

DRAFT LETTER OF OFFER

“THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION”

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

Open Offer by

Raymond Simkins (“ACQUIRER 1”)

having its Office Address at: 14, Queen Annes Gate, SW1H 9AA, London; **Tel. No:** +44 2077992555

Milan Dalal (“ACQUIRER 2”)

having its Residential Address at: 42 Chitrakoot, Altamount Road, Mumbai 400026; **Tel No. 022-22651171**

ALONG WITH

Borgos Multitrade LLP (deemed to be “Person Acting in Concert with Acquirer 2” or “PAC”)

having its Registered Office at: 20, Bhatia Niwas, 233/ 235, Samuel Street, Mumbai – 400 003;
Tel No.+91 - 022-23445658

To acquire from the eligible Public Shareholders up to 1,90,40,682 fully paid-up Equity Shares of face value of ₹1 each, representing 26% of the Expanded Voting Share Capital (*as defined below*) at a price of ₹147/- per Equity Share payable in cash pursuant to Regulations 3(1) and 4 read with Regulations 13(4), 14(3) and 15(2) and other applicable laws of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto (**“SEBI SAST Regulations”**)

OF

FOODS AND INNS LIMITED (“Target Company”)

CIN: L55200MH1967PLC013837

Registered Office: Udyog Bhavan, 2nd Floor 29 Walchand Hirachand Marg, Ballard Estate, Mumbai City, Mumbai, Maharashtra, India, 400038;

Corporate Office: J. N. Heredia Marg, Hamilton House, 3rd floor, Ballard Estate, Mumbai, Maharashtra, India, 400038

Tel. No. +91 22 22613102; **Email id:** cs@foodsandinns.com;

Website: <http://www.foodsandinns.com>;

Please Note:

1. This Open Offer is a mandatory offer being made by the Acquirers and the PAC pursuant to Regulations 3(1) and 4 and other applicable provisions of the SEBI SAST Regulations
2. This Open Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19 of the SEBI SAST Regulations.
3. **This Open Offer is not a competing offer in terms of Regulation 20 of the SEBI SAST Regulations.**
4. To the best of the knowledge of the Acquirers and the PAC, as on the date of this Draft Letter of Offer (“DLOF”), there are no statutory or other approvals required to complete the Open Offer. However, in case any statutory approvals are required by the Acquirers and the PAC prior to completion of the Offer, then this Offer shall be subject to such approvals being obtained. In the event that any statutory approvals required are not obtained or are finally refused or are otherwise not received for reasons outside the reasonable control of the Acquirers and the PAC, the Acquirers and the PAC may withdraw the Offer under Regulation 23 of the SEBI SAST Regulations. In the event of withdrawal of the Offer, the Acquirers and the PAC (through the Managers) shall, within 2 (Two) Working Days of such withdrawal, make a public announcement of such withdrawal, in the same newspapers in which the DPS (*as defined below*) was published, stating grounds for such withdrawal in accordance with Regulation 23(2) of the SEBI SAST Regulations.
5. Where any statutory approval or exemption extends to some but not all of the eligible Public Shareholders, the Acquirers and the PAC shall have the option to make payment to such eligible Public Shareholders in respect of whom no statutory approvals or exemptions are required in order to complete this Offer.
6. If there is any upward revision in the Offer Price and / or Offer Size at any time up to 1 (One) Working Day prior to commencement of the Tendering Period in terms of Regulation 18 (4) of the SEBI SAST Regulations, the same would be informed by way of an announcement in the same newspapers where the Detailed Public Statement was published. The revised price payable pursuant to such revision of the Offer Price would be payable for all the Equity Shares validly tendered at any time during the Tendering Period and accepted under the Open Offer. However, the Acquirers and/or the PAC shall not acquire any Equity Shares during the period commencing from 3 (Three) Working Days prior to the commencement of the Tendering Period and ending on the expiry of the Tendering Period.
7. The Acquirers and the PAC shall complete all procedures relating to this Open Offer within 10 (Ten) Working Days (*as defined below*) from the date of closure of the Tendering Period (as defined below), including payment of consideration to those eligible Public Shareholders whose share certificates and/or other documents are found valid and in order and are accepted for acquisition by the Acquirers and the PAC.
8. **As per the information available with the Acquirers and PAC, there has been no competing offer as on the date of this DLOF. If there is a competing offer, the offers under all subsisting bids will open and close on the same date.**
9. Copies of Public Announcement (“PA”) and Detailed Public Statement (“DPS”) are available on the website of Securities and Exchange Board of India (“SEBI”) i.e. www.sebi.gov.in and copies of DLOF and Letter of Offer (including Form of Acceptance-cum-Acknowledgement) will be available on the website of SEBI.

All future correspondence, if any, should be addressed to the Managers to the Offer/ Registrar to the Offer at the addresses mentioned below:

MANAGERS TO THE OFFER		REGISTRAR TO THE OFFER
 Inga Ventures Pvt. Ltd. 1229, Hubtown Solaris, N.S. Phadke Marg, Opp. Telli Galli, Andheri (East), Mumbai 400 069, Maharashtra, India Tel. No.: +91 22 68510808; Fax No.: +91 22 26816020; Email: foodsandinns.oo@ingaventures.com ; Contact Person: Kavita Shah; SEBI Registration Number: INM000012698	 Pioneer Investcorp Limited 1218, 12 th Floor, Maker Chambers V, Nariman Point, Mumbai 400 021 Tel: +91 22 66186633, E-mail: projectfood@pinc.co.in Contact Person: Varun Jain SEBI registration no.: INM000002988	 Link Intime India Private Limited C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400083, Maharashtra, India Tel. No.: +91 8108114949; Email id: foodsandinns.openoffer@linkintime.co.in ; Contact Person: Ms. Pradnya Karanjekar SEBI Registration Number: INR000004058

SCHEDULE OF MAJOR ACTIVITIES OF THE OFFER

	Activity	Day and Date#
1	Date of the PA	Tuesday, April 9, 2024
2	Publication of DPS in newspapers	Thursday, April 18, 2024
3	Last date for filing of Draft Letter of Offer with SEBI	Thursday, April 25, 2024
4	Last date for public announcement of a competing offer	Friday, May 10, 2024
5	Last date for receipt of comments from SEBI on the draft letter of offer (in the event SEBI has not sought clarification or additional information from the Managers to the Offer)	Friday, May 17, 2024
6	Identified Date*	Tuesday, May 21, 2024
7	Last date for dispatch of the Letter of Offer to the Public Shareholders	Thursday, May 30, 2024
8	Last date by which a committee of independent directors of the Target Company is required to give its recommendation to the Public Shareholders of the Target Company for this Offer	Monday, June 3, 2024
9	Last date for upward revision of the Offer Price and/or the Offer Size	Monday, June 3, 2024
10	Date of publication of advertisement for Offer opening	Tuesday, June 4, 2024
11	Commencement of tendering period (“Offer Opening Date”)	Wednesday, June 5, 2024
12	Closure of tendering period (“Offer Closing date”)	Wednesday, June 19 2024, 2024
13	Last date of communicating of rejection/ acceptance and payment of consideration for accepted tenders/ return of unaccepted shares	Wednesday, July 3, 2024
14	Last date for publication of post-Offer public announcement in the newspapers in which DPS has been published	Wednesday, July 10, 2024

**Date falling on the 10th (Tenth) Working Day prior to commencement of the Tendering Period, for the purposes of determining the eligible Public Shareholders of the Target Company to whom the Letter of Offer shall be sent. It is clarified that all the Public Shareholders (as defined below) (registered or unregistered) are eligible to participate in this Offer at any time prior to the closure of the Tendering Period.*

#The schedule of activities mentioned above is tentative and based on the assumption that SEBI’s comments to the DLOF will be received on Friday, May 17, 2024 (tentative). Accordingly, the dates for the abovementioned activities, wherever mentioned in this DLOF, are subject to change.

Note: Where last dates are mentioned for certain activities, such activities may happen on or before the respective last dates.

RISK FACTORS RELATING TO THE UNDERLYING TRANSACTION, THE PROPOSED OPEN OFFER AND THE PROBABLE RISK INVOLVED IN ASSOCIATING WITH THE ACQUIRERS:

A. Relating to the Offer

- a. To the best of the knowledge and belief of the Acquirers and the PAC, as on the date of this DLOF, there are no statutory or other approvals required to implement the Offer and transactions as envisaged under the SHA. In the event that (a) any other statutory approvals are required at a later date and prior to the completion of this Offer, this Offer shall be subject to such approvals and the Acquirers and the PAC shall make the necessary applications for such approvals; (b) there is delay in receipt of any applicable statutory approvals; (c) there is any litigation leading to a stay on the Open Offer; or (d) SEBI instructs the Acquirers and the PAC not to proceed with the Open Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this DLOF. Consequently, the payment of consideration to the Public Shareholders whose Equity Shares have been accepted in this Open Offer as well as return of the Equity Shares not accepted by the Acquirers and the PAC may be delayed. In case of the delay, due to non-receipt of statutory approval(s) in accordance with Regulation 18(11) of the SEBI SAST Regulations, SEBI may, if satisfied that the non-receipt of approvals was not on account of any willful default or negligence on the part of the Acquirers and the PAC, grant extension for the purpose of completion of this Open Offer subject to such terms and conditions as may be specified by SEBI including Acquirers and the PAC agreeing to pay interest to the Public Shareholders at the rate of 10% as specified in Regulation 18(11A) of the SEBI SAST Regulations.
- b. Where the required statutory or other approvals or exemption applies to some but not all of the Public Shareholders, the Acquirers and the PAC will have the option to make payment to such Public Shareholders in respect of whom no statutory approvals are required in order to complete this Open Offer.
- c. The Acquirers and the PAC will not proceed with the Open Offer in the event statutory or other approvals, as required, are refused in terms of Regulation 23(1) of SEBI SAST Regulations. In the event of such a withdrawal of the Open Offer, the Acquirers and the PAC (through the Managers to the Offer) shall make an announcement of such withdrawal within 2 (Two) Working Days of such withdrawal stating the grounds and reasons for the withdrawal in accordance with Regulation 23(2) of the SEBI SAST Regulations.
- d. Equity Shares cannot be withdrawn once tendered in the Open Offer, even if the acceptance of Equity Share under the Offer and dispatch of consideration is delayed. During such period, there may be fluctuations in the market price of the Equity Shares of the Target Company. The Public Shareholders will not be able to trade in such Equity Shares which are in the custody of the Registrar to the Offer and/or Clearing Corporation notwithstanding delay in acceptance of the Equity Shares in this Offer and dispatch of payment consideration. Accordingly, the Acquirers and the PAC and Managers to the Offer make no assurance with respect to the market price of the Equity Shares of the Target Company before, during or upon completion of this Offer and each of them expressly disclaims any responsibility or obligation of any kind (except as required by applicable law) with respect to any decision taken by the Public Shareholders on whether or not to participate in this Offer.
- e. In the event of number of Equity Shares validly tendered by the eligible Public Shareholders under this Offer is more than the Offer Size, the acceptance will be on a proportionate basis as per SEBI SAST Regulations and hence there is no certainty that all Equity Shares tendered by the Public Shareholders in the Offer will be accepted.
- f. The Equity Shares tendered in the Offer will be held in trust by the Registrar to the Offer, on behalf of the eligible Public Shareholders who have tendered their Equity Shares until the completion of the formalities of this Offer and the eligible Public Shareholders who have tendered their Equity Shares will not be able to trade in such Equity Shares held in trust by the Registrar to the Offer during such period, even if the acceptance of the Equity Shares in this Offer and/or dispatch of payment consideration are delayed. Further, during such period, there could be fluctuations in the market price of the Equity Shares that may adversely impact the eligible Public Shareholders who have tendered their Equity Shares in this Offer. Accordingly, the Acquirers and the PAC makes no assurance with respect to the market price of the Equity Shares (including during and after completion of, the Offer) and disclaims any responsibility with respect to any decision by any eligible Public Shareholder on whether or not to participate in the Offer. It is understood that the eligible Public Shareholders will be solely responsible for their decisions regarding their participation in this Offer
- g. The Acquirers and the PAC and the Managers to the Offer accept no responsibility for statements made otherwise than in the PA, DPS, DLOF, LOF or in the post Offer advertisement or any corrigendum or any materials issued by or at the instance of the Acquirers and the PAC or the Managers to the Offer in relation to the Offer, and anyone placing reliance on any other sources of information (not released by the Acquirers and the PAC) would be doing so at his / her / its own risk.
- h. If holders of the Equity Shares who are not person resident in India (including NRIs, OCBs, FIIs and FPIs) were required to obtain 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, along with the other documents required to be tendered to accept this Offer. If such

previous approvals and/or relevant documents are not submitted, the Acquirers and the PAC reserves the right to reject such Equity Shares tendered in this Offer.

- i. This DLOF has not been filed, registered or approved in any jurisdiction outside India. Recipients of the 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 Acquirers and the PAC or the Managers to the Offer to any new or additional registration requirements.
- j. The eligible Public Shareholders are advised to consult their respective tax advisors for assessing the tax implications 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 Acquirers and the PAC does not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in this DLOF.

C. Relating to the Acquirers and the PAC

- a. The Acquirers and the PAC do not provide any assurance with respect to the financial performance or the future performance of the Target Company and disclaim any responsibility with respect to any decision by the Public Shareholders on whether or not to participate in the Open Offer.
- b. The Acquirers and the PAC make no assurance with respect to their investment/divestment decisions relating to their proposed shareholding in the Target Company.
- c. The Acquirers and the PAC and Managers to the Offer do not provide any assurance with respect to the market price of the Equity Shares of the Target Company before, during or upon completion of this Open Offer.
- d. The information pertaining to the Target Company contained in the PA, the DPS, this DLOF, the Letter of Offer and any other advertisement / publications made in connection with the Offer has been compiled from information published or provided by the Target Company, as the case may be, or publicly available sources. The Acquirers and the PAC do not accept any responsibility with respect to any misstatement by the Target Company in relation to such information.
- e. None of the Acquirers, the PAC, the Managers or the Registrar to the Offer accepts any responsibility for any loss of documents during transit (including but not limited to Open Offer acceptance forms, copies of delivery instruction slips etc.), and the eligible Public Shareholders are advised to adequately safeguard their interest in this regard.

The risk factors set forth above are not intended to cover a complete analysis of all risks as perceived in relation to the Offer or in association with the Acquirers and the PAC but are only indicative in nature. The risk factors set forth above pertain to the transaction, the Offer and the Acquirers and the PAC and do not pertain to the present or future business or operations of the Target Company or any other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by Public Shareholder in the Offer. Public Shareholders of the Target Company are advised to consult their stockbroker, tax advisors or investment consultant, for understanding any other risks with respect to their participation in the Offer.

DISCLAIMER FOR U.S. PERSONS

The Open Offer is being made and the information contained in this DLOF is exclusively intended for persons who are not U.S. Persons as such term is defined in Regulation S under the US Securities Act of 1933, as amended, and who are not physically present in the USA. This DLOF does not in any way constitute an offer to sell, or an invitation to sell, any securities in the USA or in any other jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. Potential users of the information contained in this DLOF are requested to inform themselves about and to observe any such restrictions.

DISCLAIMER FOR PERSONS IN OTHER FOREIGN COUNTRIES:

This DLOF does not in any way constitute an offer to sell or an invitation to sell, any securities in any jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. Potential users of the information contained in this DLOF are requested to inform themselves about and to observe any such restrictions.

CURRENCY OF PRESENTATION

In this DLOF, all references to Rs. / Rupees / ₹ / INR are to Indian Rupee(s), the official currency of India.

In this DLOF, any discrepancy in any table between the total and sums of the amount listed are due to rounding off.

