (Cyprus): AE2555). There has been no change in the name of Acquirer since its incorporation.

3.1.2 The office of the Acquirer in Guernsey is located at 1st and 2nd Floors, Elizabeth House, Les Ruettes Brayes, St Peter Port, Guernsey, GY1 1EW 3 and the office of the Acquirer in Cyprus branch is located at 3rd Floor, Globe House, 23 Kennedy Avenue, 1075 Nicosia, Cyprus. Tel: +357 2202 9420. Company secretary: Carey Commercial Limited, 1st and 2nd Floors, Elizabeth House, Les Ruettes Brayes, St Peter Port, Guernsey, GY1 1EW 3.

3.1.3 A PCC is one which legally segregates the assets and liabilities of different classes of shares from each other. A PCC may create one or more cells, the assets and liabilities of each cell being segregated from the non-cellular assets of the PCC (known as the core) and from the assets and liabilities of other cells. Accordingly, the Acquirer consists of more than one cell, each of which is owned by different entities which are ultimately owned by certain funds managed by Advent International Corporation (“**AIC**”) or its affiliates (“**Advent Funds**”).

3.1.4 AI Global Investments (Cyprus) PCC Limited – Darwin Cell is one such cell of the Acquirer which will complete the transactions contemplated under the SPAs and the Open Offer. The shares of AI Global Investments (Cyprus) PCC Limited – Darwin Cell are owned by AI Darwin (Cayman) Limited which in turn is owned and controlled by Advent Funds.

3.1.5 The Acquirer has the right to issue unlimited number of shares of EUR 1.00 (Euro one only) each which can be designated as either shares of the core (“**Core shares**”) or of the cells (“**Cell shares**”). The issued and paid up capital of AI Global core is EUR 1.00 (Euro one only) comprising 1 (One) Core share. The issued and paid up capital of AI Global Investments (Cyprus) PCC Limited – Darwin Cell is EUR 1 comprising 1 redeemable share of no par value.

3.1.6 The non-cellular core assets of the Acquirer are wholly owned by AI Global Investments & CY S.C.A., which is incorporated in Luxemburg. AI Global Investments & CY S.C.A. is 100% owned and controlled by certain funds managed by AIC.

3.1.7 The details of the directors of the Acquirer are as follows:

Name	Date of Appointment	DIN	Qualification and Experience
Christakis Klerides	July 2, 2010	N/A	Christakis Klerides, is a Fellow of the Chartered Association of Certified Accountants of the United Kingdom. He was a senior partner of KPMG Cyprus until he was appointed Minister of Finance of the Republic of Cyprus in 1999, a post he held until February 2003. During his tenure as Minister of Finance amongst others, he introduced a major tax reform to harmonize the Cyprus tax legislation with European Union. From 2003, he has been appointed as a non-executive director on the boards of many Cyprus and overseas companies, as well as, in corporate governance committees. His main interests are in banking, finance, insurance and shipping. He also serves on the Board of The Leukemia Research and Bone Marrow Donors Foundation as well as in various positions in the European Basketball Federation, having served before his ministerial duties as Chairman of the Cyprus Basketball Federation for 10 (Ten) years and a member of the Cyprus Olympic Committee.
Victor Papadopoulos	July 2, 2010	N/A	Viktor Papadopoulos is a consultant in international trade finance and syndicated loans and serves as a director of various international financial services and commercial companies. An experienced senior banking executive, founding member of the London Forfaiting Company PLC and previously Chief Executive of LFC Cyprus, he spearheads the group's trade finance and capital markets operations in Eastern Europe, India and the Far East. In more recent times, he has served on the boards of several international financial institutions as well as engineering and private equity groups. He holds a post graduate diploma in Tourism and Tourist Management from University of Surrey, United Kingdom and Bachelor of Arts in Economics from City University (formerly City of London Polytechnic) London.

Justin Alexander Nuccio	May 5, 2012	N/A	Justin Nuccio is the European director of operations and finance at Advent International Plc. and is responsible for the management and oversight of human resources, risk management, business operations, fund administration, deal structuring and corporate accounting for the European region. Prior to working at Advent International Plc, he co-lead Deloitte's UK asset management consulting practice and was based in its London office for 4 (Four) years. Previously, he spent 10 (Ten) years with Deloitte in New York and Chicago, in its capital markets consulting practice, providing strategic, operational and technology services to private equity firms, hedge funds, real estate opportunity fund managers and global investment banks. He holds an MBA with distinction from New York University's Stern School of Business, a Master of Arts from Princeton University and a Bachelor of Arts from the University of Chicago.
-------------------------	-------------	-----	--

- 3.1.8 The Acquirer is the investment hub for Asia for the Advent Funds.
- 3.1.9 The equity shares of the Acquirer are not listed on any stock exchange in India or abroad.
- 3.1.10 Neither the Acquirer nor its directors or key employees have any relationship or interest in the Target Company. There are no directors on the Board representing the Acquirer.
- 3.1.11 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.
- 3.1.12 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.
- 3.1.13 The financial information of the Acquirer set out below is based on the audited financial statements for the year ended December 31, 2015, December 31, 2016 and December 31, 2017 Further the financials for the year ended December 31, 2018 and the 3 months ended March 31, 2019 are based on the AUP report received from Statutory Auditor dated September 23, 2019:

Particulars	Financial Year ended Dec 31, 2015		Financial Year ended Dec 31, 2016		Financial Year ended Dec 31, 2017		Financial Year ended Dec 31, 2018		3 month period ended March 31, 2019	
	€	INR	€	INR	€	INR	€	INR	€	INR
Revenue/ Income from operations	-	-	-	-	-	-	-	-	-	-
Other Income	197,713	14,089,761	19,685	1,463,999	106,050	7,799,623	47,345	3,818,882	-	-
Total Income	197,713	14,089,761	19,685	1,463,999	106,050	7,799,623	47,345	3,818,882	-	-
Total expenditure	(57,632,410)	(7,000,000)	(488,483)	(36,329,114)	(2,213,982)	(162,830,955)	(1,074,852)	(86,698,335)	(4,069,280)	(326,005,684)

Particulars	Financial Year ended Dec 31, 2015		Financial Year ended Dec 31, 2016		Financial Year ended Dec 31, 2017		Financial Year ended Dec 31, 2018		3 month period ended March 31, 2019	
	€	INR	€	INR	€	INR	€	INR	€	INR
	283)	90,133			)					
Profit before finance cost, tax and depreciation (EBITD)	(57,434,570)	(4,093,000,371)	(468,798)	(348,651,150)	(2,107,932)	(155,031,332)	(1,027,507)	(82,879,454)	(4,069,280)	(326,005,684)
Depreciation	(6,145)	(437,915)	(9,676)	(719,623)	(10,531)	(774,543)	(9,860)	(795,311)	-	-
Interest/Finance Income	227,140	16,186,838	1,263,324	93,955,060	25,945	1,908,168	3,918,435	316,063,774	-	-
Interest/Finance cost	(20,419,202)	(1,455,148,030)	(4,151,494)	(308,752,045)	(3,482,574)	(256,131,681)	(2,137,022)	(172,373,725)	(2,983)	(238,980)
Share of Profit from Associates	-	-	314,047	23,356,087	6,763,933	497,464,672	-	-	-	-
Profit before taxes	(77,632,777)	(5,532,399,478)	(3,052,597)	(227,025,636)	1,188,841	87,435,283	744,046	60,015,283	(4,072,263)	(326,244,664)
Income Tax Expense	(27)	(1,924)	-	-	-	-	-	-	-	-
Profit from the sale of Associate	-	-	-	-	-	-	69,410,221	5,598,678,141	-	-
Profit after tax	(77,632,804)	(553,240,140)	(3,052,597)	(227,025,636)	1,188,841	87,435,283	70,154,267	5,658,693,424	(4,072,263)	(326,244,664)

Particulars	Financial Year ended Dec 31, 2015		Financial Year ended Dec 31, 2016		Financial Year ended Dec 31, 2017		Financial Year ended Dec 31, 2018		3 month period ended March 31, 2019	
	€	INR	€	INR	€	INR	€	INR	€	INR
Cash at bank	2,948,133	213,742,591	9,386,478	672,236,088	8,237,056	629,201,526	6,031,437	481,191,060	1,932,071	150,126,554
Loan Receivables	-	-	-	-	2,689,762	205,462,043	5,709,757	455,527,268	5,707,253	443,467,256
Other Receivables	166,376,750	12,062,480,752	74,369	5,326,122	37,015	2,827,454	16,784	1,339,036	17,169	1,334,073
Current Assets	169,324,883	12,276,223,342	9,460,847	677,562,210	10,963,833	837,491,022	11,757,978	938,057,364	7,656,493	594,927,882
Property Plant and Equipment	34,419	2,495,4	40,240	2,881,88	31,58	2,412,67	28,423	2,267,60	31,718	2,464,56

