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29th November, 2019

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Fort, <u>Mumbai – 400 001</u> Scrip Code: 519588	National Stock Exchange of India Ltd. (NSE) Exchange Plaza, Bandra Kurla Complex, Bandra (E), <u>Mumbai – 400 051</u> Scrip Code: DFMFOODS
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Dear Sir,

Sub.: Recommendation on Open Offer for the equity shares of DFM Foods Ltd. pursuant to Regulation 26(7) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

This is with reference to the open offer made by AI Global Investments (Cyprus) PCC Limited (“**Acquirer**”) to acquire up to 13,070,429 fully paid up equity shares of a face value of Rs.2 (Rupees Two) each (“**Equity Shares**”) at a price of INR 249.50 per Equity Share from the equity shareholders (public shareholders) of DFM Foods Limited (the “**Target Company**”).

In this regard, we wish to inform you that pursuant to Regulation 26(7) and other applicable provisions, if any, of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, the Committee of Independent Directors (“**IDC**”) of the Target Company at their meeting held on 29th November, 2019 have provided their written reasoned recommendations in the prescribed format on the aforesaid open offer. A copy of the said recommendations is attached herewith.

Further, the aforesaid recommendations of IDC of the Target Company are being published in the following newspapers wherein the public announcement dated 9th September, 2019 of the open offer was published:

Newspaper	Language	Editions
Financial Express	English	All editions
Jansatta	Hindi	All editions
Mumbai Lakshadeep	Marathi	Mumbai edition

Thanking you,

Yours faithfully,

For DFM Foods Limited

(R.S. Tomer)
Company Secretary



Encl.: As above

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Recommendations of the Committee of Independent Directors ("IDC") on the Open Offer to the Shareholders of the DFM Foods Limited under Regulation 26(7) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011("Takeover Code").

1	Date	November 29, 2019
2	Name of the Target Company ("TC")	DFM FOODS LIMITED
3	Details of the Offer pertaining to TC	Open offer made by AI Global Investments (Cyprus) PCC Limited (" Acquirer ") to acquire up to 13,070,429 fully paid up equity shares of face value of INR 2 each, representing 26% (Twenty Six Percent) of the Expanded Voting Share Capital of the Target Company at a price of INR 249.50 per equity shares from the Public Shareholders.
4	Name of the acquirer and PAC with the acquirer	AI Global Investments (Cyprus) PCC Limited
5	Name of the Manager to the offer	ICICI Securities Limited ICICI Centre, H.T. Parekh Marg, Churchgate, Mumbai – 400020, Maharashtra, India Tel: +91 22 2288 2460/2288 2470 Fax: +91 22 2282 6580 Email Id: dfmfoods.openoffer2019@icicisecurities.com Contact Person: Arjun A Mehrotra / Sameer Purohit / Nidhi Wangnoo SEBI Registration No. INM000011179
6	Members of the IDC	1. Mr. Pradeep Dinodia 2. Mr. S.C. Nanda 3. Ms. Hiroo Mirchandani Mr. Pradeep Dinodia is the Chairman of the IDC.
7	IDC Member's relationship with the TC (Director, Equity shares owned, any other contract / relationship), if any	The IDC members are the Independent Directors of the Target Company. The present shareholding of the IDC members in the Target Company are as follows: 1. Mr. Pradeep Dinodia – Nil 2. Mr. S.C. Nanda – 14,000 equity shares 3. Ms. Hiroo Mirchandani – Nil



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8	Trading in the Equityshares/other securities of the TC by IDC Members	None of the IDC members have traded in the equity shares/other securities of the Target Company during a period of 12 months prior to the date of Public Announcement, dated 9 th September, 2019 (“PA”), however, post issuance of Detailed Public Statement dated 16 th September, 2019 (“DPS”) published by ICICI Securities Limited on behalf of the Acquirer, Mr. Pradeep Dinodia, a member of the IDC, has sold his entire shareholding of 51,000 equity shares in the Target Company.
9	IDC Member’s relationship with the acquirer and PAC (Director, Equity Shares owned, any other contract, relationship), if any.	The IDC members do not hold any equity shares or other securities of the Acquirer and/ or PAC and have no contract/relationship with Acquirer and/ or PAC and/ or their respective Directors.
10	Trading in the Equityshares/other securities of the acquirer by IDC Members	None
11	Recommendation on the open offer, as to whether the offer is fair and reasonable	Basis review of the PA, DPS and the draft letter of offer dated 24th September, 2019 (“DLoF”) and Letter of Offer dated 26th November, 2019 (“LoF”), IDC believes that the Open Offer is fair and reasonable. However, the shareholders should independently evaluate the Open Offer and take informed decision in the matter.
12	Summary of reasons for recommendation	IDC members have reviewed a) PA; (b) DPS; (c) DLoF; (d) LoF. IDC members have also taken into consideration the following for making the recommendations: ▪ The equity shares of the Target Company were infrequently traded on both National Stock Exchange of India Limited and BSE Limited as on the date of the PA and do not come within the meaning and definition of ‘frequently traded shares’ under clause (j) of sub-regulation (1) of Regulation 2 of the Takeover Code.

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		▪ The offer price of INR 249.50 determined is in line with the parameters as provided under the provisions of Regulation 8(2)(e) of the Takeover Code. ▪ The IDC had sought an external financial advice from Corporate Professionals Capital Private Limited, SEBI Registered Merchant Banker, who has advised the IDC that the open offer price is justified in terms of the provisions of Regulation 8(2) of the Takeover Code.
13	Details of Independent Advisors, if any.	Corporate Professionals Capital Private Limited SEBI Registered Merchant Banker (SEBI Regn. No.: INM000011435) D – 28, South Extn. Part – 1, New Delhi – 110049 Ph. No.: +91-11-4062200
14	Any other matter(s) to be highlighted	None

To the best of our knowledge and belief, after making proper enquiry, the information contained in or accompanying this statement is, in all material respect, true and correct and not misleading, whether by omission of any information or otherwise, and includes all the information required to be disclosed by the Target Company under the Takeover Code.

For and on behalf of
 The Committee of Independent Directors of
DFM Foods Limited



Pradeep Dinodia

Chairman- Committee of Independent Directors

Place: New Delhi
 Date: 29/11/2019