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1 DEFINITIONS

Acquirer 1	Raymond Simkins
Acquirer 2	Milan Bhupendra Dalal
Acquirers	Raymond Simkins and Milan Bhupendra Dalal, collectively
BSE	BSE Limited
Buying Broker	Infinity.com Financial Securities Ltd.
CIN	Corporate Identification Number
CDSL	Central Depository Services (India) Limited
Clearing Corporation	Indian Clearing Corporation Limited
Depositories	CDSL and NSDL
Designated Stock	BSE Limited
DIN	Director Identification Number
DLOF	This Draft Letter of Offer dated April 24, 2024
DP	Depository Participant
DPS / Detailed Public Statement	Detailed Public Statement published in newspapers on April 18, 2024
EPS	Earnings per share
Equity Share(s)	Fully paid-up equity shares of the Target Company of face value of ₹1 /- each
Escrow Agreement	Escrow Agreement dated April 10, 2024 entered into between the Acquirer 2, Escrow Banker and Managers to the Offer
Escrow Banker	Axis Bank Limited
Existing Promoter Group	Milan Bhupendra Dalal, Promoter, alongwith members of promoter group i.e. Rekha Bhupendra Dalal, Veena M Dalal, Asim Bhupendra Dalal, Satyen Bhupendra Dalal, Aditi Asim Dalal, Devdutt Dalal, Avanti Asim Dalal, Gaurika Milan Dalal, Bhupendra Champaklal Dalal, Western Press Private Ltd., Cifco Limited, MPIL Corporation Limited and Satyajyoti Holdings Private Limited.
Expanded Voting Share Capital	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 the Open Offer. i.e. 7,32,33,389 Equity Shares This includes (i) existing voting share capital of *5,84,97,673 Equity Shares; (ii) 1,44,96,249 outstanding convertible warrants; and (iii) 2,39,467 employee stock options which have been granted and vested. <i>*includes 15,03,760 Equity Shares allotted on April 1, 2024 pursuant to conversion of warrants and 2,30,260 Equity Shares allotted on April 5, 2024 under the Employees Stock Option Plan 2021</i>
FEMA	The Foreign Exchange Management Act, 1999, and the rules and regulations framed thereunder, as amended or modified from time to time
FII	Foreign Institutional Investor as defined under FEMA
Form of Acceptance	Form of Acceptance-cum-Acknowledgement
Identified Date	The date falling on the 10 th (Tenth) Working Day prior to the commencement of the Tendering Period for the purposes of determining the Public Shareholders to whom the LOF shall be sent.
Income Tax Act	Income Tax Act, 1961
LOF	The letter of offer in connection with the Offer, duly incorporating SEBI's comments on this DLOF, and including the Form of Acceptance-cum Acknowledgement
Managers/Managers to the Offer / Merchant Banker	Inga Ventures Private Limited and Pioneer Investcorp Limited
Master Circular	SEBI's Master Circular SEBI/HO/CFD/PoD-1/P/ CIR/2023/31 dated February 16, 2023
Maximum Consideration/ Maximum Open Offer Consideration	The total funding requirement for this Offer (assuming full acceptance), i.e., ₹279,89,80,254/- (Rupees Two Hundred Seventy-Nine Crore Eighty-Nine Lakh Eighty Thousand Two Hundred and Fifty-Four only)

NRI	Non Resident Indian as defined under FEMA
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB(s)	Overseas Corporate Bodies
Offer or Open Offer	Open Offer for acquisition of up to 1,90,40,682 Equity Shares being 26% of the Expanded Voting Share Capital of the Target Company at a price of ₹147/- per Equity Share payable in cash
Offer Period	Period as defined in the SEBI (SAST) Regulations
Offer Price	₹147/- (Rupees One Hundred and Forty-Seven Only) per Equity Share payable in cash
Offer Size	Up to 1,90,40,682 Equity Shares, representing 26.00% of the Expanded Voting Share Capital of the Target Company, at a price of ₹147/- per Offer Share aggregating to a total consideration of ₹ 279,89,80,254/- (Rupees Two Hundred Seventy-Nine Crore Eighty-Nine Lakh Eighty Thousand Two Hundred and Fifty -Four only)
Offer Shares	Up to 1,90,40,682 Equity Shares
PA	Public Announcement dated April 9, 2024
PAC	Borgos Multitrade LLP
Public Shareholders	All the equity shareholders of the Target Company who are or would be eligible to tender their Equity Shares in the Open Offer, excluding (i) Acquirers and PAC; (ii) members of the Existing Promoter Group (iii) parties to the Shareholders Agreement (as defined below); and (iv) any persons acting in concert or deemed to be acting in concert with the persons set out in (i) ,(ii) and (iii) above pursuant to and in compliance with SEBI SAST Regulation.
SCRR	Securities Contracts (Regulation) Rules, 1957 and subsequent amendments thereto
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992 and subsequent amendments thereto
SEBI LODR, 2015	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subsequent amendments thereto.
SEBI SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto
SHA / Shareholders Agreement	the agreement dated April 09, 2024 entered between Acquirer 1 and Existing Promoter Group including Acquirer 2 for reclassification of Acquirer 1 as promoter of the Target Company pursuant to regulation 31A (5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
Stock Exchanges	BSE and NSE
Target Company	Foods and Inns Limited
Tendering Period	Period expected to commence from [●] and closes on [●] , both days inclusive.
TRS	Transaction Registration Slip
Voting Share Capital	shall mean existing total fully paid-up equity / voting share capital of the Target Company. i.e. *5,84,97,673 Equity Shares as on date <i>*includes 15,03,760 Equity Shares allotted on April 1, 2024 pursuant to conversion of warrants and 2,30,260 Equity Shares allotted on April 5, 2024 under the Employees Stock Option Plan 2021</i>
Working Days	means any working day of the Securities and Exchange Board of India (“SEBI”) in Mumbai.

Shareholders Agreement / SHA	Agreement dated April 9, 2024 entered between Acquirer 1, Existing Promoter Group for reclassification of Acquirer 1 as promoter of the Target Company pursuant to regulation 31A(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
RBI	The Reserve Bank of India
Registrar to the Offer	Link Intime India Private Limited
Rs. or Rupees or ₹ or INR	Indian Rupees

Notes:

- (i) All capitalized terms used in this DLOF and not specifically defined herein shall have the meaning ascribed to them in the SEBI SAST Regulations.
- (ii) In this DLOF, any reference to the singular will include the plural and vice-versa.

2. DISCLAIMER CLAUSE

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF 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 REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE PUBLIC SHAREHOLDERS OF FOODS AND INNS LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS AND THE PAC OR THE TARGET COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ACQUIRERS AND THE PAC ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRERS AND THE PAC DULY DISCHARGES THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKERS “INGA VENTURES PRIVATE LIMITED AND PIONEER INVESTCORP LIMITED” HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED APRIL 24, 2024 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS AND THE PAC FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.”

3. DETAILS OF THE OFFER

3.1 Background of the Offer

- 3.1.1 This Open Offer is being made in accordance with Regulations 3(1) and 4 of the SEBI SAST Regulations, pursuant to the execution of the SHA executed between the Acquirer 1, and Existing Promoter Group.
- 3.1.2 On April 9, 2024, the Acquirer 1 and Existing Promoter Group have entered into the SHA which sets out the common objective of the Acquirers, on and from the completion of the Open Offer and payment of the Offer Price to the eligible Public Shareholders who have validly tendered their Equity Shares in the Open Offer as per the SEBI SAST Regulations, reclassifying Acquirer 1 as a ‘promoter’ of the Target Company. (“**Re-Classification**”). As a result of this and pursuant to the Open Offer, the Acquirer 1 will be classified as promoter of the Target Company.

As on the date of this DLOF, Existing Promoter Group currently holds 1,16,83,840 Equity Shares representing 19.97% of the Voting Share Capital of the Company, whereas Acquirer 1 holds 64,26,660 Equity Shares, representing 10.99% of the Voting Share Capital of the Target Company.

Pursuant to SHA and on and from the completion of Open Offer process:

- (i) the collective shareholding of the promoter and promoter group would exceed 25% of the Voting Share Capital of the Target Company which would exceed the threshold limit prescribed under Regulation 3(1) of the SEBI SAST Regulations; and
- (ii) the Acquirer 1 will be reclassified as promoter of the Target Company and collectively along with Existing Promoter Group shall hold controlling stake in the Target Company, with all rights (under law and under SHA) to control the management or policy decisions of the Target Company and other rights as available under applicable law. The Existing Promoter Group will be in charge of the overall business and day to day operations of the Target Company.

A tabular summary of the transaction (“**Underlying Transaction**”) which has triggered the Open Offer obligations.

Details of underlying transaction						
Type of Transaction (direct / indirect)	Mode of Transaction (Agreement/ Allotment/ market purchase)	Shares / Voting rights acquired/ proposed to be acquired		Total Consideration for shares / Voting Rights acquired (in Rs.)	Mode of payment (Cash/ securities)	Regulation which has triggered
		Number	% of total Expanded Voting Share Capital			
Direct Acquisition of control	Shareholders Agreement dated April 9, 2024 entered amongst Acquirer 1 and the Existing Promoter Group for reclassification of Acquirer 1 as promoter of the Target Company pursuant to regulation 31A (5) of the SEBI LODR, 2015.	Nil	Nil	Nil	NA	Regulations 3(1) and 4 of SEBI SAST Regulations, 2011

3.1.3 Salient features of the SHA (*capitalized terms used herein but not defined shall have the same meaning as ascribed in the SHA*)

- Acquirer 1 shall be classified as a ‘promoter’ of the Target Company for the purposes of all applicable laws, including but not limited to the SEBI LODR, 2015 and the SEBI SAST Regulations.
- The Parties acknowledge that upon Closing in accordance with the SEBI SAST Regulations, the Acquirer 1 will be reclassified as a ‘promoter’ of the Target Company and shall collectively, along with the Promoter Group, hold a controlling stake in the Target Company, with all rights (under law and under this Agreement) to control the management or policy decisions of the Target Company and other rights as available under Applicable Law. The Existing Promoter Group will be in charge of the overall business and day to day operations of the Target Company.
- In the event that Acquirer 1 proposes to transfer to any third party all or part of his shareholding in the Target Company by way of an on-market transaction or otherwise (the “Offer Shares”), Acquirer 2 and his nominees and Affiliates, shall have the right but not the obligation to acquire all such Offer Shares on the same terms and the same price (“Right of First Refusal”).
- In the event of Acquirer 2 undertaking a change of Control transaction in the Company, then he shall have the right (exercisable at his discretion) (the “Drag Right”) to require Acquirer 1 (the “Dragged Shareholder”), to Transfer all of the Equity Shares (“Dragged Securities”) held by him to the relevant Person(s) (the “Prospective Purchaser”) in the manner provided (“Drag Sale”).
- It is agreed that any and all Equity Shares of the Company as are validly tendered during the course of the Tendering Period of the Open Offer shall be acquired by Acquirer 2 and that Acquirer 1 shall not acquire any Equity Shares of the Company validly tendered in the Open Offer.
- Acquirer 2 shall appoint a scheduled commercial Bank as an escrow agent (the “Escrow Agent”) and furnish a bank guarantee for, and / or deposit in cash, such minimum escrow amount within the timelines required under the SEBI SAST Regulations. It is agreed that the amounts to be deposited in the Open Offer Escrow Account (by way of bank guarantee or cash) shall be deposited by Acquirer 2.

- 3.1.4 The payment to the eligible Public Shareholders that have validly tendered in the Offer will be made in cash.
- 3.1.5 The prime objective and purpose of entering into SHA is to reclassify Acquirer 1 as promoter of the Target Company. The Acquirer 1 along with Existing Promoter Group will continue to undertake the existing business of the Target Company with their expertise and intends to grow the business of the Target Company.
- 3.1.6 The Acquirers and the PAC confirm that as on the date of this DLOF they are not prohibited by SEBI from dealing in securities in terms of direction issued under sections 11 and 11B of the SEBI Act or under any regulations made under the SEBI Act.
- 3.1.7 As per Regulations 26(6) and 26(7) of the SEBI SAST Regulations, the board of directors of the Target Company is required to constitute a committee of independent directors, to provide its written reasoned recommendation on the Offer, to the Public Shareholders of the Target Company and such recommendation shall be published at least 2 (Two) Working Days before the commencement of the Tendering Period, in the same newspapers where the DPS was published.
- 3.1.8 The Offer Price shall be payable in cash in accordance with Regulation 9(1)(a) of the SEBI SAST Regulations, and subject to the terms and conditions set out in this DLOF and the Letter of Offer that will be dispatched to the eligible Public Shareholders in accordance with the provisions of the SEBI SAST Regulations.
- 3.1.9 Upon completion of the Open Offer, assuming full acceptances, the public shareholding of the Target Company will not fall below minimum level of public shareholding as required to be maintained as per Rule 19A(1) of the SCRR and Regulation 38 of SEBI LODR, 2015.
- 3.1.10 Upon completion of the Open Offer, Acquirer 1 shall be categorized as promoter of the Target Company, in accordance with Regulation 31A (5) of the SEBI LODR, 2015.

3.2 Details of the Proposed Offer

- 3.2.1 The Public Announcement in relation to the Offer was filed with the Stock Exchanges on April 9, 2024 by the Managers to the Offer for and on behalf of the Acquirers and the PAC. The Public Announcement was filed with SEBI and sent to the Target Company on April 9, 2024.
- 3.2.2 In accordance with Regulation 14(3) of the SEBI SAST Regulations, the DPS was published in the following newspapers on April 18, 2024:

Newspaper	Language	Editions
Financial Express	English	All Editions
Jansatta	Hindi	All Editions
Pratahkal	Marathi	Mumbai Edition

Simultaneously, a copy of the Detailed Public Statement was sent through the Managers to the Offer to: (a) SEBI; (b) BSE; (c) NSE; and (d) the Target Company.

(The PA and DPS is also available on the website of SEBI i.e. www.sebi.gov.in)

- 3.2.3 This Open Offer is being made by the Acquirers and PAC to all the eligible Public Shareholders of the Target Company for acquisition of up to 1,90,40,682 Equity Shares representing 26% of the Expanded Voting Share Capital of the Target Company (“**Offer Size**”) at a price of ₹147/- per Equity Share (“**Offer Price**”) payable in cash and subject to the terms and conditions set out in the PA, the DPS, this DLOF and to be set out in the Letter of Offer (“**LOF**”), that will be sent to all Public Shareholders of the Target Company.
- 3.2.4 As of the date of this DLOF, there are no partly paid-up Equity Shares.
- 3.2.5 There is no differential pricing for this Offer.
- 3.2.6 This Open Offer is not a competing offer and there is no competing offer as on the date of this DLOF in terms of Regulation 20 of the SEBI SAST Regulations.
- 3.2.7 This Offer is not conditional upon any minimum level of acceptance from the Public Shareholders of the Target Company in terms of Regulation 19(1) of the SEBI SAST Regulations.
- 3.2.8 The Acquirers and PAC have not acquired any Equity Shares of the Target Company after the date of PA, i.e. April 9, 2024 and up to the date of this DLOF.
- 3.2.9 The Acquirers and PAC will not sell the Equity Shares of the Target Company during the Offer Period in terms of Regulation 25(4) of the SEBI SAST Regulations.

- 3.2.10 Further, the eligible Public Shareholder who tender their Equity Shares in this Offer shall ensure that the Equity Shares are clear from all liens, charges, equitable interests and encumbrances. The Offer shares that are subject to any charge, lien or encumbrance are liable to be rejected in the Offer. The Acquirer 2 shall acquire all the Equity Shares tendered by the eligible Public Shareholder in accordance with the terms and conditions set forth in this DLOF and the terms and conditions which will be set out in the LOF.
- 3.2.11 To the best of the knowledge and belief of the Acquirers and the PAC, as on the date of this DLOF, there are no statutory or other approvals required to implement the Offer and transactions as envisaged under the SHA other than as indicated in Section 7.18 of this DLOF. If any other statutory approvals are required or become applicable prior to completion of the Offer, the Offer would be subject to the receipt of such other statutory approvals. The Acquirers and the PAC shall make the necessary applications for such statutory approvals. In the event that such statutory approvals are not granted/refused for any reason outside the reasonable control of the Acquirers and the PAC, the Acquirers and the PAC shall have the right to withdraw this Offer in terms of Regulation 23 of the SEBI SAST Regulations. In the event of withdrawal of this Offer, a public announcement will be made within 2 (two) Working Days of such withdrawal, in the same newspapers in which this DLOF has been published and such public announcement will also be sent to BSE, NSE, SEBI and the Target Company at its registered office.
- 3.2.12 Where any statutory or other approval extends to some but not all of the Public Shareholders, the Acquirers and the PAC shall have the option to make payment to such Public Shareholders in respect of whom no statutory or other approvals are required in order to complete this Open Offer.
- 3.2.13 There are no conditions in the SHA, the meeting of which are outside the reasonable control of the Acquirers, and in view of which the Offer might be withdrawn under Regulation 23(1) of the SEBI SAST Regulations.
- 3.2.14 All Public Shareholders, including non-resident holders (NRIs, OCBs and FIIs) of the Equity Shares, must obtain all requisite approvals required, if any, to tender the Offer Shares (including without limitation, the approval from the RBI, or any regulatory body) and submit such approvals, along with the other documents required to accept this Open Offer. In the event such approvals are not submitted, the Acquirers and the PAC reserve the right to reject such Equity Shares tendered in this Open Offer. Further, if the holders of the Equity Shares who are not person 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 Open Offer. In the event such approvals are not submitted, the Acquirers and the PAC reserves the right to reject such Offer Shares.
- 3.2.15 If the aggregate number of Equity Shares validly tendered in this Open Offer by the eligible Public Shareholders is more than the Offer Size, then the Equity Shares validly tendered by the eligible Public Shareholders will be accepted on a proportionate basis, in consultation with the Managers to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that the acquisition of Equity Shares from an eligible Public Shareholder shall not be less than the minimum marketable lot, or the entire holding if it is less than the marketable lot. The marketable lot for the Equity Shares for the purpose of this Offer shall be 1 (One) only.
- 3.2.16 Upon completion of the Open Offer, assuming full acceptances, the public shareholding of the Target Company will not fall below minimum level of public shareholding as required to be maintained as per Rule 19A(1) of the Securities Contracts (Regulation) Rules, 1957 as amended and Regulation 38 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 3.2.17 The Acquirers have appointed Inga Ventures Private Limited and Pioneer Investcorp Limited as Managers to the Offer in terms of Regulation 12 of the SEBI SAST Regulations. The Managers to the Offer, do not hold any Equity Shares in the Target Company as on the date of the DLOF and is not related to the Acquirers or the PAC and the Target Company in any manner whatsoever. The Managers to the Offer further declare and undertake that they will not deal on their own account in the Equity Shares of the Target Company during the Offer Period.

3.3 Object of the Offer

- 3.3.1 The prime objective and purpose of entering into SHA is to reclassify Acquirer 1 as Promoter of the Target Company. The Acquirer 1 along with Existing Promoter Group will continue to undertake the existing business of the Target Company with their expertise and intends to grow the business of the Target Company.
- 3.3.2 As on the date of this DLOF, in terms of Regulation 25(2) of the SEBI SAST Regulations, the Acquirers and the PAC do not have any intention to alienate, whether by way of sale, lease, encumber or otherwise, any

material assets of the Target Company or its subsidiaries, during the period of 2 (two) years from the completion of the Offer, except:

- a. in the ordinary course of business;
 - b. to the extent required for the purpose of restructuring, rationalization and/or streamlining their holding in the Target Company or the holding of the Target Company in its subsidiaries, if any, and/or the operations, business, assets, investments, liabilities or otherwise of the Target Company or its subsidiaries, if any, through arrangements, reconstructions, mergers, demergers, sale of assets or undertakings, and/or negotiation or re-negotiation or termination of existing contractual arrangements, which decisions shall be taken as per the procedures set out in the applicable laws, pursuant to business requirements, and in line with opportunities or changes in economic circumstances from time to time;
 - c. any assets which may not be considered necessary for the operation of the Target Company or its subsidiaries, which may not be utilised by Target Company and/or are not in line with the business requirements or future expansion plan of the Target Company or its subsidiaries;
 - d. on account of regulatory approvals or conditions, or compliance with any law that is binding on or applicable to the operations of the Target Company or its subsidiaries, if any; or
 - e. as has already been disclosed in the public domain.
- 3.3.3 Other than the above, if the Acquirers and the PAC intends to alienate any material asset of the Target Company outside the ordinary course of business within a period of 2 years from completion of the Offer, the Target Company shall seek the approval of its shareholders as per proviso to Regulation 25(2) of the SEBI SAST Regulations, to the extent applicable.