Particulars	Financial Year ended Dec 31, 2015		Financial Year ended Dec 31, 2016		Financial Year ended Dec 31, 2017		Financial Year ended Dec 31, 2018		3 month period ended March 31, 2019	
	€	INR	€	INR	€	INR	€	INR	€	INR
		12		8	5	4		1		5
Intangible Assets	3,941	285,726	2,550	1,82,625	1,160	88,609	460	36,699	460	35,743
Investments in subsidiaries	348,026,676	25,232,282,037	569,933,983	408,172,47,028	538,127,664	41,105,796,432	779,560,516	62,193,727,747	779,560,516	60,573,723,038
Investments in associates	-	-	119,200,858	8,536,867,448	125,964,791	9,622,034,701	199,510,723	15,917,065,236	199,510,723	15,502,462,003
Non-current assets	348,065,036	25,235,063,175	689,177,631	49,357,178,988	664,125,200	50,730,332,415	979,100,122	78,113,097,283	979,103,417	76,078,685,349
Total Assets	517,389,919	37,511,286,517	698,638,478	50,034,741,198	675,089,033	51,567,823,437	990,858,100	79,051,154,647	986,759,910	76,673,613,231
Other payables and accruals	97,689	7,082,550	105,675	7,568,179	86,783	6,629,067	571,980	45,632,850	547,083	42,509,662
Current Liabilities	97,689	7,082,550	105,675	7,568,179	86,783	6,629,067	571,980	45,632,850	547,083	42,509,662
Loans and borrowings	200,000	14,500,200	200,000	14,323,500	2,896,121	221,225,126	5,559,652	443,551,816	5,559,652	431,998,304
Non- Current Liabilities	200,000	14,500,200	200,000	14,323,500	2,896,121	221,225,126	5,559,652	443,551,816	5,559,652	431,998,304
Total Liabilities	297,689	21,582,750	305,675	21,891,679	2,982,904	227,854,193	6,131,632	489,184,667	6,106,735	474,507,966
Net Current Assets (Current Assest less Current Liabilities)	169,227,194	12,269,140,792	9,355,172	669,994,031	10,877,050	830,861,955	11,185,998	892,424,513	7,109,410	552,418,220
Equity										
Share Capital	20,109,802	1,457,980,755	2,436,722	174,511,938	2,703,837	206,537,186	114,112,360	9,103,941,137	114,112,360	8,866,804,242
Share Premium	46,10,90,185	33,429,499,503	737,717,307	52,833,469,234	721,732,014	55,130,726,834	741,325,287	59,143,302,060	741,325,287	57,602,753,981

Particulars	Financial Year ended Dec 31, 2015		Financial Year ended Dec 31, 2016		Financial Year ended Dec 31, 2017		Financial Year ended Dec 31, 2018		3 month period ended March 31, 2019	
	€	INR	€	INR	€	INR	€	INR	€	INR
Reserves	35,892,243	2,602,223,510	-41,821,226	-2,995,131,653	52,329,722	3,997,294,775	129,288,821	10,314,726,784	125,215,528	9,729,547,043
Total Equity	517,092,230	374,89703,767	698,332,803	50,012,849,519	672,106,129	51,339,969,244	984,726,468	785,619,69,980	980,653,175	76,199,105,265
Equity and Liabilities	517,389,919	37,511,286,517	698,638,478	50,034,741,198	675,089,033	51,567,823,437	990,858,100	79,051,154,647	986,759,910	76,673,613,231
Net worth	517,092,230	37,489,703,767	69,8332,803	50,012,849,519	672,106,129	51,339,969,244	984,726,468	78,561,969,980	980,653,175	761,991,05,265
Other Financial Data										
Dividend (%)										
Earnings Per Share (₹) (Basic and Diluted)	NA	NA	NA	NA	0.002881	0.220	0.001229	0.098	NA	NA

The exchange rates taken for conversion of the Acquirer financials from Euro to INR are from www.rbi.org.in / www.fbil.org.in. For profit and loss related line items, the average rates of INR 71.26, INR 74.37, INR 73.55, INR 80.66 and INR 80.11 during the years ending December 31, 2015, December 31, 2016, December 31, 2017, December 31, 2018 and 3 months ended March 31, 2019 respectively have been considered and for balance sheet related line items, the closing rates of INR 72.50, INR 71.62, INR 76.39, INR 79.78 and INR 77.70 for the years ending December 31, 2015, December 31, 2016, December 31, 2017, December 31, 2018 and 3 months ended March 31, 2019 respectively have been considered.

3.1.14 The Acquirer does not have any major contingent liabilities as on March 31, 2019.

4 BACKGROUND OF THE TARGET COMPANY

- 4.1. The Target Company is a public limited company, incorporated in India on March 17, 1993 under the Companies Act, 1956, as amended. There has been no change in the name of the Target Company since its incorporation.
- 4.2. The registered office of the Target Company is situated at 8377, Roshanara Road, Delhi - 110007. The Corporate Identification Number of the Target Company is L15311DL1993PLC052624.
- 4.3. The Target Company is engaged in the manufacture and sale of snack foods. It has manufacturing facilities at Ghaziabad (Uttar Pradesh) and Greater Noida (Uttar Pradesh).
- 4.4. The Equity Shares are listed on BSE (Scrip Code: 519588; Scrip ID: DFM;) and NSE (Symbol: DFMFOODS) and are currently not suspended from trading on BSE and NSE. The ISIN of Equity Shares is ISIN: INE456C01020.

- 4.5. The Equity Shares are not frequently traded on the Stock Exchanges in terms of Regulation 2(1)(j) of the Takeover Regulations.
- 4.6. The total authorized share capital of the Target Company is INR 130,000,000 consisting of 65,000,000 Equity Shares and 2,000,000 10% Cumulative convertible preference shares of face value INR 10 each amounting to INR 20,000,000. The issued, subscribed and paid-up share capital of the Target Company is INR 100,216,760 consisting of 50,108,380 Equity Shares as on September 9, 2019.
- 4.7. Besides outstanding employee stock options, the Target Company does not have any (i) partly paid-up Equity Shares; and (ii) other convertible instruments.
- 4.8. The composition of the Board is as follows:

Sr. No.	Name	Designation	DIN	Date of Appointment
1.	Mr. Mohit Jain	Managing Director	00079452	Original date: March 17, 1993 Re-appointed date: February 18, 2019
2.	Mr. Rohan Jain	Dy. Managing Director	02644896	Original date: May 23, 2009 Re-appointed date: June 1, 2019
3.	Mr. Pradeep Dinodia	Independent Director	00027995	December 30, 2014
4.	Mr. Mohit Satyanand	Independent Director	00826799	December 30, 2014
5.	Mr. Sarat Chandra Nanda	Independent Director	00827193	December 30, 2014
6.	Mr. Sandeep Singhal	Non Executive Non Independent Director	00040491	January 30, 2014
7.	Ms. Hiroo Mirchandani	Independent Director	06992518	March 30, 2015

- 4.9. The financial information of the Target Company based on its audited standalone financial statements for the financial years ended March 31, 2019, March 31, 2018 and March 31, 2017 is set out below:

<i>(Amount in INR lakhs)</i>			
Particulars	Financial Year ended March 31, 2019	Financial Year ended March 31, 2018	Financial Year ended March 31, 2017
Income from Operations	48,362	42,531	34,191
Other Income	510	434	499
Total Income	48,872	42,965	34,690
Total Expenditure (excluding Depreciation and Interest)	42022	37,448	31,008
Profit before Depreciation Interest and Tax	6,850	5,517	3,682
Depreciation	1,050	997	723
Interest	1,063	1,002	449
Profit/(loss) before Tax	4,737	3,518	2,510
Provision for Tax	1,461	1,187	664
Profit/ (Loss) after Tax	3,276	2,331	1,846

Balance Sheet Statement

(Amount in INR lakhs except earnings per share)

Particulars	As at Financial Year ended March 31, 2019	As at Financial Year ended March 31, 2018	As at Financial Year ended March 31, 2017
Sources of fund			
Paid-up share capital	1,002	1,002	1,000
Reserves & Surplus (excluding revaluation reserves)	11,923	9,241	7,459
Net Worth	12,925	10,243	8,459
Borrowings	9,345	9,279	9,772
Others liabilities	6474	5550	6289
Deferred Tax Liabilities and Provisions	2374	1870	1405
Total	31,118	26,942	25,925
Uses of funds			
Net fixed assets	17,159	15,925	15901
Investments	5,507	5,186	4,853
Others assets	8,452	5,831	5171
Total	31,118	26,942	25,925
Other Financial Data			
Dividend (%)#	62.50%	50.00%	50.00%
Earnings Per Share (in INR)			
Basic	6.54	4.66	18.46*
Diluted	6.52	4.64	18.34*
Return on Net Worth	25.35%	22.76%	21.82%
Book Value Per Share**	25.79	20.44	16.92

Source: The financial information set forth above has been extracted from the Target Company's, annual results/annual reports for the financial year ended March 31, 2019, March 31, 2018 and March 31, 2017, as available on www.bseindia.com and www.nseindia.com

*The EPS for Financial Year ended March 31, 2017 adjusted on a post split basis is INR 3.69.

#actual % of the dividend distributed which were duly approved in the AGM dated August 13, 2019, August 06, 2018 and August 09, 2017 respectively.

**The Book Value Per Shares is adjusted adjusted for split of shares in the financial year ended March 31, 2018

- 4.10. Pre and post Offer Shareholding pattern of the Target Company, as on November 21, 2019 is as provided below:

Shareholders Category	Shareholding and voting rights prior to the agreement / acquisition and Offer		Shares/voting rights agreed to be acquired which triggered the Takeover Regulations		Shares/voting rights to be acquired in Offer (Assuming full acceptance from Public Shareholders)		Shareholding/ voting rights after the acquisition and Offer#	
	(A)		(B)		(C)		(A) + (B) + (C) = (D)	
	Number	%*	Number	%*	Number	%*	Number	%*
1.Promoter Group								

Shareholders Category	Shareholding and voting rights prior to the agreement / acquisition and Offer		Shares/voting rights agreed to be acquired which triggered the Takeover Regulations		Shares/voting rights to be acquired in Offer (Assuming full acceptance from Public Shareholders)		Shareholding/ voting rights after the acquisition and Offer [#]	
	(A)		(B)		(C)		(A) + (B) + (C) = (D)	
	Number	%*	Number	%*	Number	%*	Number	%*
(a) Parties to the SPAs								
Mr. Mohit Jain	853,625	1.70%	853,625	1.70%	-	-	851,842**	1.69%**
Mr. Rohan Jain	96,000	0.19%	96,000	0.19%	-	-		
Mr. Rashad Jain	32,000	0.06%	32,000	0.06%	-	-		
Ms. Surekha Jain	1,884,345	3.75%	1,884,345	3.75%	-	-		
The Delhi Flour Mills Company Limited	16,308,380	32.44%	16,308,380	32.44%	-	-		
(b) Promoters other than (a) above (i.e.)	-	-	-	-	-	-	-	-
Total (1)(a+b)	19,174,350	38.14%	19,174,350	38.14%	-	-	851,842	1.69%
2. Acquirers								
Acquirer	Nil	Nil	34,134,935	67.90%	13,070,429	26%	43,679,820 [#]	87.17% [#]
Total	Nil	Nil	34,134,935	67.90%	13,070,429	26%	43,679,820 [#]	87.17% [#]
3. Parties to the agreement other than (1)(a) and (2)								
WCF	7,476,255	14.87%	7,476,255	14.87%	-	-	Nil	Nil
JIH	4,975,830	9.90%	4,975,830	9.90%	-	-	2,154,660**	4.29%**
AIH	8,500	0.02%	8,500	0.02%	-	-	Nil	Nil
Mr. Man Mohan Singh	4,289,608	8.53%	1,500,000	2.98%	-	-	27,89,608	5.55%
Ms. Anuradha Sharma	1,632,450	3.25%	1,000,000	1.99%	-	-	632,450	1.26%
4. Public (other than parties to the agreement)								
(a) FIs/MFs/Banks/SFIs	35,49,479	7.06%						
(b) Others	9,001,908	17.91%						
(c) Vested ESOPs [^]	162,500	0.32%					1,62,500	0.32%
Total (4)(a+b)	12,713,887	25.29%						
Grand Total (1+2+3+4)	5,02,70,880	100.00%					5,02,70,880	100.00%

Source: Benpos dated November 21, 2019 (being the Identified Date) as provided by the Target Company

*the percentage of voting share capital is calculated on the basis of the Expanded Voting Share Capital.

** Computed assuming acquisition of Equity Shares pursuant to the SPAs has been adjusted in terms of paragraph 2.1.5.

#Computed assuming acquisition of Equity Shares pursuant to the SPAs has been adjusted in terms of paragraph 2.1.5 and the entire public shareholding as on November 21, 2019 has been validly tendered and accepted by the Acquirer in the Open Offer (excluding the vested options)

^Vested options outstanding as on January 31, 2020 (assuming January 31, 2020 as the 10th Working Day from the closure of the Tendering Period for this Offer)

- 4.11. The Target Company has not been party to any scheme of amalgamation, restructuring, merger / demerger and spin off during the last 3 years.

5. **OFFER PRICE AND FINANCIAL ARRANGEMENTS**

5.1. **Justification of Offer price**

- 5.1.1. The Equity Shares are currently listed on the Stock Exchanges. The ISIN of Equity Shares is INE456C01020.

- 5.1.2. 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. September 1, 2018 to August 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	804,660	50,108,380	1.61%
NSE	4,636,219	50,108,380	9.25%

Source: www.bseindia.com, www.nseindia.com.

- 5.1.3. Based on the above, the Equity Shares are not frequently traded on the BSE and NSE in terms of Regulation 2(1)(j) of the Takeover Regulations.

- 5.1.4. The Offer Price of INR 249.50 per Equity Share is justified in terms of Regulation 8(2) of the Takeover Regulations, in view of the following:

Sr. No.	Particulars	Price (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.	249.50
(b)	The volume-weighted average price paid or payable for any acquisition, whether by the Acquirer during the fifty-two weeks immediately preceding September 9, 2019 (being the date of the PA).	Not Applicable
(c)	The highest price paid or payable for any acquisition, whether by the Acquirer during the twenty-six weeks immediately preceding September 9, 2019 (being the date of the PA).	Not Applicable
(d)	The volume-weighted average market price of the Equity Shares for a period of sixty trading days immediately preceding September 9, 2019 (being the date of the PA), as traded on the NSE, being the stock exchange where the maximum volume of trading in the Equity Shares	Not Applicable

Sr. No.	Particulars	Price (In INR per Equity Share)
	are recorded during such period, provided such Equity Shares are frequently traded.	
(e)	Where the Equity Shares are not frequently traded, the price determined by the Acquirer 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.	Bansi S. Mehta & Co: Rs. 246 Rajul Iyer & Associates: Rs. 240*
(f)	The per share value computed under Regulation 8(5), if applicable.	Not Applicable ⁽¹⁾

Source: Bansi S. Mehta & Co., Chartered Accountant, (Firm Registration Number: 100991W) has undertaken an independent valuation exercise and issued a valuation report dated September 9, 2019 under the provisions of Regulation 8(2)(e) of the Takeover Regulations.

Rajul Iyer & Associates, (Firm Registration Number: 130137W) has undertaken an independent valuation exercise and issued a valuation report dated September 9, 2019 under the provisions of Regulation 8(2)(e) of the Takeover Regulations.

Notes:

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

- 5.1.5. In view of the parameters considered and presented in the table in paragraph 4 above, the minimum offer price per Equity Share under Regulation 8(2) of the Takeover Regulations is the highest of item numbers (a) to (f) above i.e. INR 249.50 per Equity Share. Accordingly, the Offer Price is justified in terms of the Takeover Regulations.
- 5.1.6. There have been no corporate actions by the Target Company warranting adjustment of the relevant price parameters under Regulation 8(9) of the Takeover Regulations. The Offer Price may be revised in the event of any corporate actions like bonus, rights, split etc. where the record date for effecting such corporate actions falls within 3 Working Days prior to the commencement of Tendering Period of the Offer.
- 5.1.7. 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 shall comply with Regulations 18(4) and 18(5) of the Takeover Regulations and other applicable provisions of the Takeover Regulations.
- 5.1.8. In terms of Regulations 18(4) and 18(5) of the Takeover Regulations, the Offer Price or the Offer Shares may be revised at any time no later than 1 working day before the commencement of the Tendering Period. In the event of such revision, the Acquirers shall (i) make corresponding increase to the escrow amount, (ii) make public announcement in the same newspapers in which the DPS has been published, and (iii) simultaneously notify the BSE, NSE, SEBI and the Target Company of such revision. Such revision would be done in compliance with applicable requirements prescribed under the Takeover Regulations.
- 5.1.9. The Offer Price is subject to any upward revision, if any, pursuant to the Takeover Regulations or at the discretion of the Acquirer at any time prior to 1 Working Day before the commencement of the Tendering Period in accordance with Regulation 18(4) of the Takeover Regulations. In the event of such revision, the Acquirer shall make corresponding increase to the escrow amount (under Regulation 18(5) of Takeover Regulations), as more particularly set out in Clause 5.2 (Financial Arrangements) of this LoF; and the Acquirer shall (i) make a public announcement in the Newspapers; (ii) make corresponding changes to the Offer Escrow Amount; and (iii) simultaneously with the issue of such announcement, inform SEBI, the Stock Exchanges and the Target Company of such revision.

5.2. Financial arrangements:

- 5.2.1. The total consideration for the Offer Size at the Offer Price, assuming full acceptance of this Offer, is INR 3,261,072,035.50 (“**Maximum Consideration**”).
- 5.2.2. The Acquirer, the Manager and the Escrow Bank having an office at ICICI Bank Limited, Capital Markets Division, 1st Floor, 122, Mistry Bhavan, Dinshaw Vachha Road, Backbay Reclamation, Churchgate, Mumbai - 400020 have entered into the Offer Escrow Agreement. Pursuant to the Offer Escrow Agreement, the Acquirer has opened an Offer Escrow Account under the name and title of “AI Global Escrow Account” with the Escrow Bank and the Acquirer has made a cash deposit of INR 815,268,900, being in excess of 25% of the Maximum Consideration in the Offer Escrow Account in accordance with Regulation 17(1) of the Takeover Regulations. The Manager has been duly authorized to realize the monies lying to the credit of the Offer Escrow Account in terms of the Takeover Regulations. The cash deposit has been confirmed by the Escrow Bank vide letter dated September 12, 2019.
- 5.2.3. Deloitte Limited, Certified Public Accountants and Registered Auditors, having office at 24, Spyrou Kyprianou Avenue, CY – 1075, Nicosia, Cyprus, Tel no: +357 22 360 300, Fax no: +357 22 360 400 has issued an Agreed Upon Procedures Report dated September 9, 2019, with regard to the availability of financial resources held by the Acquirer as of August 28, 2019. Based on the above named report, in the case that the equity commitment letter which has been given by the Acquirer Investors (*as defined hereinafter*) to the Acquirer and the Manager to the Open Offer, is exercised as intended, the Acquirer will have sufficient funds to fulfil its payment obligations under this Offer.
- 5.2.4. The equity commitment letter has been signed by Advent International GPE IX Limited Partnership, Advent International GPE IX-C Limited Partnership, Advent International GPE IX-D SCSP, Advent International GPE IX-G Limited Partnership, Advent International GPE IX-I Limited Partnership, Advent Partners GPE IX Limited Partnership, Advent Partners GPE IX-A Limited Partnership, Advent Partners GPE IX Strategic Investors SCSP, Advent Partners GPE IX-B Cayman Limited Partnership, Advent International GPE IX-A SCSP, Advent International GPE IX-B Limited Partnership, Advent International GPE IX-E SCSP, Advent International GPE IX-F Limited Partnership, Advent International GPE IX-H Limited Partnership, Advent Partners GPE IX Cayman Limited Partnership and Advent Partners GPE IX-A Cayman Limited Partnership (each an “**Acquirer Investor**” and collectively the “**Acquirer Investors**”) in favour of the Acquirer and the Manager to the Open Offer where each Investor has agreed to provide its respective equity commitment aggregating to INR 3,751,000,000 to fund the Maximum Consideration.
- 5.2.5. Based on the above and the certificate dated September 9, 2019 provided by Deloitte Limited, the Manager to the Offer is satisfied that firm arrangements have been put in place by the Acquirer to fulfill the obligations in relation to this Offer through verifiable means in accordance with the Takeover Regulations.
- 5.2.6. In case of any upward revision in the Offer Price or the Offer Size, the Acquirer shall deposit additional funds in the Offer Escrow Account as required under the Regulation 17(2) of the Takeover Regulations.
- 5.2.7. In terms of Regulation 22(2) and the proviso to Regulation 22(2A) of the Takeover Regulations, subject to the Acquirer depositing in the Offer Escrow Account, cash of an amount equal to 100% of the Maximum Consideration, the Acquirer may, after the expiry of 21 days from date of the DPS, subject to fulfillment or waiver of conditions as detailed in Part II (*Background of the Offer*), complete the acquisition of Equity Shares pursuant to the SPAs.