4 BACKGROUND OF THE ACQUIRERS AND the PAC

4.1 Acquirer 1 – Raymond Simkins

- 4.1.1 Raymond Simkins, Acquirer 1, is an individual aged about aged 80 years.
- 4.1.2 The office address is 14, Queen Annes Gate, SW1H 9AA, London. Email- raysimkins@getz.com
- 4.1.3 Acquirer 1 is a Non-Executive and Non-Independent Director of the Target Company. He has been associated with the Target Company since 1995. He holds a degree of M.E. from Buckingham Technical College. He is currently president of the Getz Group with interest throughout the Asia/Pacific region where he had been associated since 1966.
- 4.1.4 He does not hold directorship in any other listed company except as stated below:

Name of the Company	Position held on the Board of Directors of the Company
Muller and Phipps India Limited	Non-Executive Director

Further, he is not a whole-time director in any other listed company.

- 4.1.5 As on the date of this DLOF, Acquirer 1 holds 64,26,660 Equity Shares, i.e. 10.99% of the Voting Share Capital of the Target Company.
- 4.1.6 Except being a Non-Executive and Non-Independent director and holding shares in the Target Company, Acquirer 1 does not have any interest in the Target Company and no relationship with Acquirer 2. There is no relationship between Acquirer 1 and PAC. Further, upon consummation of the underlying transaction, the Acquirer 1 will become a promoter of the Target Company.
- 4.1.7 The Acquirer 1 is part of Getz Group.
- 4.1.8 The Net worth of Acquirer 1 is INR 1079.66 millions as on December 31, 2023, certified by way of a certificate dated March 15, 2024 issued by Carmelita Chua Lim, ISCA Singapore, Regional Finance having his office at 38C Jalan Pemimpin #04-01 Singapore 577180 and by certificate dated April 9, 2024 issued by Nitin V. Kulkarni, Partner, (Membership No.:032651), APR & Associates Chartered Accountants (Firm Registration No.: 105409W)
- 4.1.9 As on the date of this DLOF, Acquirer 1 is not a 'wilful defaulter' in terms of Regulation 2(1)(ze) of the SEBI SAST Regulations and has not been prohibited by SEBI from dealing in securities in terms of directions issued under section 11 or section 11B of the SEBI Act or under any other regulations made under the SEBI Act.
- 4.1.10 As on the date of this DLOF, Acquirer 1 is not a 'fugitive economic offender' under Section 12 of the Fugitive Economic Offenders Act, 2018.

4.2 Acquirer 2 – Milan Bhupendra Dalal

- 4.2.1 Milan Bhupendra Dalal, Acquirer 2, is an individual aged about 62 years.
- 4.2.2 The residential address is 42 Chitrakoot, Altamount Road, Mumbai 400026. Tel No. 022-22651171; email id - milan@foodsandinns.in
- 4.2.3 Acquirer 2 is the Managing Director and promoter of the Target Company. He holds a degree of Bachelor of Commerce from the University of Mumbai. He has four decades of experience in the various fields like stock broking, financial consultancy, M & A, travel agency, lifestyle retail, agro industry, manufacturing and export etc.
- 4.2.4 He does not hold directorship in any other listed companies except as stated below:

Name of the Company	Position held on the Board of Directors of the Company
Muller and Phipps India Limited	Non-Executive Director
Amalgamated Electricity Company Limited	Non-Executive Director
MPIL Corporation Limited	Non-Executive Director

Further, he is not a whole-time director in any other listed company.

- 4.2.5 As on the date of this DLOF, Acquirer 2 holds 17,02,250 Equity Shares i.e. 2.91% of the Voting Share Capital of the Target Company.
- 4.2.6 There is no relationship between Acquirer 2 and PAC except Acquirer 2 is borrower and PAC is lender and hence recognized as PAC for the purpose of this Open Offer and Acquirer 2 has no relationship with Acquirer 1. Except being a Managing Director and promoter and holding shares in the Target Company, Acquirer 2 does not have any interest in the Target Company.
- 4.2.7 The Acquirer 2 is not part of any Group.
- 4.2.8 The Net worth of Acquirer 2 is INR 108.22 million as on March 31, 2023, certified by way of a certificate dated October 05, 2023 issued by Atul D. Pandya, Membership no. 33930, M.D. Pandya & Associates having his office at 107-B, Anand Nagar, Forjet Street, Mumbai – 400 026.
- 4.2.9 As on the date of this DLOF, Acquirer 2 is not a ‘wilful defaulter’ in terms of Regulation 2(1)(ze) of the SEBI SAST Regulations and has not been prohibited by SEBI from dealing in securities in terms of directions issued under section 11 or section 11B of the SEBI Act or under any other regulations made under the SEBI Act.
- 4.2.10 As on the date of this DLOF, Acquirer 2 is not a ‘fugitive economic offender’ under Section 12 of the Fugitive Economic Offenders Act, 2018.

4.3 PAC – Borgos Multitrade LLP

- 4.3.1 PAC is a limited liability partnership incorporated on May 27, 2023 under the Limited Liability Partnership Act, 2008 with LLP Identification No. ACB-3729. The name of the LLP has not changed since incorporation.
- 4.3.2 The registered office of PAC is situated at 20, Bhatia Niwas, 233/ 235, Samuel Street, Mumbai – 400 003; Tel No. 91 - 022-23445658 and email id: borgos@halan.in .
- 4.3.3 PAC incorporated for doing business of trading, distributor, exhibitors, liaisoner and related activities. It is yet to commence the commercial operations.
- 4.3.4 The capital contribution of the PAC as on March 31, 2024 is as under-

Sr. No	Name	Address	Amount of Contribution (Rs.)	% of Contribution
1	Halan Properties Private Limited	20, Bhatia Niwas, 233/235 Samuel Street, Mumbai – 400003	55,000	55.00%
2	Pune IT Space Solutions Private Limited	T-29-31 Bhosari Industrial Estate, Bhosari, Pune – 411026	14,000	14.00%
3	Mr. Om Hari Mahabir Prasad Halan	Wing B Flat no. 4504, DB Woods CHS. Ltd., Krishna Vatika Marg, Gokuldharm, Goregaon (East), Mumbai-400063	31,000	31.00%

		TOTAL	1,00,000	100.00
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4.3.5 Mr. Om Hari Mahabir Prasad Halan is the person in control of the PAC.

4.3.6 Relationship of PAC with Acquirer 1 – There is no relationship between Acquirer 1 and PAC.

4.3.7 Relationship of PAC with Acquirer 2 – Except being a lender to Acquirer 2, there is no other relationship of PAC with Acquirer 2. In the capacity of being a lender to Acquirer 2, it has been recognized as PAC for the purpose of this Open Offer

4.3.8 PAC does not belong to any group.

4.3.9 PAC does not hold any Equity Shares in the Target Company. The designated partners and partners do not have any interest in the Target Company. Further, as on the date of this DLOF, there are no directors on the board of the Target Company representing the PAC. Further, PAC shall not acquire any Equity Shares of the Target Company validly tendered in the Open Offer.

4.3.10 Details of designated partners of the PAC:

Name and Designation	Designation	Date of Appointment	Experience & Qualification
Om Hari Mahabir Prasad Halan DIN: 00994214	Designated Partner	May 27, 2023	He holds degree of Bachelors of Commerce. He is a businessman and a prominent investor. He has over 45 years of experience in the field of Property, Chemicals and Finance & Investments.
Ajay Kumar Mahabir Prasad Halan DIN: 00012668	Designated Partner	May 27, 2023	He holds degree of Bachelors of Commerce. He has over 40 years of experience in the field of Property, Chemicals and Finance & Investments.
Mr. Narayan Hari Mahabir Prasad Halan DIN: 00021479	Designated Partner	May 27, 2023	He holds degree of Bachelors of Commerce. He has over 25 years of experience in the field of Property, Chemicals and Finance & Investments.

4.3.11 The financial information of PAC based on its based on its Balance Sheet, the state of affairs of the LLP as at March 31, 2024 and the Statement of Profit and Loss of the LLP for the year ended March 31, 2024 are as follows:

Profit & Loss Statement	Amount (Rs.)
Income from operations	-
Other Income	-
Total Income	-
Total Expenditure	6,490
Profit Before Depreciation Interest and Tax	(6,490)
Depreciation	-
Interest	-
Profit Before Tax	(6,490)
Provision for Tax	-
Profit After Tax	(6,490)
Balance Sheet Statement	
Partners Capital	30,20,43,828
Reserves & Surplus	-
Partners' Funds	30,20,43,828
Secured loans	-
Unsecured loans	-
Other Current Liabilities	4,720

Total	30,20,48,548
Investments (market value as on March 31, 2024 - Rs.602,00,00,000)	30,19,50,318
Cash and Bank Balances	98,230
Total	30,20,48,548
Other Financial Data	
Dividend (%)	-
Earning per share	-

4.3.12 PAC does not have any contingent liability.

4.3.13 As on the date of this DLOF, Neither PAC nor any of its designated partner have been categorized or declared as: (i) a 'wilful defaulter' by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI.

4.3.14 As on the date of this DLOF, Neither PAC nor any of its designated partner have been categorized or declared as a 'fugitive economic offender' under Section 12 of the Fugitive Economic Offenders Act, 2018.

4.3.15 As on the date of this DLOF, the PAC has not been prohibited by SEBI from dealing in securities in terms of directions issued under Section 11 or Section 11B of the SEBI Act or under any other regulations made under the SEBI Act.

5. BACKGROUND OF THE TARGET COMPANY – FOODS AND INNS LIMITED

5.1 The Target Company is presently known as Foods and Inns Limited. There has been no change in the name of the Target Company in the last three years. Below are the details of change of name of the Target Company since its incorporation:

Sr. No	Name change of the Target Company	Date of Incorporation/Change of Name	Registrar of Companies
1.	Country Inns Private Limited	October 11, 1967	Registrar of Companies, Maharashtra, Bombay
2.	Foods and Inns Private Limited	December 31, 1968	Registrar of Companies, Maharashtra, Bombay
3.	Foods and Inns Limited	December 31, 1970	Registrar of Companies, Maharashtra, Bombay

5.2 The registered office of the Target Company is situated at Udyog Bhavan, 2nd Floor 29 Walchand Hirachand Marg, Ballard Estate, Mumbai City, Mumbai, Maharashtra, India, 400038 and the Corporate Office is situated at J. N. Heredia Marg, Hamilton House, 3rd floor, Ballard Estate, Mumbai, Maharashtra, India, 400038. The Corporate Identity Number of the Target Company is L55200MH1967PLC013837.

5.3 The Target Company is primarily engaged, in the business of manufacturing of a variety of processed tropical fruit & vegetable pulps, purees, spices, spray dried powder, frozen foods and other value additive foods.

5.4 The Equity Shares of the Target Company are presently listed on BSE (scrip code: 507552) and NSE (scrip symbol: FOODSIN). The ISIN of Equity Share is INE976E01023. The Equity Shares are frequently traded within the meaning of explanation provided in Regulation 2(1)(j) of the SEBI SAST Regulations.

5.5 The Authorised Share Capital of the Target Company is ₹19,00,00,000/- (Rupees Nineteen Crores only) divided into 16,00,00,000 (Sixteen Crores) equity shares of Re. 1/- (Rupee One Only) each and 3,00,000 (Three Lakhs) Redeemable preference shares of Rs. 100/- (Rupees One Hundred Only) each.

5.6 The capital structure of the Target Company, as on the date of DLOF, is as follows:

Paid-up Equity Shares of Target Company	No. of Equity Shares/voting Rights	% of Equity Shares/ voting rights
Fully paid-up Equity Shares	5,84,97,673	100
Partly paid-up Equity Shares	Nil	
Total paid-up Equity Shares	5,84,97,673	100
Total voting rights in Target Company	5,84,97,673	100

**includes 15,03,760 Equity Shares allotted on April 1, 2024 pursuant to conversion of warrants and 2,30,260 Equity Shares allotted on April 5, 2024 under the Employees Stock Option Plan 2021*

5.7 Further as on date of this DLOF, the Expanded Voting Share Capital of the Target Company is as follows:

Particulars	No. of Shares	% of Expanded Voting Share Capital
Fully paid-up Equity Shares	*5,84,97,673	79.88%
Employee Stock Options (“ESOPs”) vested or which will vest prior to 10 th Working Day from the closure of the tendering period for the Open Offer)	2,39,467	0.33%
Outstanding convertible warrants	1,44,96,249	19.79%
Expanded Voting Share Capital	7,32,33,389	100.00%

**includes 15,03,760 Equity Shares allotted on April 1, 2024 pursuant to conversion of warrants and 2,30,260 Equity Shares allotted on April 5, 2024 under the Employees Stock Option Plan 2021.*

5.8 The trading of the Equity Shares is currently not suspended on BSE and NSE.

5.9 Pursuant to conversion of warrants on April 1, 2024, the Target Company has allotted 15,03,760 Equity Shares, which are in the process of getting listing and trading approval. The application has been made by the Target Company to BSE and NSE. Pursuant to conversion of ESOPs on April 5, 2024, the Target Company has allotted 2,30,260 Equity Shares, which are in the process of getting listing and trading approval. The application is being made by the Target Company to BSE and NSE. Further w.r.t 30,61,740 Equity Shares allotted on January 18, 2024, the Target Company has received listing approval but trading approval is pending.

5.10 As on date of this DLOF, the Target Company does not have any partly paid-up equity shares. Except 1,44,96,249 outstanding convertible warrants and 2,39,467 employee stock options units which have been granted and vested, there are no other outstanding convertible instruments issued by the Target Company.

Since the above mentioned Equity Shares will remain outstanding as of the 10th Working Day from the closure of the Tendering Period, the same has been taken into account only for calculating Expanded Voting Capital of the Target Company and Offer Size.

5.11 The Board of Directors of the Target Company, as on the date of DLOF, are as under:

Name	DIN	Designation	Date of Appointment
Milan Bhupendra Dalal (Acquirer 2)	00062453	Managing Director	April 29, 2006
Bhupendra Champaklal Dalal	00061492	Non-Executive - Non Independent Director-Chairperson	April 30, 2008
Raymond Simkins (Acquirer 1)	01573312	Non-Executive - Non Independent Director	August 09, 1995
Hormazdiyaar Vakil	00060835	Non-Executive -Independent Director	August 14, 2018
Maneck Davar	01990326	Non-Executive - Independent Director	September 30, 2019
Adityapuram Seshadrinathan	00854359	Non-Executive - Independent Director	August 7, 2023
Karishma Bhalla	08729754	Non-Executive - Independent Director	August 7, 2023
Sanjay Naik	10382124	Non-Executive - Independent Director	November 11, 2023

Note: The details of the directors of the Target Company are as per the details available on the MCA website and corporate information tab on the BSE website, as on the date of this DLOF

Acquirer 1 and Acquirer 2 both are appointed as member of the Board of Directors since the date mentioned in above table.