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

6.1. **Operational Terms and Conditions**

- 6.1.1. The Letter of Offer will be sent to all the Public Shareholders in accordance with Regulation 18(2) of the Takeover Regulations.

- 6.1.2. This Offer is being made by the Acquirer to (i) all the Public Shareholders, whose names appear in the register of members of the Target Company as of the close of business on the Identified Date; (ii) the Beneficial Owners of the Equity Shares whose names appear as beneficiaries on the records of the respective depositories, as of the close of business on the Identified Date; and (iii) those persons who acquire the Equity Shares any time prior to the date of the closure of the Tendering Period for this Offer but who are not the registered Public Shareholders.
- 6.1.3. In terms of the Schedule of Activities, the Tendering Period for the Offer shall commence on December 5, 2019 and close on December 18, 2019 (both days inclusive).
- 6.1.4. The Equity Shares tendered under this Offer shall be fully paid-up, free from all liens, charges, equitable interests and encumbrances and shall be tendered together with all rights attached thereto, including all rights to dividends, bonuses and rights offers, if any, declared hereafter, and the tendering Public Shareholder shall have obtained all necessary approvals and consents for it to sell the Equity Shares on the foregoing basis.
- 6.1.5. The acceptance of this Offer is entirely at the discretion of the Public Shareholders. The Acquirer will not be responsible for any loss of share certificate(s) and the Offer acceptance documents during transit and the Public Shareholders are advised to adequately safeguard their interests in this regard.
- 6.1.6. The instructions, authorizations and provisions contained in the Form of Acceptance-cum- Acknowledgment 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 and fill up the same in accordance with the instructions given therein, so as to reach the Registrar to the Offer, on or before the date of closing of Tendering Period. 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.
- 6.1.7. Each Public Shareholder to whom this Offer is being made is free to offer the Equity Shares in whole or in part while accepting this Offer.
- 6.1.8. Accidental omission to dispatch the Letter of Offer to any Public Shareholder to whom this Offer has been made or non-receipt of the Letter of Offer by any such Public Shareholder shall not invalidate this Offer in any way.
- 6.1.9. This is not a conditional Offer and there is no stipulation on any minimum level of acceptance.
- 6.1.10. The marketable lot for the Equity Shares of the Target Company for the purpose of this Offer shall be 1.
- 6.1.11. There are no lock-in restrictions on the Equity Shares.
- 6.1.12. Incomplete Forms of Acceptance-cum-Acknowledgement including non-submissions of necessary enclosures, if any, are liable to be rejected. Further, in case the documents / forms submitted are incomplete and/or if they have any defect or modifications, the Equity Shares tendered are liable to be rejected.
- 6.1.13. The share certificates or other documents should not be sent to the Acquirer or the Target Company
- 6.1.14. In terms of Regulation 18(9) of the Takeover 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.
- 6.1.15. The transactions contemplated in the SPAs are 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 Takeover 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.

- 6.1.16. There has been no revision in the Offer Price or Offer Size as of the date of this LoF. Further revisions in the Offer Price for any reason including competing offers shall be done prior to the commencement of the last 1 Working Day before the commencement of the Tendering Period and will be notified to the Public Shareholders by (i) notification to the Stock Exchanges, SEBI and the Target Company, and (ii) public announcement in the same newspapers in which the DPS has been published. Such revision would be done in compliance with other formalities prescribed under the Takeover Regulations.

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.

6.2. Eligibility for accepting the Offer

- 6.2.1. The Letter of Offer shall be sent to all Public Shareholders holding Equity Shares in dematerialized form whose names appear in register of Target Company as on the Identified Date.
- 6.2.2. This Offer is also open to persons who own Equity Shares but are not registered Public Shareholders as on the Identified Date.
- 6.2.3. 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.
- 6.2.4. The Public Announcement, the DPS, the Letter of Offer and the Form of Acceptance cum Acknowledgement will also be available on the SEBI website: www.sebi.gov.in. In case of non-receipt of the Letter of Offer, all Public Shareholders including those who have acquired Equity Shares of the Target Company after the Identified Date, if they so desire, may download the Letter of Offer or the Form of Acceptance cum Acknowledgement from the SEBI’s website for applying in the Offer.
- 6.2.5. The acceptance of this Offer by the Public Shareholders must be absolute and unqualified and should be received by the Registrar to the Offer at the address mentioned below on or before closure of the Tendering Period. Any acceptance to this Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever. In the event of any change or modification is made to the Form of Acceptance-cum-Acknowledgment or if any condition is inserted therein by the Public Shareholders, the Manager to the Offer and the Acquirer reserves the right to reject the acceptance of this Offer by such Public Shareholder.
- 6.2.6. All Public Shareholders, including non-resident holders of Equity Shares, must obtain all requisite approvals required, if any, to tender the Offer Shares (including without limitation, the approval from the RBI) and submit such approvals, along with the other documents required to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves 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, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Offer Shares.

- 6.2.7. The acceptance of this Offer is entirely at the discretion of the Public Shareholders.
- 6.2.8. The Acquirer, Manager to the Offer or Registrar to the Offer accept no responsibility for any loss of any share certificates, Offer acceptance documents, share transfer deeds etc. during transit and the Public Shareholders of the Target Company are advised to adequately safeguard their interest in this regard.
- 6.2.9. The acceptance of Equity Shares tendered in this Offer will be made by the Acquirer in consultation with the Manager to the Offer.
- 6.2.10. The instructions, authorizations and provisions contained in the Form of Acceptance cum Acknowledgment constitute part of the terms of the Offer.
- 6.2.11. The Manager to the Offer shall submit a final report to SEBI within 15 Working Days from the expiry of the Tendering Period in accordance with Regulation 27(7) of the Takeover Regulations confirming status of completion of various Offer Requirements.
- 6.2.12. For any assistance please contact the Manager to the Offer or the Registrar to the Offer.
- 6.2.13. The Acquirer reserves the right to revise the Offer Price upwards prior to the commencement of the last 1 Working Day prior to the commencement of the Tendering Period, in accordance with the Takeover Regulations and the revision, if any, in the Offer Price would be announced in the Newspapers. The Acquirer would pay such revised price for all the shares validly tendered during the Tendering Period and accepted under the Offer in accordance with the terms of the Letter of Offer.
- 6.2.14. As per the provisions of Regulation 40(1) of the SEBI (LODR) Regulations 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.

6.3. **Statutory Approvals:**

- 6.3.1. To the best of the knowledge of the Acquirer, other than the SPA Conditions, there are no statutory or other approvals required to complete the acquisition of the Offer Shares as on the date of this LoF. If, however, any statutory or other approval becomes applicable prior to completion of the Offer, the Offer would also be subject to such other statutory or other approval(s).
- 6.3.2. All Public Shareholders, including non-resident holders of Equity Shares, must obtain all requisite approvals required, if any, to tender the Offer Shares (including without limitation, the approval from the RBI) and submit such approvals, along with the other documents required to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves 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, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Offer Shares.

- 6.3.3. In case of delay in receipt of any statutory approval that may be required by the Acquirer at a later date, SEBI may, if satisfied that such delay in receipt of the requisite statutory approval(s) was not attributable to any willful default, failure or neglect on the part of the Acquirer to diligently pursue such approval, and subject to such terms and conditions as may be specified by SEBI, including payment of interest in accordance with Regulation 18(11) of the Takeover Regulations, grant an extension of time to the Acquirer to make the payment of the consideration to the Public Shareholders whose Offer Shares have been accepted in the Offer. Where any statutory approval extends to some but not all of the Public Shareholders, the Acquirer shall have the option to make payment to such Public Shareholders in respect of whom no statutory approvals are required in order to complete this Offer.
- 6.3.4. In terms of Regulation 23(1) of the Takeover Regulations, in the event that the approvals which may become applicable prior to completion of the Offer are not received, the Acquirer shall have the right to withdraw the Offer. The completion of the acquisition under the SPAs is conditional upon the SPA Conditions. In the event the SPA Conditions are not met for reasons outside the reasonable control of the Acquirer, then the SPAs may be rescinded, and the Offer may be withdrawn, subject to applicable law. In the event of withdrawal of this Offer, a public announcement will be made within 2 Working Days of such withdrawal, in accordance with the provisions of Regulation 23(2) of the Takeover Regulations.

7. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

- 7.1. 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.
- 7.2. The Offer is made to the Public Shareholders as defined in this Letter of Offer. While the Letter of Offer shall be dispatched to the Public Shareholders of the Target Company whose name appears in the register of members of the Target Company 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.
- 7.3. 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 : DFM Foods Limited – Open 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. All Public Shareholders whether holding Equity Shares in dematerialized form, registered or unregistered are eligible to participate in the Offer any time before closure of the Tendering Period.

Sr. 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: dfmfoods.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, 1 st Floor,Plot NH2,C-1 Block LSC ,Near	Tel: 011- 41410592/93/94 E-mail: dfmfoods.offer@linkintime.co.in Fax: 011-41410591	Hand Delivery

			Savitri Market , Janakpuri , New Delhi -110058		
--	--	--	--	--	--

Note: For hand delivery the collections centre timings will be all Working Days anytime between Monday to Friday 10:00 AM to 1:00 PM and 2:00 PM to 4:30 PM, except public holidays.

- 7.4. Equity Shares should not be submitted/ tendered to the Manager to the Offer, the Acquirer or the Target Company.
- 7.5. 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 - DFM Foods Limited – Open Offer, (Address: C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400 083, India and Contact Person: Mr. Sumeet Deshpande) .
- 7.6. 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:
- 7.6.1. 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 Depository Participant	Ventura Securities Limited
DP ID	IN303116
Client ID	12955320
Account Name	LIPL DFM FOODS OPEN OFFER ESCROW DEMAT ACCOUNT
Depository	NSDL
Mode of Instruction	Off -market

Note: Public 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 in favour of the Escrow Demat Account.

- 7.6.2. As per the provisions of Regulation 40(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2018 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 dematerialized.
- 7.7. Documents to be delivered by all Public Shareholders holding equity shares in the Dematerialised Form:
- 7.7.1. 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.

- 7.7.2. 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:

- 7.7.3. For each delivery instruction, the Beneficial Owner should submit a separate Form of Acceptance-cum-Acknowledgment.
- 7.7.4. 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.
- 7.8. 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.
- 7.9. 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.
- 7.10. Equity Shares that are subject to any charge, lien or any other form of encumbrance are liable to be rejected in the Offer.
- 7.11. 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.
- 7.12. 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:
- 7.12.1. Duly attested death certificate and succession certificate/probate/letter of administration (in case of single Public Shareholder) if the original Public Shareholder has expired;
- 7.12.2. Duly attested power of attorney if any person apart from the Public Shareholder has signed the acceptance form and/or transfer deed(s);
- 7.12.3. 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;
- 7.12.4. In case of companies, the necessary corporate authorisation (including certified copy of board and/or general meeting resolution(s)); and
- 7.12.5. Any other relevant documents.
- 7.13. 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 1 Equity Share.

- 7.14. Subject to the satisfaction or waiver of the SPA Conditions and receipt of any approvals as may be required, the Acquirer intends to complete all formalities, including the payment of consideration within a period of 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 Takeover 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 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 willful 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 10 Working Days period, as may be specified by SEBI from time to time.
- 7.15. 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.
- 7.16. 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.
- 7.17. 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.
- 7.18. 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.
- 7.19. All cheques/demand drafts/pay orders will be drawn in the name of the first holder, in case of joint holder(s).
- 7.20. 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.

- 7.21. 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.

8. COMPLIANCE WITH TAX REQUIREMENTS:

8.1. General

- 8.1.1. This Offer will be executed off – market. As such, securities transaction tax will not be applicable to the Equity Shares accepted in this Offer.

Consequently, as per the provisions of Section 195(1) / Section 196D of the Income Tax Act, the Acquirer being the person responsible for paying consideration for acquisition of Equity Shares to a non-resident is required to deduct tax at source (including surcharge and education cess as applicable) at the applicable rates in force.

However, no tax is required to be deducted on payment of consideration to Foreign Institutional Investor (“**FII**”) (including its sub – account) or a Foreign Portfolio Investor (“**FPI**”) registered under the SEBI (Foreign Portfolio Investors) Regulations, 2014 (“**FPI Regulations**”).

- 8.1.2. In case of delay in receipt of any statutory approvals as may be required as per Regulation 18(11) of the Takeover Regulations, SEBI may, if satisfied, that non-receipt of such approvals was not attributable to any willful default, failure or neglect on the part of the Acquirer to diligently pursue such approvals, grant an extension of time for the purpose of completion of this Offer, subject to the Acquirer agreeing to pay interest to the Public Shareholders for delay beyond 10 Working Days at such rate, as may be specified by SEBI from time to time.
- 8.1.3. As per the provisions of Section 194A and 195 of the Income Tax Act, read with the Finance Act, 2019, a body corporate responsible for paying to residents and non-residents (including FIIs (and its sub – account) or an FPI registered under the FPI Regulations, any income by way of interest, is required to deduct tax at source (including, in the case of non-residents, surcharge and education cess as applicable). Since the interest payable to the Public Shareholders on being directed by SEBI under Regulation 18(11) of the Takeover Regulations will be chargeable to income tax, the Acquirer will be required to deduct tax at source under section 194A or 195 of the Income Tax Act (including, in the case of non-residents, surcharge and education cess as applicable) on such interest income.
- 8.1.4. Each resident and non-resident Public Shareholder (including FIIs (and its sub – account) or an FPI registered under the SEBI (Foreign Portfolio Investors) Regulations, 2014) shall certify its tax residency status (i.e. whether resident or non-resident) and its tax status (i.e. whether individual, firm, company, association of persons/body of individuals, trust, any other taxable entity). In case of ambiguity, incomplete or conflicting information or the information not being provided to the Acquirer it would be assumed that the Public Shareholder is a non-resident Public Shareholder and taxes shall be deducted at the maximum rate, as may be applicable to the relevant category to which the Public Shareholder belongs under the Income Tax Act, on the entire consideration and interest if any, payable to such Public Shareholder.
- 8.1.5. In the case of non – resident Public Shareholders, the rate of deduction of tax and the quantum of amount on which tax rate is to be applied is dependent on several factors. Since the Acquirer do not have in-house information in respect of various non-resident Public Shareholders, such Public Shareholders must specify the details requested in the Form of Acceptance-cum Acknowledgement, including but not limited to the following information: (i) Residential status of the Public Shareholder; (ii) Category to which the non-resident Public Shareholder belongs i.e., Non Resident Indian, Overseas Corporate Body, Non-domestic

company, FII being a company, FII other than a company, FPI registered under the SEBI (Foreign Portfolio Investors) Regulations, 2014 or any other non-resident; (iii) Date of acquisition of Equity Shares (to be supported by evidence); (iv) Cost of acquisition (to be supported by evidence); (v) Whether any concession in the matter of tax deduction is claimed based on certificate u/s. 195 / 197 (to be supported by evidence); and (vi) Whether any concession in the matter of tax deduction is claimed under any DTAA (to be supported by evidence).

- 8.1.6. Further, for the purpose of determining whether the capital gains are short-term or long-term, the Acquirer shall, if required, cross verify the details provided by the Public Shareholder with the information obtained from the Target Company.
- 8.1.7. Any non – resident Public Shareholder (including FII (and its sub – account) / FPI) claiming benefit under any Double Taxation Avoidance Agreement (“DTAA”) between India and any other foreign country should furnish ‘Tax Residency Certificate’ provided to him / it by the income tax authority of such other foreign country of which he / it claims to be a tax resident. In addition, such non-resident Public Shareholder is required to provide a duly signed Form No. 10F containing the prescribed information such as (i) Legal status (individual, company, firm, etc.), (ii) Permanent Account Number, if allotted; (iii) nationality in case of an individual; (iv) country of Incorporation / registration in case of any Public Shareholder other than an individual; (v) Tax identification number / unique number by which the Public Shareholder is identified in the country of his / its residence; (vi) period for which the Tax Residency Certificate is issued; and (vii) Address of the shareholder for the period for which Tax Residency Certificate is issued, if any of these information is not contained in the ‘Tax Residency Certificate’.
- 8.1.8. If (i) a non – resident shareholder other than FII (including its sub – account) / FPI (in respect of consideration and interest, if any) and (ii) FII (including its sub – account) / FPI / resident shareholder (in respect of interest, if any) furnishes certificate from the Income Tax authorities under section 197 of the Income Tax Act, 1961 tax will be deducted at source in accordance with the certificate.
- 8.1.9. The Acquirer will not accept any request from any Public Shareholder, under any circumstances, for non-deduction of tax at source or deduction of tax at a lower or nil rate, on the basis of any self computation/computation by any tax consultant, of capital gain or business income and/or interest, if any, and tax payable thereon
- 8.2. **For all non – resident shareholders except (i) Foreign Institutional Investors (“FII”) and (ii) Foreign Portfolio Investors (“FPI”):**
 - 8.2.1. Subject to para 8.1.8 and 8.1.9 above, tax shall be deducted at source in the manner provided in para 8.2.2 to 8.2.5 below.
 - 8.2.2. In computing the amount of TDS, the acquirer will take into account (a) cost of acquisition and (b) lower rate of Tax Deduction at Source applicable to Long Term Capital Gain provided the shareholder furnishes the following documents:
 - (a) Document evidencing price at which shares were acquired e.g. broker invoice / contract note
 - (b) Document evidencing the date on which the shares were acquired e.g. broker invoice / contract note
 - 8.2.3. In absence of the above documents, the tax will be deducted at source on the entire consideration payable to the shareholder treating the nature of gain as short-term capital gains. In their absence, no deduction will be made in computing taxable gain and no concessional rate of TDS (as applicable to Long Term Capital Gains) will be applied.
 - 8.2.4. To be eligible for lower rate of tax deduction, (as envisaged in section 115E of the Income Tax Act, 1961)

an individual shareholder, who is either an Indian Citizen or a Person of Indian Origin, document evidencing twin facts namely (i) shares are held for more than twelve months and (ii) shares were acquired by the individual himself / herself using convertible foreign exchange. The document can be in the form of either (a) extract of relevant pages of demat account or (b) bank certificate.

- 8.2.5. Tax shall be deducted at source on gross amount of interest for delay in payment of the Offer Price, if any, at the applicable tax rate under the Income Tax Act depending on category of the Equity Shareholder.

8.3. For (i) Foreign Institutional Investors (“FII”) and (ii) Foreign Portfolio Investors (“FPI”)

- 8.3.1. In view of the amended definition of ‘Capital Asset’ provided in section 2 (14) of the Income Tax Act, shares held by all FII (and their sub – account) or FPI registered under the SEBI (Foreign Portfolio Investors) Regulations, 2014 are to be treated as ‘Capital Asset’. The Acquirer will not deduct tax at source on the consideration payable under the open offer since no tax is required to be deducted at source on income by way of ‘Capital Gain’ arising to an FII (and its sub – account) or to an FPI registered under the SEBI (Foreign Portfolio Investors) Regulations, 2014 from the transfer of securities as per the provisions of section 196D (2) of the Income Tax Act.

The Acquirer would not deduct tax at source on the payments to FII or FPI, subject to furnishing of registration certificate issued by SEBI (including for sub-account of FII, if any);

- 8.3.2. Subject to paragraph 8.1.8 and 8.1.9 above, tax shall be deducted at source on gross amount of interest for delay in payment of the Offer Price, if any, at the applicable tax rate under the depending on category of the Public Shareholder.

8.4. Tax to be deducted in case of resident Shareholders

- 8.4.1. In absence of any specific provision under the Income Tax Act, the Acquirer will not deduct tax on the consideration payable to resident Equity Shareholders for acquisition of Equity Shares. The Tax Liability, if any, of such resident Public Shareholder will be required to be discharged directly by him.
- 8.4.2. Tax shall be deducted at source on gross amount of interest for delay in payment of the Offer Price, if any, at the applicable tax rate under the Income Tax Act depending on category of the Public Shareholder.
- 8.4.3. No deduction of tax shall be made at source by the Acquirer where:
- (a) The total amount of interest payable, if any, to a resident Equity Shareholder does not exceed INR 5,000 (Rupees Five Thousand only); or
 - (b) In the case of resident Equity Shareholder not being a company or firm, a self declaration in Form 15G or Form 15H, as may be applicable, and duly executed has been furnished to the Acquirer. The self declaration in Form 15G or Form 15H would not be valid unless the Equity Shareholder furnishes PAN in such declaration.
 - (c) SEBI Registration Certificate as a mutual fund since no tax is to be deducted on interest amount in the case of resident Equity Shareholder being a mutual fund as per Section 10(23D) of the Income Tax Act.
 - (d) Documentary evidence in support of the claim that no tax should be deducted at source on interest payable if the Equity Shareholder bank or entity are covered by exception provided in Section 194A(3)(iii) of the Income Tax Act.
 - (e) SEBI Registration Certificate issued as Category I or Category II Alternative Investment Fund if the shareholder claims exemption from tax deduction at source on the basis of any notification that may be issued

under section 197A (1F) of the Income Tax Act.

8.5. Issue of tax deduction at source certificate

- 8.5.1. The Acquirer will issue a certificate in the prescribed form to the Public Shareholders (resident and non-resident) who have been paid the consideration and interest, if any, after deduction of tax on the same certifying the amount of tax deducted and other prescribed particulars.

8.6. Withholding taxes in respect of overseas jurisdictions

- 8.6.1. Apart from the above, the Acquirer will be entitled to withhold tax in accordance with the tax laws applicable in the overseas jurisdictions where the non-resident Public Shareholder is a resident for tax purposes (“**Overseas Tax**”).
- 8.6.2. For this purpose, the non-resident Public Shareholder shall duly represent in the Form of Acceptance-cum-Acknowledgement, the quantum of the Overseas Tax to be withheld as per the relevant tax laws of the country in which the non-resident Public Shareholder is a tax resident and the Acquirer will be entitled to rely on this representation at their/its sole discretion.
- 8.6.3. Public Shareholders are advised to consult their tax advisors for the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. The Acquirer and the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of such advice.
- 8.6.4. The Acquirer will be statutorily required to apply the rates and other provisions related to tax deduction at source as applicable at the time of acceptance of Equity Shares under the Open Offer / payment to Public Shareholders.
- 8.6.5. Taxes once deducted will not be refunded under any circumstances.
- 8.6.6. Public Shareholders who wish to tender their Equity Shares must submit the following documents along with the Form of Acceptance-cum-Acknowledgement:

8.7. Documents to be furnished:

8.7.1. Documents required from non-resident Public Shareholders (except FII (and its sub – account) / or an FPI registered under the FPI Regulations:

- (a) Document evidencing price at which Equity Shares were acquired e.g. broker invoice / contract note.
- (b) Document evidencing the date on which the Equity Shares were acquired e.g. broker invoice / contract note
- (c) An individual Public Shareholder, who is either an Indian Citizen or a Person of Indian Origin, and claiming concessional rate of TDS under Section 115E, document evidencing twin facts namely (i) shares are held for more than twelve months and (ii) shares were acquired by the individual himself / herself using convertible foreign exchange. The document can be in the form of either (a) extract of relevant pages of demat account or (b) bank certificate.
- (d) Certificate under Section 197, in case any concession is claimed on that basis
- (e) Tax Residence Certificate where the non resident is claiming any benefit under a DTAA

In addition, such Public Shareholder will also be required to provide (i) nationality in case of an individual (ii) country of Incorporation / Registration in case of any Public Shareholder other than an individual (iii) Tax identification number / unique number by which the Public Shareholder is identified in the country of his / its residence (iv) period for which the Tax Residence Certificate is issued and (v) Address of the Public Shareholder for the period for which Tax Residence Certificate is issued, if any of these information is not contained in the 'Tax Residence Certificate'

8.7.2. Documents required from FIIs (and its sub – account) / or an FPI registered under the FPI Regulations:

- (a) Self Attested copy of SEBI Registration Certificate as FII (including sub–account of FII) / or an FPI registered under the FPI Regulations.
- (b) Certificate u/s. 197, in case any concession is claimed on that basis (applicable only for the interest payment, if any).
- (c) Tax Residence Certificate where the FII (including sub–account of FII) or an FPI registered under the FPI Regulations is claiming any benefit under a DTAA (applicable only for the interest payment)

In addition, FIIs (including sub–account of FII) or an FPI registered under the FPI Regulations will also be required to provide (i) nationality in case of an individual (ii) country of Incorporation / Registration in case of any Public Shareholder other than an individual (iii) Tax identification number / unique number by which the shareholder is identified in the country of his / its residence (iv) period for which the Tax Residence Certificate is issued and (v) Address of the Public Shareholder for the period for which Tax Residence Certificate is issued, if any of these information is not contained in the 'Tax Residence Certificate' (applicable only for the interest payment, if any)

8.7.3. Documents required from resident Public Shareholders:

- (a) Certificate u/s. 197, in case any concession is claimed on that basis (applicable only for the interest payment, if any)
- (b) If applicable, self declarations in Form 15G Form 15H (in duplicate) (applicable only for interest payment, if any).
- (c) SEBI Registration Certificate as a mutual fund (applicable only for the \ interest payment, if any).
- (d) Documentary evidence in support of the claim that no tax should be deducted at source on interest payable if the shareholder bank or entity are covered by exception provided in Section 194A(3)(iii) of the Income Tax Act (applicable only for the interest payment, if any)
- (e) SEBI Registration Certificate issued as Category I or Category II Alternative Investment Fund (applicable only for the interest payment, if any)

9. DOCUMENTS FOR INSPECTION

9.1. Copies of the following documents will be available for inspection at the registered office of the Manager to the Offer at ICICI Bank Tower, 3rd Floor, NBCC Place, Pragati Vihar, Bhishma Pitamah Marg, New Delhi - 110003. The documents can be inspected during normal business hours between 10:30 a.m. to 5:00 p.m on any Working Days i.e. Monday to Friday and not being a bank holiday in Delhi during the Tendering Period.

9.1.1. Certified copies of the memorandum and articles of association and certificate of incorporation of the Acquirer;

- 9.1.2. Certified copies of the certificates of incorporation, memorandum and articles of association of the Target Company;
- 9.1.3. Certificate dated September 9, 2019 from Deloitte Limited certifying that the Acquirer has adequate financial resources to fulfill their obligations under this Offer;
- 9.1.4. Valuation reports dated September 9, 2019 from Bansil S. Mehta & Co and Rajul Iyer & Associates certifying the Offer Price computation;
- 9.1.5. Certified copies of the annual reports of Target Company for the financial years ending on March 31, 2017, March 31, 2018 and March 31, 2019;
- 9.1.6. Certified copies of the annual audited financials of Acquirer for the financial years ending on December 31, 2015, December 31, 2016 and December 31, 2017. Further the financials for the year ended December 31, 2018 and the 3 months ended March 31, 2019 are based on the AUP report received from Statutory Auditor dated September 23, 2019.
- 9.1.7. Letter dated September 12, 2019 from the Offer Escrow Bank confirming the receipt of the cash deposit in the Offer Escrow Account and a lien in favour of the Manager in accordance with the terms of the Offer Escrow Agreement between the Acquirer, the Manager and the Offer Escrow Bank;
- 9.1.8. Copy of the SPAs dated September 9, 2019;
- 9.1.9. Copy of the Public Announcement submitted to the Stock Exchanges on September 9, 2019;
- 9.1.10. Copy of the DPS published by the Manager on behalf of the Acquirer on September 17, 2019
- 9.1.11. Published copy of the recommendation to be made by the committee of the independent directors of Target Company in relation to the Offer;
- 9.1.12. SEBI observation letter no. SEBI/HO/CFD/DCR1/OW/P/2019/11119/1 dated November 19, 2019 on the DLoF; and
- 9.1.13. Offer Escrow Agreement dated September 9, 2019 between the Acquirer, the Manager and the Offer Escrow Bank.