- 5.12 There has been no merger/de-merger, spin off during last three years involving the Target Company.
- 5.13 Summary of the audited consolidated financial statements for the financial year ended March 31, 2021, March 31, 2022 and March 31, 2023 and unaudited limited review consolidated financial statements for the nine months' period ended December 31, 2023 of the Target Company are as follows:

(Amount ₹ in Lakhs except other financial data)

Profit & Loss Account	Nine Months Ended December 31, 2023 (Unaudited) Limited reviewed	Year Ended March 31, 2023 (Audited)	Year Ended March 31, 2022 (Audited)	Year Ended March 31, 2021 (Audited)
Income from Operations	67,505.85	99,556.81	63,214.73	37,079.28
Other Income	390.35	1,127.13*	645.91	1,063.79
Total Income	67,896.20	1,00,683.94	63,860.64	38,143.07
Total Expenditure	59,251.17	89,998.25	58,203.32	34,900.59
Profit before Depreciation Interest & Tax	8,645.03	10,685.69	5,657.32	3,242.48
Depreciation	1,236.54	1,403.42	1,330.95	1,249.35
Interest / Finance Costs	2,965.01	2,766.37	1,897.98	1,444.63
Share of Loss of Joint Venture and Associates	7.82	55.17	70.60	-
Profit Before Tax	4,435.66	6,460.73	2,357.79	548.50
Provision for Tax	1,286.18	1,719.77	828.70	155.47
Profit After Tax	3,149.48	4,740.96	1,529.09	393.03
Other Comprehensive Income/(Loss)	23.81	(19.45)	(34.95)	21.10
Total Comprehensive Income	3,173.29	4,721.51	1,494.14	414.13
Balance Sheet Statement	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Sources of funds				
Paid up share capital	537.02	509.38	503.38	503.38
Reserves & Surplus (excluding revaluation reserve)	29,703.70	24,176.27	19,137.29	17,743.81
Networth**	30,240.72	24,685.65	19,640.67	18,247.19
Secured Loans	46,524.76	32,737.49	21,126.26	16,010.39
Unsecured Loans	190.61	993.34	305.53	302.89
Other Non- Current Liabilities	1,014.53	393.65	806.06	72.52
Total	77,970.62	58,810.13	41,878.52	34,632.99
Uses of funds				
Net fixed assets	26,618.28	23,468.95	18,819.09	14,468.19
Investments	1,200.85	1,155.67	138.00	20.34
Other Non- Current Assets	2,141.37	1,764.41	2,144.52	1,557.65
Net current assets	48,010.12	32,421.10	20,776.91	18,586.81
Total miscellaneous expenditure not written off	-	-	-	-
Total	77,970.62	58,810.13	41,878.52	34,632.99

Other Financial Data:				
Dividend (%)	-	50%	25%	20%
Earning Per Share (Basic) (in Rs.)	5.94	9.31	3.04	0.78
Earning Per Share (Diluted) (in Rs.)	5.11	8.33	3.04	0.78
Return on Networth (%)	10.41	19.21	7.79	2.15
Book Value per equity share (in Rs.)	56.31	48.46	39.02	36.25

Not annualized

* includes Exceptional Income of Rs.532.32 Lakhs

***Net worth is calculated as per section 2(57) of the Companies Act, 2013*

Source: Certificate dated April 9, 2024 issued by APR & Associates Chartered Accountants (Firm Registration No.:105409W), Nitin V. Kulkarni partner of APR & Associates, Chartered Accountants, (Membership No.: 032651)

- 5.14 Pre shareholding pattern of the Target Company and post shareholding pattern of the Target Company as on April 19, 2024 is as follows:

Shareholders' Category	Shareholding & voting rights prior to SHA / acquisition and Offer		Equity Shares / voting rights agreed to be acquired which triggered off the SEBI SAST Regulations		Equity Shares/ Voting rights to be acquired in the Open Offer (assuming full acceptances)		Shareholding/ voting rights after the acquisition and the Offer.	
	(A)		(B)		(C)		(D) = (A) +(B) +(C)	
	No.	%	No.	%	No.	%	No.	%
(1) Promoter Group								
a. Milan Dalal (Acquirer 2)	1,702,250	2.91%	0	0	19,040,682	32.55%	20,742,932	35.46%
b. Other Promoters / Promoter Group other than (a) above	9,981,590	17.06%	0	0	-	-	9,981,590	17.06%
Total 1(a+b)	11,683,840	19.97%	0	0	19,040,682	32.55%	30,724,522	52.52%
(2) Acquirer and PAC								
a. Raymond Simkins (Acquirer1)	6,426,660	10.99%	0	0	0	0	6,426,660	10.99%
b. Borgos Multi trade LLP	0	0	0	0	0	0	0	0
Total 2 (a+b)	6,426,660	10.99%	0	0	0	0	6,426,660	10.99%
Shareholding of Promoter Group Post Underlying Transaction (Total 1+ 2)	NA	NA	NA	NA	NA	NA	37,151,182	63.51%
(3) Parties to Agreement other than (1) & (2) above	0	0	0	0	0	0	0	0
Total (3)	0	0	0	0	0	0	0	0
(4) Public (other than parties to SHA and Acquirers and PAC)⁽³⁾								
a.FIs/MFs/FIIs/ Banks/ SFIs	492,074	0.84%	0	0	19,040,682	32.55%	21,346,491	36.49%
b. Others	39,895,099	68.20%	0	0				
Total (4) = (a+b)	40,387,173	69.04%	0	0	0	0	21,346,491	36.49%
Grand Total (1+2+3+4)	58,497,673	100.00%	0	0	0	0	58,497,673	100.00%

1)% It is calculated on the Voting Share Capital of the Target Company as on the date of this DLOF.

2) The Acquirers have entered into SHA dated April 9,2024 for reclassification of Acquirer 1 as Promoter.

3) The number of shareholders in the "public category" as on April 19, 2024 is 21,746.

- 5.15 The Acquirers and PAC has not acquired any Equity Shares after date of PA till the date of DLOF.

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1 Justification of Offer Price

- 6.1.1 The Equity Shares are listed on BSE and NSE. The Equity Shares have a Scrip Code 507552 on BSE and Scrip Symbol FOODSIN on NSE.
- 6.1.2 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. April 1, 2023 to March 31, 2024 (both days included) on BSE and NSE was as under:

Stock Exchanges	No. of Equity shares traded during the twelve calendar months prior to the month of PA (A)	Total number of listed Equity Shares of the Target Company as on the date of PA i.e. April 09, 2024* (B)	Trading Turnover (as percentage of total listed Equity Shares) (A/B)
BSE	1,17,18,035	5,84,97,673	20.03%
NSE	12,49,20,141	5,84,97,673	213.55%

**includes 15,03,760 Equity Shares allotted on April 1, 2024 pursuant to conversion of warrants and 2,30,260 Equity Shares allotted on April 5, 2024 under the Employees Stock Option Plan 2021 which are in the process of being listed on BSE and NSE.*

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

- 6.1.3 Therefore, in terms of Regulation 2(1)(j) of the SEBI SAST Regulations, the Equity Shares are frequently traded.
- 6.1.4 The Offer Price of ₹147 /- per Equity Share is justified in terms of Regulations 8(1) and 8(2) of the SEBI SAST Regulations, being the highest of the following parameters:

Sr. No.	Particulars	Price (in ₹ per Equity Share)
A	The highest negotiated price per share for any acquisition of Equity Shares under the agreements attracting the obligation to make the Public Announcement of an Open Offer	Not Applicable
B	The volume-weighted average price paid or payable for acquisition by the Acquirers and the PAC during 52 weeks immediately preceding the date of PA	NA
C	The highest price paid or payable for any acquisition by the Acquirers and the PAC during 26 weeks immediately preceding the date of the PA	NA
D	The volume-weighted average market price of such Equity Shares for a period of sixty trading days immediately preceding the date of PA as traded on the stock exchange where maximum volume of trading in the shares of the Target Company are recorded during such period, provided such shares are frequently traded	146.36
E	Where the shares are not frequently traded, price determined by the Acquirers and the PAC and the Managers to the Offer taking into account valuation parameters including book value, comparable trading multiples and earnings per share.	Not Applicable

- 6.1.5 In view of the parameters considered and presented in the table above in the opinion of the Acquirers and the PAC and Managers to the Open Offer, the Offer Price of ₹147 /- per Equity Share is justified in terms of Regulation 8 of the SEBI SAST Regulations.
- 6.1.6 There have been no corporate actions in the Target Company warranting adjustment of relevant price parameters under Regulation 8(9) of SEBI SAST Regulations. The Offer Price may be adjusted by the Acquirers and the PAC, in consultation with the Managers to the Offer, in accordance with Regulation 8(9) of the SEBI (SAST) Regulations.
- 6.1.7 As on date of this DLOF, there is no revision in Offer Price or Offer Size. The Offer Price or Offer Size may be subject to upward revision, if any, pursuant to the SEBI SAST Regulations or at the discretion of the Acquirers and the PAC at any time prior to 1 (one) Working Day before the commencement of the Tendering Period in accordance with regulation 18(4) of the SEBI SAST Regulations. In the event of such revision, the Acquirers and the PAC shall make corresponding increase to the escrow amounts in accordance with regulation 18(5) of the SEBI SAST Regulations and the Acquirers and the PAC shall (i) make further deposits into the

Escrow Account; (ii) make a public announcement in the same newspapers in which the DPS has been published; and (iii) simultaneously with the issue of such announcement, inform SEBI, the Stock Exchanges and the Target Company at its registered office of such revision.

- 6.1.8 The Acquirers and the PAC shall not acquire any Equity Shares, between three Working Days prior to the commencement of the Tendering Period of this Offer and until the expiry of the Tendering Period of this Offer. An upward revision to the Offer Price or to the Offer Size, if any, on account of competing offers or otherwise, maybe done at any time prior to the commencement of the last 1 (one) Working Day before the commencement of the Tendering Period of this Offer in accordance with Regulation 18(4) of the SEBI SAST Regulations. In the event of such revision, the Acquirers and the PAC shall (i) make further deposits into the Escrow Account; (ii) make a public announcement in the same newspapers in which the DPS has been published; and (iii) simultaneously with the issue of such announcement, inform BSE, NSE, SEBI and the Target Company at its registered office of such revision.
- 6.1.9 If the Acquirers and the PAC acquires Equity Shares of the Target Company during the period of twenty-six weeks after the tendering period at a price higher than the Offer Price, then the Acquirers and the PAC shall pay the difference between the highest acquisition price and the Offer Price, to all Public Shareholders whose Equity Shares have been accepted in the Offer within sixty days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another open offer under the SEBI SAST Regulations, or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2021, or open market purchases made in the ordinary course on the stock exchanges, not being negotiated acquisition of Equity Shares of the Target Company in any form.

6.2 Financial Arrangements

- 6.2.1 Total consideration payable by the Acquirer 2 to acquire up to 1,90,40,682 Equity Shares from all the Public Shareholders of the Target Company at the Offer Price of ₹147 / -per Equity Share, assuming full acceptance of the Offer, would be ₹279,89,80,254/- (Rupees Two Hundred Seventy-Nine Crore Eighty-Nine Lakh Eighty Thousand Two Hundred and Fifty -Four only) (**“Maximum Consideration”**).
- 6.2.2 In accordance with Regulation 17 of the SEBI SAST Regulations, the Acquirer 2 has opened an Escrow Account under the name and style of **“Foods & Inns Ltd-Open Offer 2024 - Escrow Account”** with Axis Bank Limited, , at Ground Floor, Jalaram Bungalow Centre, Ganjawala Lane, Opposite Chamunda Circle, Pai Nagar, Borivali (West), Mumbai, Maharashtra 400092 , (**“Escrow Banker”**) and made therein a cash deposit of ₹ 70,00,00,000/- (Rupees Seventy Crores only in the account in accordance with the Regulation 17(3)(a) of the SEBI SAST Regulations, being more than 25% of the Maximum Consideration payable to the Public Shareholders under the Open Offer. The cash deposit has been confirmed vide a confirmation letter dated April 10, 2024 issued by Axis Bank Limited. In terms of agreement dated April 10, 2024 amongst the Acquirer 2, Managers to the Offer and Escrow Bank (**“Escrow Agreement”**), the Managers to the Offer has been duly authorized to operate and to realize the monies lying in the Escrow Account in terms of the SEBI SAST Regulations. In case of any upward revision in the Offer Price or the Offer Size, the cash in the Escrow Account shall be increased by the Acquirer 2 in terms of Regulation 17(2) of the SEBI SAST Regulations, prior to effecting such revision.
- 6.2.3 Acquirer 2 have confirmed that he has sufficient and adequate financial resources to fulfil the obligations under the Open Offer and have put in place firm financial arrangements for financial resources required for the implementation of the Open Offer, in terms of Regulation 25(1) of the SEBI SAST Regulations.
- 6.2.4 Acquirer 2 had entered into irrevocable loan arrangement of up to ₹315,00,00,000/- (Rupees Three Hundred and Fifteen Crores Only) (**“Loan”**) from Borgos Multitrade LLP vide agreement dated April 4, 2024. The Acquirer 2 has given an undertaking to the Managers to the Offer to the effect that Loan is exclusively earmarked to fulfill the obligations of the Offer and to acquire the Offer Shares tendered in the Offer. The firm financing is higher than the Maximum Consideration.
- 6.2.5 Mr. Nitin V. Kulkarni, Partner, (Membership No.:032651), APR & Associates Chartered Accountants (Firm Registration No.: 105409W), having office at 9, Zenab Niwas, L.J. Road, Dadar(W), Mumbai -400 028; Tel. No.: 9930049122.: vide his certificate dated April 9, 2024 has certified that the Acquirer 2 has adequate resources to meet the financial requirements of the Open Offer.
- 6.2.6 Based on the aforesaid confirmations received from the APR & Associates Chartered Accountants, execution of loan agreement and the Escrow Banker regarding credit of escrow amount, the Managers to the Offer are satisfied about the ability of the Acquirer 2 to implement the Offer in accordance with the SEBI SAST Regulations. The Managers to the Offer confirms that firm arrangement for the funds and money for payment through verifiable means are in place to fulfill the Offer obligation.

7. TERMS AND CONDITIONS OF THE OFFER

- 7.1 The LOF along with Form of Acceptance will be dispatched (through e-mail or physical mode) to all Public Shareholders of the Target Company, whose names appear on the register of members of the Target Company and to the owner of the Equity Shares whose names appear as beneficiaries on the records of the respective Depositories at the close of business hours on [●] (“**Identified Date**”) as per schedule of activities of this Open Offer. Accidental omission to dispatch the LOF to any Public Shareholder entitled to this Open Offer or non-receipt of the LOF by any Public Shareholder entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever. The Offer is subject to the terms and conditions set out herein. A copy of the Letter of Offer (including Form of Acceptance) will also be available on SEBI’s website (www.sebi.gov.in). The Public Shareholders may also download LOF (along with Form of Acceptance) from SEBI website.
- 7.2 Public Shareholders can write to the Registrar to the Offer / Managers 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, not later than 2 (Two) days from the completion of Tendering Period.
- 7.3 This Offer is not conditional upon any minimum level of acceptance in terms of the SEBI SAST Regulations. The Acquirer 2 will acquire all the Equity Shares that are validly tendered and accepted in terms of this Offer up to 1,90,40,682 Equity Shares representing 26% of the Expanded Voting Share Capital of the Target Company.
- 7.4 The Equity Shares tendered under this Offer shall be free from all liens, charges, equitable interests and encumbrances and are to be tendered together with all rights attached thereto, including all rights in respect of dividends or bonuses, if any, declared from now and hereafter.
- 7.5 This Offer is not a competing offer in terms of Regulation 20 of the SEBI SAST Regulations.
- 7.6 Equity Shares that are subject to any charge, lien or encumbrance are liable to be rejected except where ‘no objection certificate’ from lenders is attached with the Form of Acceptance. 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 eligible Public Shareholder may be precluded from transferring the Equity Shares during pendency of the said litigation, are liable to be rejected.
- 7.7 The acceptance of the Offer made by the Acquirers and the PAC is entirely at the discretion of the Public Shareholders of the Target Company.
- 7.8 The instructions and provisions contained in the Form of Acceptance constitute an integral part of the terms of this Offer.
- 7.9 Applications in respect of Equity Shares of the Target Company that are subject matter of litigation wherein the Public Shareholders of the Target Company may be prohibited from transferring the Equity Shares during the pendency of the said litigation are liable to be rejected if the directions / orders regarding these Equity Shares are not received together with the Equity Shares tendered under the Offer. The Letter of Offer in such cases, wherever possible, will be forwarded to the concerned statutory authorities for further action by such authorities.
- 7.10 In terms of the Regulation 18(9) of the SEBI SAST Regulations, Public Shareholders who have accepted this Open Offer by tendering their Equity Shares and requisite documents in terms of the PA, DPS and LOF shall not be entitled to withdraw such acceptance.
- 7.11 The locked-in Equity Shares, if any acquired pursuant to the agreement or offer can be transferred to the Acquirers and the PAC, subject to the continuation of the residual lock-in period in the hands of the Acquirers and the PAC. The Managers to the Offer ensures that there shall be no discrimination in the acceptance of locked-in and non-locked-in Equity Shares.
- 7.12 There has been no revision in the Offer Price or Offer Size as of the date of this DLOF. Acquirers and the PAC reserves the right to revise the Offer Price and/or the number of Offer Shares upwards at any time prior to the commencement of 1 (One) Working Day prior to the commencement of the Tendering Period, i.e., up to [●], in accordance with the SEBI SAST Regulations. In the event of such revision, in terms of Regulation 18(5) of the SEBI SAST Regulations, the Acquirers and the PAC shall (i) make a corresponding increase to the escrow amount, (ii) make a public announcement in the same newspapers in which the DPS was published, and (iii) simultaneously notify Stock Exchanges, SEBI and the Target Company at its registered office. In case of any revision of the Offer Price, the Acquirers and the PAC would pay such revised price for all the Equity Shares validly tendered at any time during the Open Offer and accepted under the Open Offer in accordance with the terms of the LOF.

- 7.13 The marketable lot for Equity Shares for the purpose of this Offer shall be 1 (One) only
- 7.14 Accidental omission to dispatch the Letter of Offer to any eligible Public Shareholder entitled under this Open Offer or non- receipt of the Letter of Offer by any eligible Public Shareholder entitled under this Open Offer shall not invalidate the Open Offer in any manner whatsoever. The eligible Public Shareholders can write to the Registrar to the Offer/Managers to the Offer requesting for the Letter of Offer. Alternatively, the Letter of Offer will also be available at SEBI's website, www.sebi.gov.in.
- 7.15 All the Equity Shares validly tendered under this Open Offer to the extent of the Offer Size will be acquired by the Acquirers and the PAC in accordance with the terms and conditions set forth in the PA, DPS, this Draft Letter of Offer and the Letter of Offer.
- 7.16 The Acquirers and the PAC or the Managers to the Offers or the Registrar to the Offer shall not be responsible in any manner for any loss of documents during transit (including but not limited to Open Offer acceptance forms, copies of delivery instruction slips, etc.) and the eligible Public Shareholders are advised to adequately safeguard their interests in this regard.
- 7.17 **Eligibility for accepting the Offer**
- 7.17.1 Public Shareholders holding Equity Shares in physical form or dematerialized form, registered or unregistered, can participate in the Offer by tendering their shareholding in whole or in part. The acceptance must be unconditional and should be absolute and unqualified. No indemnity shall be required from the unregistered shareholders. Incomplete applications, including non-submission of necessary enclosures, if any, are liable to be rejected.
- 7.17.2 As per the provisions of Regulation 40(1) of the SEBI LODR, 2015 and SEBI's press release dated 3 December 2018, bearing reference no. PR 49/2018, requests for transfer of securities shall not be processed unless the securities are held in dematerialised form with a depository with effect from 1 April 2019. However, in accordance with the circular issued by SEBI bearing reference number SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated 31 July 2020 and Master Circular, shareholders holding securities in physical form are allowed to tender shares in an open offer. Such tendering shall be as per the provisions of the SEBI SAST Regulations. Accordingly, eligible Public Shareholders holding Equity Shares in physical form as well as in dematerialized form are eligible to tender their Equity Shares in this Open Offer as per the provisions of the SEBI SAST Regulations. The procedure for tendering to be followed by the eligible Public Shareholders holding Equity Shares in the physical form is detailed in paragraph 8.12.
- 7.17.3 All Public Shareholders, including non-resident equity shareholders, 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 Acquirers and the PAC 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 Acquirers and the PAC reserve the right to reject such Offer Shares.
- 7.17.4 The acceptance of this Offer is entirely at the discretion of the Public Shareholders.
- 7.17.5 This DLOF has not been filed, registered or approved in any jurisdiction outside India. Recipients of this DLOF 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 Acquirers and the PAC or the Managers to the Offer to any new or additional registration requirements.
- 7.18 **Statutory and other Approvals:**
- 7.18.1 To the best of the knowledge and belief of the Acquirers and the PAC, as on the date of this DLOF, there are no statutory or other approval(s) required to implement the Offer. If, however any statutory or other approval(s) become applicable prior to completion of the Offer, the Offer would be subject to the receipt of such statutory or other approval(s).
- 7.18.2 In terms of Regulation 23 of the SEBI SAST Regulations, in the event that the approvals, those which become applicable prior to completion of the Open Offer are not received, for reasons outside the reasonable control of the Acquirers and the PAC, then the Acquirers and the PAC shall have the right to withdraw the

Open Offer. In any case in the event of such a withdrawal of the Open Offer, the Acquirers and the PAC (through the Managers to the Offer) shall, within 2 (Two) Working Days of such withdrawal, make an announcement of such withdrawal stating the grounds for the withdrawal in accordance with Regulation 23(2) of the SEBI SAST Regulations.