10. DECLARATION BY THE ACQUIRER

- 10.1. The Acquirer and its directors accept full responsibility, severally and jointly for the obligations of the Acquirer as laid down in terms of the Takeover Regulations and for the information contained in the LoF with respect to the Acquirer.
- 10.2. The Acquirer shall be responsible for ensuring compliance with the Takeover Regulations.
- 10.3. The persons signing this LoF on behalf of the Acquirer have been duly and legally authorized by the respective boards of directors to sign this LoF.

ISSUED BY THE MANAGER TO THE OFFER

For and on behalf of the Acquirer

Place: Mumbai

Date: November 26, 2019

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT
THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

(Please send this form with enclosures to Link Intime India Private Limited at any of the collection centres mentioned in the Letter of Offer)

From
Name:
Address:

TENDERING PERIOD FOR THE OFFER	
OPENS ON	DECEMBER 5, 2019
CLOSES ON	DECEMBER 18, 2019

Floor / Door:
Block No:
Area / Locality:
Town / City / District:
State:
Country:
Zip / Pin Code:

Principal Place of Business:

Tel No. (including ISD Code):

Fax No.:

Email:

To, The Acquirer C/o Link Intime India Private Limited Unit: DFM Foods Ltd. – Open Offer C-101, 247 Park, LBS Marg, Vikhroli (W), Mumbai -400 083, India Contact person: Mr. Sumeet Deshpande Tel: +91 22 4918 6200, Fax: +91 22 4918 6195 Email: dfmfoods.offer@linkintime.co.in	Status of the Public Shareholder (Please tick whichever is applicable)			
	☐ Individual	☐ Company	☐ FII / FPI - Corporate	☐ FII / FPI - Others
	☐ QFI	☐ FVCI	☐ Partnership / Proprietorship firm / LLP	☐ Private Equity Fund
	☐ Pension / Provident Fund	☐ Sovereign Wealth Fund	☐ Foreign Trust	☐ Financial Institution
	☐ NRIs / PIOs - repatriable	☐ NRIs / PIOs - non- repatriable	☐ Insurance Company	☐ OCB
	☐ Domestic Trust	☐ Banks	☐ Association of person / Body of individual	☐ Any others, please specify: _____

Dear Sir / Madam,

Sub:

OPEN OFFER FOR ACQUISITION OF UP TO 13,070,429 EQUITY SHARES OF DFM FOODS LIMITED TO THE PUBLIC SHAREHOLDERS OF THE TARGET COMPANY BY AI GLOBAL INVESTMENTS (CYPRUS) PCC LIMITED. (“ACQUIRER”)

I / We refer to the Letter of Offer dated November 26, 2019 (“**Letter of Offer**”) for acquiring the Equity Shares held by me / us in DFM Foods Limited. Capitalised terms not defined here shall have the meanings ascribed to them under the Letter of Offer.

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

I/We acknowledge and confirm that all the particulars/statements given herein are true and correct.

I / We, are holding the Equity Shares in dematerialized form, and accept the Offer and enclose a photocopy of the Delivery Instruction in “**Off-market**” mode, duly acknowledged by my / our DP in respect of my / our Equity Shares as detailed below:

DP Name	DP ID	Client ID	Name of Beneficiary	No. of Equity Shares

I / We have executed an off-market transaction for crediting the Equity Shares to the Escrow Demat Account with “**Ventura Securities Limited** as the DP in NSDL styled **LIPL DFM FOODS OPEN OFFER ESCROW DEMAT ACCOUNT** whose particulars are:

DP Name: Ventura Securities Limited	DP ID: IN303116	Client ID: 12955320
--	------------------------	----------------------------

Public Shareholders having their beneficiary account with CDSL will have to use inter-depository slip for the purpose of crediting their Equity Shares in favour of the Escrow Demat Account with NSDL.

I / We confirm that the Equity Shares which are being tendered herewith by me / us under this Offer, are free from any pledges, liens, charges, equitable interests, non-disposal undertakings or any other form of encumbrances and are being tendered together with all rights attached thereto, including all rights to dividends, bonuses and rights offers, if any, declared hereafter.

I / We confirm that the sale and transfer of the Equity shares held by me/us will not contravene any applicable law and will not breach the terms of any agreement (written or otherwise) that I/we are a party to.

My / Our execution of this Form of Acceptance-cum-Acknowledgement shall constitute my / our warranty that the Equity Shares comprised in this application are owned by me / us and are sold and transferred by me / us free from all liens, charges, claims of third parties and encumbrances. If any claim is made by any third party in respect of the said Equity Shares, I / we will hold the Acquirer harmless and indemnified against any loss they or either of them may suffer in the event of the Acquirer acquiring these Equity Shares

I / We have obtained any and all necessary consents to tender the Offer Shares on the foregoing basis.

I/We declare that there are no restraints/injunctions or other order(s) of any nature which limits/restricts in any manner my/our right to tender Offer Shares in this Open Offer and that I/we am/are legally entitled to tender the Offer Shares in this Open Offer.

I / We also note and understand that the obligation on the Acquirer to accept the Equity Shares tendered by me/us and pay the purchase consideration arises only after verification of the certification, documents and signatures submitted along with this Form of Acceptance-cum-Acknowledgment by the Public Shareholders, and subject to the adherence of the aforementioned Instructions.

I/We declare that regulatory approvals, if applicable, for holding the Offer Shares and/or for tendering the Offer Shares in this Open Offer are enclosed herewith.

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

I / We give my/our consent to the Acquirer to file any statutory documents, if any, on my/our behalf in relation to accepting the Offer Shares in this Open Offer.

I / We confirm that I / we are in compliance with the terms of the Open Offer set out in the PA, the DPS, and the LoF.

I / We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my/our tender/offer and agree to abide by any decision that may be taken by the Acquirer to effectuate this Open Offer in accordance with the Takeover Regulations.

I / We are / am not debarred from dealing in shares or securities.

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

I / We confirm that in case the Acquirer is of the view that the information / documents provided by the Public Shareholder is inaccurate or incomplete or insufficient, then tax may be deducted at source at the applicable maximum marginal rate on the entire consideration paid to the Public Shareholders.

I / We confirm that in the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided / to be provided by me / us, or as a result of income tax (including any consequent interest and penalty) on the capital gains arising from tendering of the Offer Shares. I / we will indemnify the Acquirer for 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.

I / We authorize the Acquirer or the Registrar to the Offer to send by Registered Post / Ordinary Post/ Courier or through electronic mode, as may be applicable, at my / our risk, the crossed account payee cheque, demand draft / pay order, or electronic transfer of funds in full and final settlement due to me / us and / or other documents or papers or correspondence to the sole / first holder at the address mentioned above.

I/we confirm that the sale and transfer of the relevant Equity Shares will be complete on the date of the remittance of the purchase consideration by the Acquirer to me/us in any of the modes as set out above. Any delay in the receipt of the purchase consideration by me/us will not make the sale and transfer of the Equity Shares void or voidable.

I / We note and understand that the Equity Shares would lie in the Escrow Demat Account until the time the Acquirer makes payment of purchase consideration as mentioned in the Letter of Offer. I / We authorise the Acquirer to accept the Equity Shares so offered or such lesser number of Equity Shares which they may decide to accept in consultation with the Manager to the Offer and in terms of the Letter of Offer and I / we further authorize the Acquirer to return to me / us, Equity Shares in respect of which the offer is not found valid / not accepted without specifying the reasons thereof.

PUBLIC SHAREHOLDERS ARE REQUESTED TO NOTE THAT THE FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT / EQUITY SHARES THAT ARE RECEIVED BY THE REGISTRAR AFTER THE CLOSE OF

THE OFFER i.e. DECEMBER 18, 2019 SHALL NOT BE ACCEPTED UNDER ANY CIRCUMSTANCES AND HENCE ARE LIABLE TO BE REJECTED.

So as to avoid fraudulent encashment in transit, Public Shareholder(s) who wish to receive payment of consideration through ECS should provide details of bank account along with a cancelled copy of the cheque of the first / sole Public Shareholder and the consideration amount will be remitted accordingly through electronic credit / cheque or demand draft.

Name of the Bank _____	Branch _____	City _____
MICR Code (9 Digits) _____	IFSC _____	
Account Number (CBS Account): _____ Account Type (CA / SB / NRE /NRO / others) (please specify): _____		
Non Resident Public Shareholders are requested to state their NRO / NRE Bank Account Number as applicable based on the status of their account in which they hold Equity Shares, failing which the Acquirer has a right to reject their application.		

For Equity Shares that are tendered in electronic form, the bank account details as contained from the beneficiary position provided by the depository will be considered for the purpose of payment of Offer consideration through electronic means and the draft / warrant / cheque, if required, may be issued with the bank particulars mentioned herein above.