- 7.18.3 All eligible Public Shareholders, including non-resident holders (NRIs, OCBs and FIIs) of the Equity Shares, must obtain all requisite approvals required, if any, to tender the Offer Shares (including without limitation, the approval from the RBI or any regulatory body) and submit such approvals, along with the other documents required to accept this Open Offer. In the event such approvals are not submitted, the Acquirers and the PAC reserve the right to reject such Equity Shares tendered in this Open Offer. Further, if the holders of the Equity Shares who are not person 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 Open Offer. In the event such approvals are not submitted, the Acquirers and the PAC reserves the right to reject such Offer Shares.
- 7.18.4 The Acquirers and the PAC shall complete all procedures relating to payment of consideration under this Offer within 10 (Ten) Working Days from the date of closure of the Tendering Period to those Public Shareholders whose equity shares and/or other documents are found valid and in order and are accepted for acquisition.
- 7.18.5 Where any statutory or other approval extends to some but not all of the Public Shareholders, the Acquirers / PAC shall have the option to make payment to such Public Shareholders in respect of whom no statutory or other approvals are required in order to complete this Open Offer.
- 7.18.6 In case of delay in receipt of any statutory approval(s) specified in this DLOF or any other becoming applicable prior to completion of the Offer, SEBI has the power to grant extension of time to the Acquirers and the PAC for payment of consideration to the Public Shareholders of the Target Company who have accepted the Offer within such period, subject to the Acquirers and the PAC agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) and 18(11A) of the SEBI SAST Regulations. Further, if delay occurs on account of willful default by the Acquirers and the PAC in obtaining the requisite approvals, Regulation 17(9) of the SEBI SAST Regulations will also become applicable and the amount lying in the Escrow Account shall become liable to forfeiture.

8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER

- 8.1 The Offer will be implemented by the Acquirers and the PAC through Stock Exchange Mechanism made available by the Stock Exchanges in the form of separate window ("**Acquisition Window**") as provided under the SEBI SAST Regulations, SEBI Circular CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015 issued by SEBI as amended via SEBI Circular CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 issued by SEBI ("**Acquisition Window Circulars**") and Master Circular.
- 8.2 BSE Limited shall be the Designated Stock Exchange for the purpose of tendering Equity Shares in the Offer.
- 8.3 The facility for acquisition of shares through Stock Exchange mechanism pursuant to Offer shall be available on the Stock Exchanges in the form of a separate Acquisition Window.
- 8.4 All the Public Shareholders who desire to tender their Equity Shares under the Offer would have to approach their respective stock brokers ("**Selling Broker(s)**"), during the normal trading hours of the secondary market during the Tendering Period. The Selling Broker can enter orders for dematerialized Equity Shares only. The Buying Broker may also act as Selling Broker for Public Shareholders.
- 8.5 The Acquirers and the PAC has appointed Infinity.com Financial Securities Ltd as the "**Buying Broker**" for the Offer through whom the purchases and settlement of Equity Shares tendered in this Offer shall be made.
- 8.6 Contact Details for Buying Broker are as follows;

Name	Infinity.com Financial Securities Ltd.
Communication Address:	1216, Maker Chamber V, Nariman Point, Mumbai 400 021
Contact Person:	Dakshat Shah

Tel. No.:	022 6618 6633
Email ID:	dakshats@pinc.co.in

- 8.7 During the Tendering Period, the tender of the Equity Shares by the Public Shareholders in this Offer will be placed through their respective Selling Brokers during normal trading hours of the secondary market. Public Shareholders have to ensure that their Equity Shares are made available to their Selling Brokers in order to mark lien before the closure of the Tendering Period.
- 8.8 A separate Acquisition Window will be provided by BSE to facilitate the placing of orders. The Selling Broker would be required to place an order / bid on behalf of the Public Shareholders who wish to tender Equity Shares in the Open Offer using the Acquisition Window of BSE. Before placing the order / bid, the Selling Broker will be required to mark lien on the tendered Equity Shares. Details of such Equity Shares marked as lien in the demat account of the Public Shareholders shall be provided by the depository to the Indian Clearing Corporation Limited (“**Clearing Corporation**”).
- 8.9 In terms of the Master Circular, a lien shall be marked against the Equity Shares tendered in the Offer. Upon finalization of the entitlement, only the accepted quantity of Equity Shares will be debited from the demat account of the concerned Public Shareholder.
- 8.10 The lien marked against unaccepted Equity Shares will be released, if any, or would be returned by registered post or by ordinary post or courier (in case of physical shares) at the Public Shareholders’ sole risk. Public Shareholders should ensure that their depository account is maintained till all formalities pertaining to the Offer are completed.
- 8.11 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 e-payments/warrants/cheques/drafts for the consideration are remitted / dispatched and unaccepted share certificate/Equity Shares, if any, are dispatched/returned to the relevant Public Shareholders.
- 8.12 The details of settlement number under which lien will be marked shall be informed in the issue opening circular that will be issued by BSE/Clearing Corporation, before the Offer Opening Date.
- 8.13 **The cumulative quantity tendered shall be displayed on the Stock Exchanges website throughout the trading session at specific intervals by the Stock Exchanges during Tendering Period.**
- 8.14 **Modification/ Cancellation of orders will not be allowed during the Tendering Period.**
- 8.15 Public Shareholders can tender their Equity Shares only through a broker with whom the shareholder is registered as client (KYC Compliant). In the event Seller Broker(s) are not registered with BSE or NSE or if the Shareholder does not have any stock broker then that Shareholder can approach any BSE or NSE registered stock broker and can make a bid by using quick unique client code (“UCC”) facility through that BSE or NSE registered stock broker after submitting the details as may be required by the stock broker to be in compliance with applicable law and regulations. In case Public Shareholder is not able to bid using quick UCC facility through any other BSE or NSE registered stock broker then the Public Shareholder may approach Company’s Broker viz. Infinity.com Financial Securities Limited, to bid by using quick UCC facility. The Shareholder approaching BSE or NSE registered stock broker (with whom he does not have an account) may have to submit following details:

In case of Shareholder being an individual

- a. If Shareholder is registered with KYC Registration Agency (“KRA”): Forms required:
- Central Know Your Client (CKYC) form including Foreign Account Tax Compliance Act (FATCA), In Person Verification (IPV), Original Seen and Verified (OSV) if applicable
 - Know Your Client (KYC) form Documents required (all documents self-attested):
Bank details (cancelled cheque)
 - Demat details (Demat Master /Latest Demat statement)
- b. If Shareholder is not registered with KRA: Forms required:

- i. CKYC form including FATCA, IPV, OSV if applicable
- ii. KRA form
- iii. KYC form Documents required (all documents self-attested):
PAN card copy
Address Proof
Bank Details (cancelled cheque)
- iv. Demat Details (Demat master/ Latest Demat Statement)

It may be noted that other than submission of above forms and documents in person verification may be required.

In case of Shareholder is HUF

a. If Shareholder is registered with KRA: Forms required:

- i. CKYC form of KARTA including FATCA, IPV, OSV if applicable
- ii. KYC form documents required (all documents self-attested):
Bank details (cancelled cheque)
- iii. Demat details (Demat Master /Latest Demat statement)

b. If Shareholder is not registered with KRA: Forms required:

- i. CKYC form of KARTA including FATCA, IPV, OSV if applicable
- ii. KRA form
- iii. Know Your Client (KYC) form Documents required (all documents self-attested):
PAN card copy of HUF & KARTA
Address proof of HUF & KARTA
HUF declaration
Bank details (cancelled cheque)
- iv. Demat details (Demat master /Latest Demat statement)

It may be noted that other than submission of above forms and documents in person verification may be required.

In case of Shareholder other than Individual and HUF:

a. If Shareholder is KRA registered: Form required

- i. Know Your Client (KYC) form Documents required (all documents certified true copy) Bank details (cancelled cheque)
- ii. Demat details (Demat master /Latest Demat statement)
- iii. FATCA, IPV, OSV if applicable
- iv. Latest list of directors/authorised signatories/partners/trustees
- v. Latest shareholding pattern
- vi. Board resolution
- vii. Details of ultimate beneficial owner along with PAN card and address proof
- viii. Last 2 years financial statements

b. If Shareholder is not KRA registered: Forms required:

- i. KRA form
- ii. Know Your Client (KYC) form Documents required (all documents certified true copy): PAN card copy of company/ firm/trust
Address proof of company/ firm/trust
Bank details (cancelled cheque)

- iii. Demat details (Demat Master /Latest Demat statement)
- iv. FATCA, IPV, OSV if applicable
- v. Latest list of directors/authorised signatories/partners/trustees
- vi. PAN card copies & address proof of directors/authorised signatories/partners/trustees
- vii. Latest shareholding pattern
- viii. Board resolution/partnership declaration
- ix. Details of ultimate beneficial owner along with PAN card and address proof
- x. Last 2 years financial statements
- xi. MOA/Partnership deed /trust deed

It may be noted that, other than submission of above forms and documents, in person verification may be required.

It may be noted that above mentioned list of documents is an indicative list. The requirement of documents and procedures may vary from broker to broker.

8.16 Procedure for tendering Equity Shares held in dematerialised form

- 8.16.1 The Public Shareholders who are holding Equity Shares in electronic/ dematerialised form and who desire to tender their Equity Shares in this Offer shall approach their respective Selling Broker indicating to their Selling Broker the details of Equity Shares that such Public Shareholder intends to tender in this Offer. Public Shareholders should tender their Equity Shares before market hours close on the last day of the Tendering Period.
- 8.16.2 The Selling Broker would be required to place an order/bid on behalf of the Public Shareholders who wish to tender Equity Shares in the Open Offer using the Acquisition Window of the Stock Exchanges. Before placing the bid, lien will be required to be marked on the tendered Equity Shares. Details of the Equity Shares marked as lien in the demat account of the Public Shareholder shall be provided by their respective depositories to the Clearing Corporation. In case, the Public Shareholder's demat account is held with one depository ("Source Depository") and the clearing member pool and Clearing Corporation account is held with another depository ("Recipient Depository"), the Equity Shares shall be blocked in the shareholders demat account at the Source Depository during the Tendering Period. Inter depository tender offer ("IDT") instructions shall be initiated by the Public Shareholders at the Source Depository to the clearing member/Clearing Corporation account at Recipient Depository. Source Depository shall block the Public Shareholders' Equity Shares (i.e., transfers from free balance to blocked balance) and send IDT message to Recipient Depository for confirming creation of lien. Details of Equity Shares blocked in the Public Shareholder's demat account shall be provided by the Recipient Depository to the Clearing Corporation.
- 8.16.3 Upon placing the order, the Selling Broker shall provide TRS generated by the stock exchange bidding system to the Equity Shareholder. TRS will contain details of order submitted like bid ID No., DP ID, Client ID, no. of Equity Shares tendered, etc. In case of non-receipt of the completed tender form and other documents, but where lien is marked on Equity Shares and a valid bid has been placed in the exchange bidding system, the bid by such Eligible Shareholder shall be deemed to have been accepted.
- 8.16.4 On receipt of TRS from the respective Seller Broker, the Public Shareholder has successfully placed the bid in the Offer.
- 8.16.5 Modification/cancellation of orders will not be allowed during the tendering period of the Offer.
- 8.16.6 For custodian participant, orders for demat Equity Shares early pay-in is mandatory prior to confirmation of order by the custodian. The custodians shall either confirm or reject orders not later than 6:00 PM on the last day of the Tendering Period. Thereafter, all unconfirmed orders shall be deemed to be rejected.
- 8.16.7 The details of settlement number for early pay-in of Equity Shares shall be informed in the issue opening circular that will be issued by the Stock Exchanges/Clearing Corporation, before the opening of the Offer.

The lien shall be marked by the Selling Broker in the demat account of the Public Shareholder for the Equity Shares tendered in the Open Offer. Details of such Equity Shares marked as lien in the demat account of the Public Shareholder shall be provided by the depositories to the Clearing Corporation.

The duly filled in delivery instruction slips ("DIS") specifying the appropriate market type in relation to the Open Offer, and execution date along with all other details should be submitted by the Public Shareholders to their respective depository participant/Selling Broker so as to ensure that the Equity Shares are tendered in the

Offer. For resident Public Shareholders holding Equity Shares in dematerialized form, submission of Form of Acceptance and TRS is not mandatory, but are advised to retain the acknowledged copies of the DIS and TRS with them until the expiry of the Offer Period. After lien is marked on Equity Shares and a valid bid is placed in the exchange bidding system, the bid shall be deemed to have been accepted for the Public Shareholders holding Equity Shares in dematerialized form.

- 8.16.8 The Public Shareholders will have to ensure that they keep their DP account active and unblocked to successfully facilitate the tendering of the Equity Shares and to receive credit in case of return of Equity Shares due to rejection or due to prorated Offer.
- 8.16.9 The cumulative quantity tendered shall be made available on the website of the BSE (www.bseindia.com) throughout the trading sessions and will be updated at specific intervals during the Tendering Period.
- 8.16.10 Eligible Public Shareholders holding shares in demat form are not required to submit the Form of Acceptance-cum-Acknowledgment to the Registrar. In case of non-receipt of the required documents, but receipt of the equity shares in the Escrow Demat Account, the Offer may be deemed to have been accepted by the Public Shareholder.
- 8.16.11 Pursuant to SEBI circular dated 27 August 2020 bearing reference number SEBI/HO/MIRSD/DOP/CIR/P/2020/158), with effect from 1 November 2020, SEBI has made it mandatory for all shareholders holding shares in dematerialized form to authenticate their off-market transaction requests through the one-time password (“OTP”) authentication method, pursuant to the submission of their delivery instruction slip with the DP. All eligible Public Shareholders shall generate and submit the OTP (based on the link provided by the Depository to the eligible Public Shareholder by way of e mail/SMS) to authenticate the off-market transaction(s). eligible Public Shareholders are requested to authenticate their transaction as soon as they receive the intimation from the Depository to avoid failure of delivery instruction. Kindly note, no transaction will be processed by the Depositories unless the same is authenticated by the eligible Public Shareholder through the above said OTP method.
- 8.16.12 The Public Shareholders holding shares in dematerialised form (except non-resident Public Shareholders) are not required to fill any Form of Acceptance, unless required by their respective Selling Broker. All non-resident Public Shareholders (i.e., Public Shareholders not residing in India including NRIs, OCBs and FPIs) are mandatorily required to fill the Form of Acceptance. The non-resident Public Shareholders holding Equity Shares in dematerialised form, directly or through their respective Selling Brokers, are required to send the Form of Acceptance along with the required documents to the Registrar to the Offer at its address given on the cover page of this LOF. The envelope should be super scribed as “Foods and Inns Limited - Open Offer”.

8.17 Procedure for tendering Equity Shares held in Physical Form

- 8.17.1 Eligible Public Shareholders who are holding physical Equity Shares and intend to participate in the Open Offer will be required to submit to the registered office of the Registrar to the Offer, Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein along with the complete set of documents for verification procedures to be carried out including: (i) original share certificate(s); (ii) valid share transfer form(s) duly filled and signed by the transferors (i.e., by all registered shareholders in same order and as per the specimen signatures registered with the Target Company) and duly witnessed at the appropriate place authorizing the transfer in favour of the Acquirer 2; (iii) self-attested copy of the shareholder’s PAN Card; and (iv) any other relevant documents such as power of attorney, corporate authorization (including board resolution/specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder has deceased, etc., as applicable.
- 8.17.2 In addition, if the address of the eligible Public Shareholder has undergone a change from the address registered in the register of members of the Target Company, the relevant eligible Public Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: (i) valid Aadhar Card; (ii) Voter Identity Card; or (iii) Passport.
- 8.17.3 Eligible Public Shareholders holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the physical Equity Shares for the Open Offer shall be subject to verification as per the SEBI SAST Regulations and any further directions issued in this regard.
- 8.17.4 Applicants may deliver their documents by speed/registered post with due acknowledgement or by courier only, at their own risk and cost, to the Registrar to the Offer to the address of this Letter of Offer, on or before the last date of the Tendering Period.

- 8.17.5 In case any Public Shareholder has submitted Equity Shares in physical form for dematerialization, such Public Shareholders should ensure that the process of having the Equity Shares dematerialized is completed well in time so that they can participate in the Open Offer before the Offer Closing Date.

8.18 Acceptance of Shares

Registrar to the Offer shall provide details of order acceptance to Clearing Corporation within specified timelines. If the aggregate number of Equity Shares validly tendered in this Open Offer by the eligible Public Shareholders is more than the Offer Size, then the Equity Shares validly tendered by the eligible Public Shareholders will be accepted on a proportionate basis, in consultation with the Managers to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that the acquisition of Equity Shares from an eligible Public Shareholder shall not be less than the minimum marketable lot, or the entire holding if it is less than the marketable lot. The marketable lot for the Equity Shares for the purpose of this Offer shall be 1 (One) only. In case of any practical issues, resulting out of rounding-off of Equity Shares or otherwise, the Acquirer 2, in consultation with the Managers to the Offer, will have the authority to decide such final allocation with respect to such rounding-off or any excess of Equity Shares or any shortage of Equity Shares.

8.19 Procedure for tendering the shares in case of non-receipt of Letter of Offer

- 8.19.1 Public Shareholders who have acquired Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date, or unregistered owners or those who have acquired Equity Shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Offer.
- 8.19.2 A Public Shareholder may participate in the Offer by approaching their Selling Broker and tender Shares in the Offer as per the procedure mentioned in the Letter of Offer or in the relevant Form of Acceptance-cum-Acknowledgment.
- 8.19.3 The Letter of Offer along with a Form of Acceptance-cum-Acknowledgement, will be dispatched to all the Public Shareholders of the Target Company, whose names appear on the register of members of the Target Company and to the Beneficial Owners of the Target Company in dematerialized form whose names appear on the beneficial records of the respective depositories, in either case, at the close of business hours on the Identified Date.
- 8.19.4 In case of non-receipt of the Letter of Offer, such Public Shareholders of the Target Company may download the same from the SEBI website (www.sebi.gov.in) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity Shares of the Target Company
- 8.19.5 Alternatively, in case of non-receipt of the Letter of Offer, shareholders holding the Equity Shares may participate in the Offer by providing their application in plain paper in writing signed by all shareholder(s), stating name, address, number of Equity Shares held, client ID number, DP name, DP ID number, number of Equity Shares tendered and other relevant documents. Such Public Shareholders have to ensure that their order is entered in the electronic platform to be made available by Stock Exchanges before the closure of the Offer. Physical share certificates and other relevant documents should not be sent to the Acquirers, the PAC, the Target Company or the Managers to the Offer.
- 8.19.6 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 eligible Public Shareholders sole risk. Unaccepted Equity Shares held in dematerialised form will be credited back to the eligible Public Shareholders depository account with the respective depository participant as per details received from their depository participant. It will be the responsibility of the eligible Public Shareholders to ensure that the unaccepted Equity Shares are accepted by their respective depository participants when transferred by the Registrar to the Offer. Eligible 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. Eligible Public Shareholders should ensure that their depository account is maintained till all formalities pertaining to the Offer are completed.

8.20 Settlement Process

- 8.20.1 On closure of the Offer, reconciliation for acceptances shall be conducted by the Managers to the Offer and the Registrar to the Offer and the final list of accepted Equity Shares tendered in this Offer shall be provided to the Stock Exchanges to facilitate settlement on the basis of Equity Shares transferred to the Clearing Corporation.
- 8.20.2 The settlement of trades shall be carried out in the manner similar to settlement of trades in the Acquisition Window Circulars.

- 8.20.3 For Equity Shares accepted under the Offer, the Clearing Corporation will make direct funds payout to respective eligible Public Shareholders bank account linked to its demat account. If shareholders' bank account details are not available or if the funds transfer instruction is rejected by RBI/Bank, due to any reason, then such funds will be transferred to the concerned Selling Broker settlement bank account for onward transfer to their respective shareholders.
- 8.20.4 In case of certain client types viz. NRI, Foreign Clients etc. (where there are specific RBI and other regulatory requirements pertaining to funds pay-out) who do not opt to settle through custodians, the funds pay-out would be given to their respective Selling Broker's settlement accounts for releasing the same to their respective Shareholder's account onwards.
- 8.20.5 The Public Shareholders will have to ensure that they keep the DP account active and unblocked to receive credit in case of return of Equity Shares, due to rejection or due to non –acceptance of the shares under the Offer.
- 8.20.6 Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Public Shareholders would be returned to them by the Clearing Corporation.
- 8.20.7 The direct credit of Equity Shares shall be given to the demat account of Acquirers and the PAC as indicated by the Buying Broker.
- 8.20.8 Once the basis of acceptance is finalised, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of Equity Shares to the demat account of Acquirers and the PAC.
- 8.20.9 In case of partial or non-acceptance of orders the balance demat Equity Shares shall be returned directly to the demat accounts of the Public Shareholders. However, in the event of any rejection of transfer to the demat account of the Public Shareholder for any reason, the demat Equity Shares shall be released to the securities pool account of their respective Selling Broker and the Selling Broker will thereafter transfer the balance Equity Shares to the respective Public Shareholders.
- 8.20.10 Any Equity Shares that are subject matter of litigation or are held in abeyance due to pending court cases / attachment orders / restriction from other statutory authorities wherein the Public Shareholder may be precluded from transferring the Equity Shares during pendency of the said litigation are liable to be rejected if directions / orders regarding these Equity Shares are not received together with the Equity Shares tended under the Offer.
- 8.20.11 If Public Shareholders bank account details are not available or if the fund transfer instruction is rejected by Reserve Bank of India or bank, due to any reasons, then the amount payable to Public Shareholders will be transferred to the Selling Broker for onward transfer to the Equity Shareholder.
- 8.20.12 Public Shareholders who intend to participate in the Offer should consult their respective Selling Broker for any cost, applicable taxes, charges and expenses (including brokerage) that may be levied by the Selling Broker upon the selling shareholders for tendering Equity Shares in the Offer (secondary market transaction). The Offer consideration received by the Public Shareholders, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Public Shareholders.
- 8.20.13 In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirers and the PAC for payment of consideration to the shareholders of the Target Company who have accepted the Open Offer within such period, subject to Acquirers and the PAC agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18 (11) of the SEBI SAST Regulations.
- 8.20.14 Payment to those eligible Public Shareholders whose tendered Equity Shares are found valid and in order and are approved by the Acquirers and the PAC, 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: (a) the acquisition (in part or full), of the Equity Shares tendered pursuant to the Offer, or (b) 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 eligible Public Shareholders by registered post or by ordinary post or courier as the case may be, at the eligible 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 furnish by the eligible Public Shareholders in the Form of Acceptance-cum-Acknowledgement.

- 8.20.15 Once the basis of acceptance is finalised, the lien marked against unaccepted shares shall be released. Buying Broker would also issue a contract note to the Acquirer 2 for the Equity Shares accepted under the Open Offer. Further, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of Equity Shares to the demat account of the Acquirer 2. The Buying Broker will transfer the funds pertaining to the Offer to the Clearing Corporation's Bank account as per the prescribed schedule.
- 8.20.16 For Equity Shares in physical form, the funds pay-out would be given to Public Shareholder's respective Selling Broker's settlement bank accounts for onward transfer to the respective Public Shareholder's account. The Target Company is authorized to split the share certificate and issue a new consolidated share certificate for the unaccepted Equity Shares, in case the Equity Shares accepted are less than the Equity Shares tendered in the Open Offer by the Public Shareholders holding Equity Shares in the physical form. Any excess Equity Shares, in physical form, pursuant to proportionate acceptance/ rejection will be returned to the Public Shareholders directly by the Registrar to the Offer through registered post. Unaccepted share certificate(s), transfer deed(s) and other documents, if any, will be returned by registered post at the registered Public Shareholders'/unregistered owners' sole risk to the sole/first Public Shareholder/unregistered owner.

9. NOTE ON TAXATION

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

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

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

THE ACQUIRERS / PAC DOES NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR OTHERWISE OF THIS NOTE. THEREFORE, SHAREHOLDERS CANNOT RELY ON THIS NOTE. THE SUMMARY OF INCOME-TAX IMPLICATIONS, RELATING TO THE TREATMENT OF INCOME-TAX IN THE CASE OF TENDERING OF LISTED EQUITY SHARES IN OPEN OFFER OFF THE RECOGNISED STOCK EXCHANGES IN INDIA, AS SET OUT BELOW SHOULD BE TREATED AS INDICATIVE AND FOR GUIDANCE PURPOSES ONLY.

9.1 General:

- i. The basis of charge of Indian income-tax depends upon the residential status of the taxpayer during a tax year. The Indian tax year runs from April 1 until March 31. A person who is an Indian tax resident is typically liable to income-tax in India on such person's worldwide income, subject to certain tax exemptions, which are provided under the Income Tax Act. A person who is treated as a non-resident for Indian income-tax purposes is generally subject to tax in India only on such person's India-sourced income (i.e. income which accrues or arises or deemed to accrue or arise in India) and on income received or deemed to be received by such person in India. In case of shares of a company, the source of income from sale of shares depends on the "situs" of such shares. Based upon the judicial pronouncements, the "situs" of the shares is where a company is "incorporated" and where its shares can be transferred.
- ii. Since the Target Company is incorporated in India and its shares (being in dematerialized form) can be transferred only in India, the Target Company's shares is a capital asset "situated" in India and any gains arising to a non-resident on transfer of such shares is taxable in India under the Income Tax Act.

- iii. Further, the non-resident shareholder can avail benefits of the Double Taxation Avoidance Agreement (“DTAA”) between India and the respective country of which the said shareholder is tax resident subject to satisfying relevant conditions as prescribed, and non-applicability of General Anti-Avoidance Rule (“GAAR”) and providing and maintaining necessary information and documents as prescribed under the Income Tax Act.
- iv. The Income Tax Act also provides for different income-tax regimes/ rates applicable to the gains arising from the tendering of shares under the Offer, based on the period of holding, residential status, classification of the shareholder, nature of the income earned and mode of acquisition etc.
- v. The summary of income-tax implications on tendering of listed equity shares is set out below.

9.2 **Classification of Shareholders:**

Shareholders can be broadly classified under the following categories:

i.. Resident Shareholders being:

- a. Individuals, Hindu Undivided Family (HUF), Association of Persons (“AOP”), Body of Individuals (“BOI”) and every artificial judicial person
- b. Others such as Company, Firm etc.

ii.. Non-Resident Shareholders being:

- a. Non-Resident Indians (NRIs),
- b. Foreign Portfolio Investors (FPIs)/ Foreign Institution Investors (FIIs)
- c. Others such as Company etc.

9.3 **Classification of Income:**

Shares can be classified under the following two categories:

- i. Shares held as investment (Income from transfer taxable under the head “**Capital Gains**”);
- ii. Shares held as stock-in-trade (Income from transfer taxable under the head “**Profits and Gains from Business or Profession**”). Income arising from the transfer of shares may be treated either as “capital gains” or as “business income” for income-tax purposes, depending upon whether such shares were held as a capital asset or as stock-in-trade.

9.4 **Shares held as investment:**

As per the provisions of the Income Tax Act, where the shares are held as investments (i.e. capital asset), income arising from the transfer of such shares is taxable under the head “Capital Gains”. Capital Gains in the hands of shareholders is computed as per provisions of Section 48 of the Income Tax Act.

i.. **Period of holding:** Depending on the period for which the shares are held, the gain is taxable as “short-term capital gain” or “long-term capital gain”:

- a. In respect of listed equity shares held for a period less than or equal to 12 (twelve) months prior to the date of transfer, the same should be treated as a “short-term capital asset”, and accordingly the gains arising therefrom should be taxable as “short term capital gains” (“**STCG**”).
- b. Similarly, where listed equity shares are held for a period more than 12 (twelve) months prior to the date of transfer, the same should be treated as a “long-term capital asset”, and accordingly the gains arising therefrom should be taxable as “long-term capital gains” (“**LTCG**”).

ii. **Tendering of Shares in the Offer through a Recognized Stock Exchange in India:** Where a transaction for transfer of such equity shares (i.e. acceptance under an open offer) is transacted through recognized stock exchanges and is chargeable to Securities Transaction Tax (“STT”), then the taxability will be as under (for all categories of shareholders):

- a. The Finance Act, 2018 has withdrawn the exemption under section 10(38) for LTCG arising from transfer of equity shares on or after 1 April 2018. Section 112A of the Income Tax Act provides for taxation of income arising from the transfer of such shares, which is explained in the following paragraphs.
- b. The gain accrued on such equity shares till 31 January 2018 has been exempted by providing that for the purpose of computing LTCG the cost of shares acquired before 1 February 2018 shall be the higher of the following:

- (i) Actual cost of acquisition; or
- (ii) Lower of (A) fair market value, and (B) full value of consideration received or accruing as a result of the transfer of shares.

Fair market value has been defined to mean the highest price of the equity share quoted on any recognized stock exchange on 31 January 2018.

- c. After taking into account the exemption provided above, LTCG arising from transfer of equity shares, exceeding ₹ 100,000, will be taxable at 10% without allowing the benefit of indexation.
- d. However, section 112A of the Income Tax Act shall not apply if such equity shares were acquired on or after 1 October 2004 and securities transaction tax ('STT under Chapter VII of the Finance (No.2) Act, 2004') was not paid. In this regard, the Central Government has issued a notification no. 60/2018/F.No.370142/9/2017-TPL dated 1st October, 2018, providing certain situations wherein section 112A of the Income Tax Act will continue to be applicable even if STT is not paid at the time of acquisition of equity shares. The notification provides for the following situations:
 - (i) Where acquisition of existing listed equity share in a company, whose equity shares are not frequently traded on recognized stock exchanges of India, was made through a preferential issue, subject to certain exception;
 - (ii) Where transaction for acquisition of existing listed equity share in a company was not entered through recognized stock exchanges of India, subject to certain exception;
 - (iii) (Acquisition of equity share of a company during the period beginning from the date on which the company was delisted from recognized stock exchanges and ending on the date on which the company was again listed on recognized stock exchanges in accordance with the Securities Contracts (Regulation) Act, 1956 read with the SEBI Act and any rules made thereunder.

The notification inter alia provides certain exceptions to the above situations where the provisions of Section 112A will not apply.

- e. Where provision of section 112A is not applicable, LTCG will be chargeable to tax at 20%. However, for a resident shareholder, an option is available to pay tax on such LTCG under section 112 at either 20% with Indexation or 10% without Indexation.
- f. STCG arising from such transaction will be subject to tax @ 15 % under Section 111A of the Income Tax Act.
- g. Further, in case of resident Individual or HUF, the benefit of maximum amount which is not chargeable to income-tax is required to be considered while computing tax on such LTCG or STCG taxable under Section 112, 112A or 111A of the Income Tax Act. In addition to the above LTCG or STCG tax, applicable surcharge, Health and Education Cess are leviable (Please refer to Paragraph 7.14.9 for rate of surcharge and cess).
- h. Minimum alternate tax ("MAT") implications will get triggered in the hands of a resident corporate shareholder. Foreign companies will not be subject to MAT if the country of residence of such of the foreign company does not have a permanent establishment in India in terms of the DTAA.
- i. Non-resident shareholders can avail beneficial provision of the applicable DTAA entered into by India subject to fulfilling of the relevant conditions and the documentary compliance prescribed under the Income Tax Act.

9.5 **Income from Sale of shares classified as Business Income:**

- i. Income from sale of shares may also be classified as Income from "Profits and Gains from Business and Profession" (i.e. Business Income). Such characterization of Income from sale of shares is dependent on the facts of each case
 - a. Resident Shareholders:
 - i. Individuals, HUF, AOP and BOI will be taxable at applicable slab rates.
 - ii. Domestic companies will be taxed at 15%, 22% or 30% as the case may be.
 - iii. For persons other than stated in (i) and (ii) above, profits will be taxable @ 30%. No benefit of indexation by virtue of period of holding will be available in any case.
 - b. Non-resident Shareholders:

- i. They can avail beneficial provisions of the applicable DTAA entered into by India with the country of which the non-resident seller is resident but subject to fulfilling relevant conditions, and non-applicability of GAAR and maintaining and providing necessary documents prescribed under the Income Tax Act.
- ii. Where DTAA provisions are not applicable:
 - a. For non-resident individuals, HUF, AOP and BOI, profits will be taxable at applicable slab rates
 - b. For foreign companies, profits will be taxed in India @ 40%
 - c. For other non-resident Shareholders, such as foreign firms, profits will be taxed in India @ 30%.

In addition to the above, applicable Surcharge and Cess are leviable for both resident and non-resident shareholders for tax rates mentioned in Paragraph 8.1.5(i) above.

- ii. Additionally, certain clarifications have also been issued by tax authorities with respect to classification of income from sale of shares as Business Income and the same also needs to be analysed in the light of the facts of each case.

9.6 Tax Deduction at Source:

i. In case of Resident Shareholders

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

ii. In case of Non-resident Shareholders

1 In case of FIIs / FPIs:

In case of FIIs: Section 196D of the Income Tax Act provides for specific exemption from withholding tax in case of Capital Gains arising in hands of FIIs. Thus, no withholding of tax is required in case of consideration payable to FIIs.

2 In case of other non-resident Shareholders (other than FIIs / FPIs) holding Equity Shares of the Target Company:

Section 195(1) of the Income Tax Act provides that any persons responsible for paying to a non-resident, any sum chargeable to tax is required to deduct tax at source (including applicable surcharge and cess). Subject to regulations in this regard, wherever applicable and it is required to do so, tax at source (including applicable surcharge and cess) shall be deducted at appropriate rates as per the Income Tax Act read with the provisions of the relevant DTAA, if applicable. In doing this, the Acquirers and the PAC will be guided by generally followed practices and make use of data available in the records of the Registrar to the Offer except in cases where the non-resident Shareholders provide a specific mandate in this regard.

Since the offer is through the stock exchange, the responsibility of discharging the tax due on the gains (if any) is primarily on the non-resident Shareholder. The non-resident Shareholder must compute such gains (if any) on this transaction and immediately pay applicable taxes in India, if applicable, in consultation with their custodians/ authorized dealers/ tax advisors appropriately. The non-resident Shareholders must file their tax return in India inter-alia considering gains arising pursuant to this Offer in consultation with their tax advisors.