For all Public Shareholders

I / We, confirm that our residential status for the purposes of tax is:

☐ Resident ☐ Non-resident, if yes please state country of tax residency: _____

I / We, confirm that our status is:

- | | | | | | |
|--|--|---|---|---|---|
| ☐ Individual | ☐ Company | ☐ FII / FPI
Corporate | ☐ FII / FPI -
Others | ☐ QFI | ☐ FVCI |
| ☐ Partnership /
Proprietorship
firm / LLP | ☐ Pension /
Provident Fund | ☐ Foreign Trust | ☐ NRIs / PIOs -
repatriable | ☐ NRIs / PIOs -
non-repatriable | ☐ Insurance
Company |
| ☐ OCB | ☐ Domestic Trust | ☐ Banks | ☐ Association of
person / Body of
individual | ☐ Any other - please specify _____ | |

I / We, have enclosed the following documents:

- ☐ Cancelled cheque or a photocopy of a cheque associated with the particular bank account where payment is desired, with MICR / IFSC code of the bank branch clearly mentioned on the cheque, if payment of consideration through ECS is required
- ☐ Self-attested copy of PAN card
- ☐ No objection certificate / Tax clearance certificate from income tax authorities for deduction of tax at lower rate, wherever applicable
- ☐ Duly attested power of attorney if any person apart from the Public Shareholder has signed the application form and / or share transfer form(s)
- ☐ Corporate authorization in case of Companies along with Board Resolution and Specimen Signatures of Authorised Signatories
- ☐ Death Certificate / Succession Certificate if the original Public Shareholder is deceased

Additional confirmations and enclosures for Resident Public Shareholders

I / We, have enclosed the following documents:

- ☐ Self-declaration form in Form 15G / Form 15H, if applicable to be obtained in duplicate copy (applicable only for interest payment, if any)
- ☐ Self-attested copy of PAN card
- ☐ Self-attested declaration in respect of residential status, status of Public Shareholders (e.g. individual, firm, company, trust, or any other - please specify)
- ☐ No objection certificate / Tax clearance certificate from income tax authorities for deduction of tax at lower rate (applicable only for interest payment, if any)

- ☐ For Mutual funds / Banks / Notified Institutions under Section 194A(3)(iii) of the Income Tax Act, 1961, copy of relevant registration or notification (applicable only for interest payment, if any)

*(Note: All Resident Public Shareholders are advised to refer to **the section 8 (Compliance with Tax Requirements)** of the Letter of Offer regarding important disclosures on taxation of the consideration to be received by them)*

Additional confirmations and enclosures for FII / FPI Public Shareholders

I / We, confirm that the Equity Shares of the Target Company are held by me / us on (select whichever is applicable):

- ☐ Investment / Capital Account and income arising from sale of shares is in the nature of capital gain
- ☐ Trade Account and the income arising from sale of shares is in the nature of business income ☐ Any other (please specify) _____

(Note: For determination of the nature and period of holding, kindly enclose a proof for date of purchase such as demat account statement or brokers note. In case the Equity Shares are held on trade account, kindly enclose a certificate obtained from Indian tax authorities under section 195(3) or 197 of the Income Tax Act, specifying the rate at which tax shall be deducted. In the absence of such a certificate tax will be deducted at the maximum marginal rate, applicable to the category to which such FII / FPI belongs, on the entire consideration payable)

Declaration for treaty benefits (please ☐ the box if applicable):

- ☐ I / We confirm that I / we am / are tax resident/s of _____ and satisfy all conditions to claim benefits under DTAA entered into by India and the country of which I am / we are tax resident/s.

(Note: If this box is not ticked, tax will be deducted without considering treaty benefits at the maximum marginal rate applicable to the category to which such FII / FPI belongs)

In order to avail benefit of lower rate of tax deduction under the DTAA, if any, kindly enclose a tax residence certificate stating that you are a tax resident of your country of residence / incorporation and that you do not have a permanent establishment in India in terms of the DTAA entered into between India and your country of residence, along with Form 10F as prescribed in terms of Section 90(5) of the Income Tax Act. In case there is a permanent establishment in India, kindly enclose a certificate from Indian tax authorities, specifying the rate of tax to be deducted failing which tax will be deducted at the maximum marginal rate.

I / We, have enclosed self-attested copies of the following documents:

- ☐ SEBI Registration Certificate for FIIs / FPI ☐ Self-attested copy of PAN card
- ☐ RBI approval for acquiring Equity Shares of DFM Foods Limited tendered herein, if applicable
- ☐ Proof for period of holding of Equity shares such as demat account statement or brokers note
- ☐ Self-declaration for no permanent establishment in India or no business connection in India
- ☐ Tax residency certificate from Government of the Country or Specified Territory of which you are tax resident
- ☐ No objection certificate / Tax clearance certificate from income tax authorities, for deduction of tax at a lower rate / NIL rate on income from sale of shares and interest income, if any, wherever applicable
- ☐ Form 10F as prescribed in terms of Section 90(5) of the Income Tax Act
- ☐ Other documents and information as mentioned in **the section 8 (Compliance with Tax Requirements)** of the Letter of Offer.
- ☐ FII / FPI Certificate (self-attested declaration certifying the nature of income arising from the sale of Equity Shares, whether capital gains)

Additional confirmations and enclosures for other Non-resident Public Shareholders (except FIIs / FPI)

I / We, confirm that the Equity Shares tendered by me / us are held on (select whichever is applicable):

- ☐ Repatriable basis ☐ Non-repatriable basis

I / We, confirm that the tax deduction on account of Equity Shares of Target Company held by me / us is to be deducted on:

- ☐ Long-term capital gains (Equity Shares are held by me / us for more than 12 (twelve) months)
- ☐ Short-term capital gains (Equity Shares are held by me / us for 12 (twelve) months or less)
- ☐ Trade Account ☐ Any other (please specify) _____

(Note: For determination of the nature and period of holding, kindly enclose a proof for date of purchase such as demat account statement or brokers note. In case the Equity Shares are held on trade account, kindly enclose a certificate obtained from Indian tax

authorities under section 195(3) or 197 of the Income Tax Act, specifying the rate at which tax shall be deducted. In the absence of such a certificate tax will be deducted at the applicable tax rate, applicable to the category to which such non-resident shareholders other than FII / FPI belongs, on the entire consideration payable)

Declaration for treaty benefits (please ☐ if applicable):

☐ I / We confirm that I / we is / are tax resident/s of _____ and satisfy all conditions to claim benefits under DTAA entered into by India and the country of which I am / we are tax resident/s.

(Note: If this box is not ticked, tax will be deducted without considering treaty benefits at the maximum marginal rate applicable to the category to which such Public Shareholder belongs.)

In order to avail benefit of lower rate of tax deduction under the DTAA, if any, kindly enclose a tax residence certificate stating that you are a tax resident of your country of residence / incorporation and that you do not have a permanent establishment in India in terms of the DTAA entered into between India and your country of residence, along with such other documents and information as prescribed in terms of Section 90(5) of the Income Tax Act. In case there is a permanent establishment in India, kindly enclose a certificate from Indian tax authorities, specifying the rate of tax to be deducted failing which tax will be deducted at the applicable tax rate.

I / We, have enclosed the following documents (select whichever is applicable):

- ☐ Self-declaration for no permanent establishment in India or no business connection in India
- ☐ Self-attested copy of PAN card
- ☐ Tax Residency Certificate from Government of the Country or Specified Territory of which you are tax resident
- ☐ No objection certificate / Tax clearance certificate from income tax authorities, for deduction of tax at a lower rate / NIL rate on income from sale of shares and interest income, if any, wherever applicable
- ☐ Copy of RBI / FIPB approval, if any, for acquiring Equity Shares of Target Company hereby tendered in the Offer and RBI approval evidencing the nature of shareholding, i.e. repatriable or non-repatriable basis, if applicable
- ☐ Proof for period of holding of Equity shares such as demat account statement or brokers note
- ☐ Such other documents and information as prescribed in terms of Section 90(5) of the Income Tax Act (also refer *the section 8 (Compliance with Tax Requirements)* of the Letter of Offer)
- ☐ Other documents and information as mentioned in *the section 8 (Compliance with Tax Requirements)* of the Letter of Offer.
- ☐ Copy of RBI approval for OCBs tendering their Equity Shares in the Offer. Also mention the source of funds for initial acquisition of Equity Shares and the nature of the holding of Equity Shares (repatriable / non-repatriable basis).
- ☐ Copy of RBI approval (For NRI Public Shareholders tendering their Equity Shares in the Offer held on a non-repatriable basis) if any, permitting consideration to be credited to a NRE bank account

Yours faithfully,

Signed and Delivered,

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

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

Place: _____ Date: _____

This page has been intentionally left blank

-----Tear along this line -----

Acknowledgement Slip (To be filled in by the Public Shareholder)

DFM Foods Ltd. - Open Offer

Sr. No. _____

Received from Mr. / Ms. /

M/s. _____

Address _____

Demat shares: DP ID _____; Client ID _____

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

☐ Demat shares: Copy of delivery instruction for shares enclosed; and copy of inter-depository delivery slip (for beneficiary holders maintaining an account with CDSL).

Collection Centre Stamp

Date of Receipt _____ Signature of Official _____

-----Tear along this line -----

All future correspondence, if any, should be addressed to the Registrar to the Offer at the following address:

Link Intime India Private Limited

Unit: DFM Foods Ltd. - Open Offer

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

Contact person: Mr. Sumeet Deshpande

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

Email: dfmfoods.offer@linkintime.co.in