The non-resident Shareholders undertake to indemnify the Acquirer if any tax demand is raised on the Acquirer on account of gains arising to the non-resident Shareholders pursuant to this Offer. The nonresident Shareholders also undertake to provide the Acquirer, on demand, the relevant details in respect of the taxability / non-taxability of the proceeds pursuant to this Offer, copy of tax return filed in India, evidence of the tax paid etc.

Computation of applicable tax rates shall also include surcharge and cess (depending upon the facts of the case).

9.7 Other Matters:

- i. Submission of Permanent Account Number (“PAN”) and other details:

- a. All non-resident Public Shareholders are required to submit their PAN along with self-attested copy of the PAN card for income-tax purposes. In absence of PAN for non-resident Public Shareholders, as per Notification No. 53 /2016, F.No.370 142/16/2016-TPL, they shall furnish self-attested copy of documents containing the following details:
 - i. Name, email id, contact number;
 - ii. Address in the country of residence;
 - iii. Tax Residency Certificate (“TRC”) from the government of the country of residence, if the law of such country provides for issuance of such certificate; and
 - iv. Tax identification number in the country of residence, and in case no such number is available, then a unique number on the basis of which such non-resident is identified by the government of the country of which he claims to be a resident.
 - b. If PAN or in case of non-resident Public Shareholders not having a PAN the aforesaid details are not furnished, the Acquirers and the PAC will arrange to deduct tax at least at the rate of 20% as per Section 206AA of the Income Tax Act or at such rate as applicable and provided above for each category of the Public Shareholders, whichever is higher.
- ii. Other points for consideration:
- a. Shareholders who wish to tender their Equity Shares must submit the information / documents, as applicable, all at once along with the Form of Acceptance-cum-Acknowledgement and those that may be additionally requested for by the Acquirers and the PAC. The documents submitted by the shareholders along with the Form of Acceptance-cum-Acknowledgement will be considered as final. Any further / delayed submission of additional documents, unless specifically requested by the Acquirers and the PAC, may not be accepted.
 - b. Based on the documents and information submitted by the shareholder, the final decision to deduct tax or not, or the quantum of taxes to be deducted rests solely with the Acquirers and the PAC. In case of Non-resident, if TDC is not furnished or the furnished TDC is not valid or effective as on the date of deduction then the tax will be deducted at the maximum marginal rate (plus surcharge and cess) on the gross value of consideration.
 - c. Taxes once deducted will not be refunded by the Acquirers and the PAC under any circumstances. Taxes deducted by Acquirers and the PAC will be deposited with the Government Treasury.
 - d. The Acquirers and the PAC shall deduct tax (if required) as per the information provided and representation made by the shareholders. In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided / to be provided by the shareholders, such shareholders will be responsible to pay and indemnify such income tax demand (including interest, penalty, etc.) and provide the Acquirers and the PAC with all information / documents that may be necessary and co-operate in any proceedings before any income tax / appellate authority.
 - e. The tax deducted by the Acquirers and the PAC while making the payment to a shareholder under this Offer may not be the final liability of such shareholders and shall in no way discharge the obligation of the shareholders to appropriately disclose the amount received by it, pursuant to this Offer, before the income tax authorities. The rate at which tax is required to be deducted is based on the tax laws prevailing as on the date of this Draft Letter of offer. If there is any change in the tax laws with regards to withholding tax rates as on the date of deduction of tax, the tax will be deducted at the rates applicable at the time of deduction of tax.
 - f. All shareholders are advised to consult their tax advisors for the treatment under the Income Tax Act and that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. The Acquirers and the PAC and the Managers to the Offer do not accept any responsibility for the accuracy or otherwise of such advice. The aforesaid treatment of tax deduction at source may not necessarily be the treatment also for filing the return of income.

- g. The Acquirers/ PAC and the Managers to the Open Offer do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth herein above.

THE ABOVE NOTE ON TAXATION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND DOES NOT PURPORT TO BE A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE DISPOSAL OF EQUITY SHARES. THIS NOTE IS NEITHER BINDING ON ANY REGULATORS NOR CAN THERE BE ANY ASSURANCE THAT THEY WILL NOT TAKE A POSITION CONTRARY TO THE COMMENTS MENTIONED HEREIN. HENCE, SHAREHOLDER SHOULD CONSULT WITH THEIR OWN TAX ADVISORS FOR THE TAX PROVISIONS APPLICABLE TO THEIR PARTICULAR CIRCUMSTANCES.

APPLICABILITY OF OTHER RELEVANT LAWS IN INDIA (SUCH AS STAMP DUTY ETC.) SHALL DEPEND ON FACTS OF EACH CASE AND SHAREHOLDERS SHOULD CONSULT WITH THEIR OWN ADVISORS FOR THE SAME.

10. DOCUMENTS FOR INSPECTION

The following material documents will be available for inspection by Public Shareholders of the Target Company or at the office of the Managers to the Offer, Inga Ventures Private Limited, 1229, Hubtown Solaris, N.S. Phadke Marg, Opp. Telli Galli, Andheri (East), Mumbai 400 069 and Pioneer Investcorp Limited 1218, 12th Floor, Maker Chambers V, Nariman Point, Mumbai 400 021 on any Working Day between 10.30 am to 5.00 pm during the Tendering Period:

- 10.1 Copy of Shareholders Agreement dated April 9, 2024.
- 10.2 Copy of Net Worth Certificate of Acquirer 1 issued by Carmelita Chua Lim, ISCA Singapore, Regional Finance dated March 15, 2024 and by certificate dated April 9, 2024 issued by Nitin V. Kulkarni, Partner, (Membership No.:032651), APR & Associates Chartered Accountants (Firm Registration No.: 105409W).
- 10.3 Copy of Networth Certificate of Acquirer 2 issued Atul D. Pandya, Membership no. 33930, M.D. Pandya & Associates dated October 05, 2023.
- 10.4 Certificate dated April 9, 2024 issued by Mr. Nitin V. Kulkarni, Partner, (Membership No.:032651), APR & Associates Chartered Accountants (Firm Registration No.: 105409W) certifying that the Acquirer 2 has adequate financial resources to fulfill their obligations under this Offer.
- 10.5 Annual Reports for the financial year ended March 31, 2021, March 31, 2022 and March 31, 2023 and unaudited limited reviewed consolidated financial statement for the nine months' period ended December 31, 2023 of the Target Company.
- 10.6 Copy of Escrow Agreement dated April 10, 2024, entered into between the Acquirer 2, Escrow Banker and Managers to the Offer.
- 10.7 Copy of letter received from Axis Bank limited, confirming receipt of consideration of ₹70,00,00,000/- (Rupees Seventy Crores only) in the escrow account on April 10, 2024.
- 10.8 Copy of Public Announcement dated April 9, 2024, Detailed Public Statement published in the newspapers on April 18, 2024 and issue opening public announcement dated [•].
- 10.9 A copy of the recommendation made by the committee of independent directors of the Target Company published in the newspapers on [•].
- 10.10 Copy of SEBI Observation letter no. [•], dated [•].

11. DECLARATIONS BY THE ACQUIRERS AND PAC

The Acquirers, PAC and its designated partners accepts full responsibility for the information contained in this DLOF (other than information regarding the Target Company and information compiled from publicly available sources or provided by the Target Company, which has not been independently verified by the Acquirers or the PAC or the Managers to the Offer).

The Acquirers, PAC and its designated partners also accept full responsibility for their obligations under the Open Offer and shall be jointly & severally responsible for the fulfillment of obligation as laid down in the SEBI SAST Regulations. The person signing this DLOF is duly and legally authorized by the Acquirers and the PAC to sign the DLOF.

For and on behalf of

Sd/- Raymond Sinkins	Sd/- Milan Bhupendra Dalal	Sd/- Borgos Multitrade LLP
Acquirer 1	Acquirer 2	PAC

Place: Mumbai

Date: April 24, 2024

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT INSTRUCTIONS

Capitalized terms used and not defined in these instructions will have the same meaning as provided in the Letter of Offer dated [.]

1. PLEASE NOTE THAT NO EQUITY SHARES/FORMS SHOULD BE SENT DIRECTLY TO THE ACQUIRERS, THE PAC, THE TARGET COMPANY OR TO THE MANAGERS TO THE OPEN OFFER.
2. The Form of Acceptance-cum-Acknowledgement should be legible and should be filled-up in English only.
3. All queries pertaining to this Open Offer may be directed to the Registrar to the Offer.
4. As per the provisions of Regulation 40(1) of the SEBI (LODR) Regulations and SEBI's press release dated 3 December 2018, bearing reference no. PR 49/2018, requests for transfer of securities shall not be processed unless the securities are held in dematerialised form with a depository with effect from 1 April 2019. However, in accordance with the circular issued by SEBI bearing reference number SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated 31 July 2020, shareholders holding securities in physical form are allowed to tender shares in an open offer. Such tendering shall be as per the provisions of the SEBI (SAST) Regulations. Accordingly, Eligible Public Shareholders holding Equity Shares in physical form as well are eligible to tender their Equity Shares in this Open Offer as per the provisions of the SEBI (SAST) Regulations.
5. The Eligible Public Shareholders who are holding Equity Shares in physical form and are desirous of tendering their Equity Shares in the Offer shall approach the Registrar to the Offer and submit the following set of documents for verification procedure as mentioned below:
 - (a) original share certificate(s);
 - (b) valid share transfer form(s) duly filled and signed by the transferors (i.e., by all registered shareholders in same order and as per the specimen signatures registered with the Target Company) and duly witnessed at the appropriate place authorizing the transfer in favor of the Target Company;
 - (c) self-attested copy of the shareholder's PAN Card;
 - (d) any other relevant documents such as power of attorney, corporate authorization (including board resolution/specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder has deceased, etc., as applicable; and
 - (e) if the address of the Eligible Public Shareholder has undergone a change from the address registered in the register of members of the Target Company, a self-attested copy of address proof consisting of any one of the following documents: (i) valid Aadhar Card; (ii) Voter Identity Card; or (iii) Passport.
6. In case any person has submitted Equity Shares in physical mode for dematerialisation, such Eligible Public Shareholders should ensure that the process of getting the Equity Shares dematerialized is completed well in time so that they can participate in the Open Offer before close of Tendering Period.
7. The Eligible Public Shareholders are advised to ensure that their Equity Shares are credited in favour of the Escrow Demat Account, before the closure of the Tendering Period, i.e., [..]. The Form of Acceptance-cum-Acknowledgement of such dematerialized Equity Shares not credited in favour of the Escrow Demat Account, before the closure of the Tendering Period will be rejected.
8. Eligible Public Shareholders should enclose the following:
 - Form of Acceptance-cum-Acknowledgement (in the form attached herewith) duly completed and signed in accordance with the instructions contained therein, by all the beneficial owners whose names appear in the beneficiary account, as per the records of the Depository Participant ("DP").
 - Photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP as per the instruction in the Letter of Offer.
 - Photocopy of the inter-depository delivery instruction slip if the beneficiary holders have an account with CDSL.
 - A copy of the PAN card, power of attorney, corporate authorization (including board resolution/specimen signature) and self-attested TDC (a valid certificate for lower/nil deduction of tax) from income tax authorities, as applicable.

Please note the following:

- For each delivery instruction, the beneficial owners should submit separate Form of Acceptance-cum-Acknowledgement.
- The Registrar to the Offer is not bound to accept those acceptances, for which corresponding Equity Shares have not been credited to the Escrow Demat Account or for Equity Shares that are credited in the Escrow Demat Account but the corresponding Form of Acceptance-cum-Acknowledgment has not been received as on the date of closure of the Offer.

In case of non-receipt of the aforesaid documents, but receipt of the Equity Shares in the Escrow Demat Account, the

Acquirers and the PAC may (at its sole discretion) deem the Offer to have been accepted by the Eligible Public Shareholder in case of a resident Eligible Public Shareholder.

9. In case of Equity Shares held in joint names, names should be filled up in the same order in the Form of Acceptance-cum-Acknowledgement as the order in which they hold Equity Shares in FOODS AND INNS LIMITED, and should be duly witnessed. This order cannot be changed or altered nor can any new name be added for the purpose of accepting the Offer.
10. If the Offer Shares tendered are rejected for any reason, the Offer Shares will be returned to the sole/first named Eligible Public Shareholder(s) along with all the documents received at the time of submission.
11. The Procedure for Acceptance and Settlement of this Offer has been mentioned in the LoF in Section 8 (*Procedure for Acceptance and Settlement of the Open Offer*).
12. The LOF along with Form of Acceptance-cum-Acknowledgement is being dispatched to all the Eligible Public Shareholders as on the Identified Date. In case of non-receipt of the LOF, such shareholders may download the same from the SEBI website (www.sebi.gov.in) or obtain a copy of the same from the Registrar to the Offer.
13. All the Eligible Public Shareholders should provide all relevant documents, which are necessary to ensure transferability of the Equity Shares in respect of which the acceptance is being sent. Such documents may include (but not be limited to):
 - Duly attested death certificate and succession certificate/probate/letter of administration (in case of single Eligible Public Shareholder) in case the original Eligible Public Shareholder is dead.
 - Duly attested power of attorney if any person apart from the Eligible Public Shareholder has signed the Form of Acceptance-cum-Acknowledgement.
14. All the Eligible Public Shareholders are advised to refer to Section 9 (*Note on Taxation*) in the Letter of Offer in relation to important disclosures regarding the taxes to be deducted on the consideration to be received by them. All Eligible Public Shareholders shall furnish a declaration pertaining to Paragraph 9.7 in the Letter of Offer stating that the relevant Eligible Public Shareholder qualifies / does not qualify as a “seller” under Section 206C(1H) of the Income Tax Act for the purposes of TCS.
15. The Form of Acceptance-cum-Acknowledgement should be sent only to, the Registrar to the Offer and not to the Managers to the Offer, the Acquirers, the PAC or the Target Company.
16. Eligible Public Shareholders having their beneficiary account in CDSL have to use “inter depository delivery instruction slip” for the purpose of crediting their Equity Shares in favour of the Escrow Demat Account with CDSL.
17. All Eligible Public Shareholders, (including resident or non-resident shareholders) must obtain all requisite approvals required, if any, to tender the Offer Shares (including without limitation, the approval from the RBI, if applicable) held by them, in the Offer and submit such approvals, along with the other documents required to accept this Offer. In the event such approvals are not submitted, the Acquirers and/or the PAC 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 held by them, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirers and/or the PAC reserves the right to reject such Offer Shares.

NRI Public Shareholders tendering their Equity Shares in the Offer and holding such Equity Shares on a repatriable basis (in which case the consideration can be remitted abroad) should (i) provide relevant proof of such holding on a repatriable basis viz. RBI approval (if applicable) or proof that such Equity Shares were purchased from funds from a Non-Resident External (“NRE”) bank account or by way of foreign inward remittance; and (ii) furnish details of the type of the relevant bank account, i.e. NRE bank account, to which the consideration should be credited.

NRI Public Shareholders tendering their Equity Shares in the Offer and holding such Equity Shares on a non-repatriable basis should provide details of their Non-Resident (Ordinary) (“**NRO**”) bank account, based on which the cheque or demand draft constituting payment of purchase consideration will be drawn. In the event that details of a NRO bank account are not furnished, the Equity Shares tendered by such NRI Public Shareholders would be rejected. Alternatively, if such a NRI Public Shareholder wishes to receive the consideration in a NRE bank account, such NRI Public Shareholder should provide a specific RBI approval permitting consideration to be credited to such bank account, based on which the cheque or demand draft constituting payment of purchase

consideration will be drawn. In the event that such a specific RBI approval and the details of such designated bank account are not furnished, the Equity Shares tendered by such NRI Public Shareholders would be liable for rejection.

18. Non-Resident Public Shareholders should enclose a certificate for deduction of tax at a lower/nil rate from the income tax authorities under the Income Tax Act, 1961 indicating the tax to be deducted if any by the Acquirers and/or the PAC before remittance of consideration. Otherwise tax will be deducted at the maximum marginal rate as may be applicable to the category and status of the Eligible Public Shareholder (as registered with the depositories/Target Company) on full consideration payable by the Acquirers and/or the PAC.
19. Erstwhile FIIs, and FPIs are requested to enclose their respective valid registration certificates with SEBI. In case of a company, a stamp of the company should be affixed on the Form of Acceptance-cum-Acknowledgement. A company/erstwhile FII/FPI/erstwhile OCB should furnish necessary authorization documents along with specimen signatures of authorized signatories.
20. All documents/remittances sent by or to Eligible Public Shareholders will be at their own risk. Eligible Public Shareholders are advised to adequately safeguard their interests in this regard. Equity Shares to the extent not accepted will be credited back to the beneficial owners' depository account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance-cum-Acknowledgement.
21. Neither the Acquirers, the PAC, the Managers to the Offer, the Registrar to the Offer nor Foods And Inns Limited will be liable for any delay/loss in transit resulting in delayed receipt/non-receipt by the Registrar to the Offer of your Form of Acceptance-cum-Acknowledgement or for the failure to deposit the Equity Shares to the Escrow Demat Account or for any other reason.
22. The Form of Acceptance-cum-Acknowledgement and other related documents should be submitted at the registered office of Link Intime India Private Limited as mentioned below.
23. The Form of Acceptance-cum-Acknowledgement along with enclosures should be sent only to the Registrar to the Offer either by Registered Post or Courier or hand delivery so as to reach the Registrar of the Offer on or before the date of closure of the Tendering Period at its registered office on all Working Days (excluding Saturdays, Sundays and Public holidays) during the business hours. For hand delivery, the timings will be all Working Days anytime between Monday to Friday 10:00 AM to 1:00 PM and 2:00 PM to 5:00 PM, except public holidays.
24. All the Eligible Public Shareholders should provide all relevant documents which are necessary to ensure transferability of the Equity Shares in respect of which the acceptance is being sent.
25. In case the Acquirers and the PAC is of the view that the information/documents provided by the Eligible Public Shareholder is inaccurate or incomplete or insufficient, then tax may be deducted at source at the applicable rate on the entire consideration paid to the Eligible Public Shareholders.
26. Payment of Consideration: Eligible Public Shareholders must note that on the basis of name of the Eligible Public Shareholders, Depository Participant's name, DP ID, Beneficiary Account number provided by them in the Form of Acceptance-cum-Acknowledgement, the Registrar to the Offer will obtain from the Depositories, the Eligible Public Shareholder's details including address, bank account and branch details. These bank account details will be used to make payment to the Eligible Public Shareholders. Hence Eligible Public Shareholders are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays of payment or electronic transfer of funds, as applicable, and any such delay shall be at the Eligible Public Shareholders sole risk and neither the Acquirers, the PAC, the Managers to the Offer, Registrar to the Offer nor the Escrow Agent shall be liable to compensate the Eligible Public Shareholders for any loss caused to the Eligible Public Shareholders due to any such delay or liable to pay any interest for such delay.

The tax deducted under this Open Offer is not the final liability of the Eligible Public Shareholders or in no way discharges the obligation of Eligible Public Shareholders to disclose the consideration received pursuant to this Open Offer in their respective tax returns.

All Eligible 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 Acquirers, the PAC and the Managers to the Open Offer do not accept any responsibility for the accuracy or otherwise of such advice. The tax rates and other provisions may undergo changes.

Applicants, may send their documents only by Registered Post/Courier, at their own risk, to the registered office of the Registrar so as to reach the Registrar to the Offer on or before the last date of acceptance, i.e., [.]

ELIGIBLE 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 TENDERING PERIOD OF THE OPEN OFFER, i.e., [.] SHALL NOT BE ACCEPTED UNDER ANY CIRCUMSTANCES AND HENCE ARE LIABLE TO BE REJECTED.

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT
THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION
(Eligible Public Shareholders holding shares in physical form have to send this form with enclosures to Link Intime India Pvt Ltd at its registered office)

Eligible Public Shareholders holding shares in demat form are not required to submit the Form of Acceptance-cum-Acknowledgment to the Registrar, unless required by their respective Selling Broker.

From

Name:

Address:

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:

TENDERING PERIOD FOR THE OFFER	
OPENS ON	[.]
CLOSES ON	[.]

To, The Acquirers and/or the PAC C/o Link Intime India Pvt Ltd Unit: Foods And Inns Limited – Open Offer Contact person: Ms. Pradnya Karanjekar Tel: +91 8108114949 Email id: foodsandinns.openoffer@linkintime.co.in	Status of the Eligible Public Shareholder (Please tick whichever is applicable)			
	<input type="checkbox"/> Individual	<input type="checkbox"/> Company	<input type="checkbox"/> FII / FPI – Corporate	<input type="checkbox"/> FII / FPI - Others
	<input type="checkbox"/> QFI	<input type="checkbox"/> FVCI	<input type="checkbox"/> Partnership / Proprietorship firm / LLP	<input type="checkbox"/> Private Equity Fund
	<input type="checkbox"/> Pension / Provident Fund	<input type="checkbox"/> Sovereign Wealth Fund	<input type="checkbox"/> Foreign Trust	<input type="checkbox"/> Financial Institution
	<input type="checkbox"/> NRIs / PIOs – non-repatriable	<input type="checkbox"/> NRIs / PIOs - non-repatriable	<input type="checkbox"/> Insurance Company	<input type="checkbox"/> OCB
	<input type="checkbox"/> Domestic Trust	<input type="checkbox"/> Banks	<input type="checkbox"/> Association of person /Body of individual	<input type="checkbox"/> Any others, please specify: ____

Dear Sir/Madam,

Sub:

OPEN OFFER FOR ACQUISITION OF UP TO 1,90,40,682 (ONE CRORES NINTY LAKHS FORTY THOUSAND SIX HUNDRED EIGHTY TWO) EQUITY SHARES OF FOODS AND INNS LIMITED TO THE ELIGIBLE PUBLIC SHAREHOLDERS OF THE TARGET COMPANY BY RAYMOND SIMKINS AND MILAN BHUPENDRA DALAL, COLLECTIVELY (“ACQUIRER”) ALONG WITH PERSONS ACTING IN CONCERT WITH THE ACQUIRERS
I/We refer to the Letter of Offer dated [.] (“**Letter of Offer**”) for acquiring the Equity Shares held by me/us in Foods and Inns 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 Infinity.com Financial Securities Ltd as the DP styled [●] whose particulars are:

DP Name: Infinity.com Financial Securities Ltd.	DP ID:	Client ID:
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Eligible 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 CDSL.

FOR EQUITY SHARES HELD IN PHYSICAL FORM:

I/We, holding physical shares, accept this Offer and enclose the original share certificate(s) and duly signed transfer deed(s) in respect of my/our Equity Shares as detailed below along with enclosures as mentioned herein:

Sr. No.	Regd. Folio Number	Share Certificate Number	Distinctive Numbers		No. of Equity Shares
			From	To	
1					
2					
3					
(In case the space provided is inadequate, please attach a separate sheet with the above details and authenticate the same)				TOTAL	

Enclosures (whichever is applicable)

- ☐ Duly attested power of attorney, if any person apart from the Eligible Public Shareholder, has signed the Form of Acceptance-cum-Acknowledgement or Equity Share transfer deed(s)
- ☐ Original Equity Share certificate(s)
- ☐ Valid Equity Share transfer deed(s)
- ☐ Corporate authorization, in case of companies along with certified board resolution and specimen signatures of authorized signatories
- ☐ Duly attested death certificate and succession certificate/probate/letter of administration (in case of single Shareholder), in case the original Shareholder has expired
- ☐ Self-attested copy of PAN card of all the transferor(s)
- ☐ Other relevant documents (please specify)

FOR ALL ELIGIBLE PUBLIC SHAREHOLDERS:

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 Acquirers and/or the PAC harmless and indemnified against any loss they or either of them may suffer in the event of the Acquirers and/or the PAC 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 Acquirers and/or the PAC 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 Eligible 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 Acquirers.

I/We give my/our consent to the Acquirers and/or the PAC 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 Acquirers and/or the PAC to effectuate this Open Offer in accordance with the SEBI (SAST) 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, including but not limited to Section 281 of the Income Tax Act, 1961. I/We confirm that no notice has been issued by the Income-tax authorities impacting the rights to transfer the shares.

I/We confirm that in case the Acquirers and/or the PAC is of the view that the information/documents provided by the Eligible Public Shareholder is ambiguous or 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 Eligible Public Shareholders.

I/We confirm that in case the Acquirers and/or the PAC is of the view that the information/documents provided by the Eligible Public Shareholder is ambiguous or inaccurate or incomplete or insufficient, for the purpose of evaluation by the Acquirers and/or the PAC as to whether I am/We are under an obligation to collect TCS or not, the Acquirers and/or the PAC shall not be liable to pay TCS to me/us in addition to the consideration.

I/We confirm that in the event of any income tax demand (including interest, penalty, etc.) arising on the Acquirers and/or the PAC, as a result of income tax (including any consequent interest and penalty) arising from tendering of the Offer Shares, or in the event the Acquirers and/or the PAC is unable to claim credit/refund of the TCS collected by me/us pursuant to this Offer, which is attributed to any default by me/us in relation to such TCS, including failure to deposit TCS or to file/furnish the requisite documents, certificates, returns etc., to enable Acquirers and/or the PAC to claim refund/claim of such TCS, I/we will indemnify the Acquirers and/or the PAC for such income tax demand (including interest, penalty, costs etc.) or the amount of TCS, and provide the Acquirers and/or the PAC with all information/documents, including in respect of the taxability / non-taxability of the proceeds pursuant to this Offer, copy of tax return filed in India, evidence of the tax paid etc., that may be necessary and co-operate in any proceedings before any income tax/apellate authority.

I/We authorize the Acquirers and/or the PAC 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 Acquirers and/or the PAC 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 Acquirers and/or the PAC makes payment of purchase consideration as mentioned in the Letter of Offer. I/We authorize the Acquirers and/or the PAC to accept the Equity Shares offered or such lesser number of Equity Shares which they may decide to accept in consultation with the Managers to the Offer and in terms of the Letter of Offer and I/we further authorize the Acquirers and/or the PAC to return to me/us, Equity Shares in respect of which the offer is not found valid / not accepted without specifying the reasons thereof.

ELIGIBLE PUBLIC SHAREHOLDERS ARE REQUESTED TO NOTE THAT THE FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT/EQUITY SHARES THAT ARE RECEIVED BY THE REGISTRAR AFTER THE CLOSURE OF THE TENDERING PERIOD FOR THE OPEN OFFER, i.e., [], SHALL NOT BE ACCEPTED UNDER ANY CIRCUMSTANCES AND HENCE ARE LIABLE TO BE REJECTED.

So as to avoid fraudulent encashment in transit, Eligible 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 Eligible 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 Acquirers and/or the PAC 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 Eligible Public Shareholders

I/We, confirm that our residential status for the purposes of tax as per Section 6 of the Income Tax Act, 1961 is:

☐ Resident ☐ Non-resident, if yes please state country of tax residency: _____ I/We, confirm that our status is (please check applicable box or boxes):

<input type="checkbox"/> Individual	<input type="checkbox"/> Domestic Company	<input type="checkbox"/> Foreign Company	<input type="checkbox"/> FII / FPI Corporate	<input type="checkbox"/> FII / FPI - Others	<input type="checkbox"/> QFI	<input type="checkbox"/> FVCI
<input type="checkbox"/> Partnership / Proprietorship firm / LLP	<input type="checkbox"/> Pension / Provident Fund		<input type="checkbox"/> Foreign Trust	<input type="checkbox"/> NRIs / PIOs - repatriable	<input type="checkbox"/> NRIs / PIOs - non-repatriable	<input type="checkbox"/> Insurance Company

<input type="checkbox"/> OCB	<input type="checkbox"/> Domestic Trust		<input type="checkbox"/> Banks	<input type="checkbox"/> Association of person / Body of individual	<input type="checkbox"/> Any other - please specify _____
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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 Deduction Certificate obtained from income tax authorities for deduction of tax at lower or nil rate, wherever applicable.
- ☐ Duly attested power of attorney if any person apart from the Eligible 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 Eligible 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 Eligible Public Shareholders under the Income-tax Act, 1961 (e.g. individual, firm, company, trust, or any other - please specify).
- ☐ No objection certificate / Tax Deduction Certificate as obtained from income tax authorities for deduction of tax at lower or nil 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).
- ☐ If a Category I or Category II Alternative Investment Fund intends to claim exemption from TDS under Section 197A(1F) of the Income Tax Act, 1961, then such fund to provide (i) a copy of SEBI registration certificate issued to such fund and (ii) a self-declaration certifying that the income earned by such fund is not in the nature of business income.
- ☐ Self-declaration that (a) income tax returns have been duly filed in India for the two preceding financial years along with copies of acknowledgements issued by the Indian tax authorities (as may be suitably redacted) evidencing the filing of such tax returns or; (b) that the aggregate tax deducted at source and tax collected at source is less than Rs. 50,000 in each of the two preceding financial years, as evidenced by a copy of Form 26AS annexed, (applicable only for interest payment, if any).
- ☐ Where TCS is applicable – (a) such documents or information which may be required by the Acquirers and/or the PAC to verify or assess the TCS obligation of the Resident Eligible Public Shareholder(s) (b). self-declaration that TCS collected will be deposited by the Resident Eligible Public Shareholder with the Indian Government within the timelines prescribed under the Income-tax Act, 1961 and the Income-tax Rules, 1962; (c). self-declaration that tax challan, in the prescribed form, evidencing payment of TCS collected from the Acquirers and/or the PAC to the Indian Government will be furnished to the Acquirers and/or the PAC (d). self-declaration that TCS return will be filed by the Resident Eligible Public Shareholder in the manner, form and within timelines prescribed under the Income-tax Act, 1961 and the Income-tax Rules, 1962; (e). self-declaration that TCS certificate will be delivered to the Acquirers and/or the PAC in the form, manner and within timelines prescribed under the Income-tax Act, 1961 and the Income-tax Rules, 1962.

(Note: All Resident Eligible Public Shareholders are advised to refer to the Section 9 (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 FI/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, 1961 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 tick the box if applicable):

☐ I/We confirm that I/we am/are tax resident/s of _____ and satisfy all conditions (including the relevant provisions of the Multilateral Instrument (MLI) as ratified by India) to claim benefits under DTAA entered into by India and the country of which I am/we are tax resident/s. I/ We further confirm that I/We am/are not a tax resident of India as per Section 6 of the Income-tax Act, 1961.

(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 residency certificate (in case where the tax residency certificate is in a language other than English, English translated version thereof) stating that you are a tax resident of your country of residence/incorporation and a declaration 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, 1961. 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 Foods And Inns Limited tendered herein, if applicable
- ☐ Proof for date of purchase evidencing period of holding of Equity shares e.g. 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 (in case where the tax residency certificate is in a language other than English, English translated version thereof), covering the entire financial year in which Equity Shares are being tendered or at least the period from 1 April 2021 till date of tendering such shares
- ☐ No objection certificate / Tax Deduction 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, 1961
- ☐ Other documents and information as mentioned in the Section 9 (**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 or business income)
- ☐ Self-declaration that (a) income tax returns have been duly filed in India for the two preceding financial years along with copies of acknowledgements issued by the Indian tax authorities (as may be suitably redacted) evidencing the filing of such tax returns or; (b) that the aggregate tax deducted at source and tax collected at source is less than INR 50,000 in each of the two preceding financial years, as evidenced by a copy of Form 26AS annexed, (applicable only if FII/FPI has a permanent establishment in India)
- ☐ Where TCS is applicable – (a) such documents or information which may be required by the Acquirers and/or the PAC to verify or assess the TCS obligation of the FII/FPI Public Shareholders (b). self-declaration that TCS collected will be deposited by the FII/FPI Public Shareholders with the Indian Government within the timelines prescribed under the Income-tax Act, 1961 and the Income-tax Rules, 1962; (c). self-declaration that tax challan, in the prescribed form, evidencing payment of TCS collected from the Acquirers and/or the PAC to the Indian Government will be furnished to the Acquirers and/or the PAC (d). self-declaration that TCS return will be filed by the FII/FPI Public Shareholders in the manner, form and within timelines prescribed under the Income-tax Act, 1961 and the Income-tax Rules, 1962; (e). self-declaration that TCS certificate will be delivered to the Acquirers and/or the PAC in the form, manner and within timelines prescribed under the Income-tax Act, 1961 and the Income-tax Rules, 1962;

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, 1961 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 (including the relevant provisions of the MLI as ratified by India) to claim benefits under DTAA entered into by India and the country of which I am/we are tax resident/s. I/We further confirm that I/We am/are not a tax resident of India as per Section 6 of the Income Tax Act, 1961.

(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 Eligible Public Shareholder belongs.)

In order to avail benefit of lower rate of tax deduction under the DTAA, if any, kindly enclose a tax residency certificate (in case where the tax residence certificate is in a language other than English, English translated version thereof) stating that you are a tax resident of your country of residence / incorporation and a declaration 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, 1961. 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-declaration certifying that the place of effective management as defined under section 6 of the Income Tax Act, 1961 is outside India.
- ☐ Self-attested copy of PAN card.
- ☐ Tax Residency Certificate from Government of the Country or Specified Territory of which you are tax resident (in case where the tax residence certificate is in a language other than English, English translated version thereof), covering the entire financial year in which Equity Shares are being tendered or at least the period from 1 April 2021 till date of tendering such shares.
- ☐ Self-attested declaration certifying the nature of income arising from the sale of Equity Shares, whether capital gains or business incomes.
- ☐ Self-declaration that (a) income tax returns have been duly filed in India for the two preceding financial years along with copies of acknowledgements issued by the Indian tax authorities (as may be suitably redacted) evidencing the filing of such tax returns or; (b) that the aggregate tax deducted at source and tax collected at source is less than INR 50,000 in each of the two preceding financial years, as evidenced by a copy of Form 26AS annexed, (applicable only if non-resident has a permanent establishment in India).
- ☐ Tax Deduction 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.
- ☐ Where TCS is applicable – (a) such documents or information which may be required by the Acquirers and/or the PAC to verify or assess the TCS obligation of the Non-resident Public Shareholders (except FIIs/FPI) (b). self-declaration that TCS collected will be deposited by the Non-resident Public Shareholders (except FIIs/FPI) with the Indian Government within the timelines prescribed under the Income-tax Act, 1961 and the Income-tax Rules, 1962; (c). self-declaration that tax challan, in the prescribed form, evidencing payment of TCS collected from the Acquirers and/or the PAC to the Indian Government will be furnished to the Acquirers and/or the PAC (d). self-declaration that TCS return will be filed by the Non-resident Public Shareholders (except FIIs/FPI) in the manner, form and within timelines prescribed under the Income-tax Act, 1961 and the Income-tax Rules, 1962; (e). self-declaration that TCS certificate will be delivered to the Acquirers and/or the PAC in the form, manner and within timelines prescribed under the Income-tax Act, 1961 and the Income-tax Rules, 1962.
- ☐ 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 date of purchase evidencing period of holding of Equity shares e.g. demat account statement or brokers note.
- ☐ Form 10F as prescribed in terms of Section 90(5) of the Income Tax Act, 1961 (also refer the Section IX *(Compliance with Tax Requirements)* of the Letter of Offer).
- ☐ Other documents and information as mentioned in the Section IX *(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: _____

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

Acknowledgement Slip (To be filled in by the Eligible Public Shareholder) **Foods And Inns Limited Open Offer**

Sr. No. _____ Received from
Mr./Ms./M/s. _____
Address _____

Demat shares:

DP ID _____

Client ID _____

Physical Shares: Number of Shares: _____; Share certificate(s) _____ transfer deed(s)
under Folio Number(s): _____

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).

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: FOODS AND INNS LIMITED - Open Offer
Contact Person: Ms. Pradnya Karanjekar
Tel: +91 8108114949;
Website: www.linkintime.co.in
Email: foodsandinns.openoffer@linkintime.co.in