DFM FOODS LTD.

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CIN: L15311DL1993PLC052624

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

1.	Date	16th August, 2016
2.	Name of the Target Company (TC)	DFM FOODS LIMITED
3.	Details of the Offer pertaining to Target Company (TC)	Open Offer to acquire not more than 26,10,836 Equity Shares, representing 26% (Twenty Six percent) of the Emerging Voting Capital of DFM Foods Limited, (Target Company) from the Equity Shareholders, other than the Acquirer and the PACs.
4.	Name(s) of the acquirer and PAC with the acquirer	Acquirer Aravali Investment Holdings Person Acting in Concert (PAC) Jwalamukhi Investment Holdings (PAC-1) WestBridge Crossover Fund, LLC (PAC-2)
5.	Name of the Manager to the offer	ICICI Securities Limited ICICI Centre, H.T. Parekh Marg, Churchgate, Mumbai – 400020 Maharashtra, India Tel: +91 22 2288 2460/2288 2470, Fax: +91 22 2282 6580
6.	Members of the Committee of Independent Directors	1. Mr. Pradeep Dinodia 2. Mr. S.C. Nanda 3. Ms.Hiroo Mirchandani Mr. Pradeep Dinodia is the Chairman of the IDC.
7.	IDC Member's relationship with the TC (Director, Equity shares owned, any other contract / relationship), if any	The IDC members are Independent Directors of the Target Company. The Independent Directors are holding shares as under: 1.Mr. Pradeep Dinodia- 10200 equity shares 2.Mr. S.C.Nanda- 2800 equity shares 3.Ms.Hiroo Mirchandani- Nil
8.	Trading in the Equity shares/other securities of the TC by IDC Members	No IDC members have traded in the equity shares/other securities of the Target Company during a period of 12 months prior to the date of Public Announcement and since then, till date.
9.	IDC Member's relationship with the acquirer and PAC (Director, Equity Shares owned, any other contract, relationship), if any	The IDC members do not hold any equity shares or other securities of Acquirer or PAC and have no contract/relationship with Acquirer or PAC or their respective Directors.
10.	Trading in the Equity shares/other securities of the acquirer by IDC Members	None
11.	Recommendation on the Open offer, as to whether the offer is fair and reasonable	Based on the review of Public Announcement, the Detailed Public Statement, Corrigendum to the Public Announcement and Letter of Offer issued by the Manager to the Offer on behalf of the Acquirer and PAC(s), IDC believes that the Open Offer is in accordance with SEBI (SAST) Regulations and to that extent is fair and reasonable. However, with regard to reasonableness of the price, IDC would like to draw the attention of shareholders to the current market value of the shares of the Company. The shareholders should independently evaluate the offer and take their own informed decision. They are also advised to seek expert tax opinion before taking decision.
12.	Summary of reasons for recommendation	The weighted average price of the shares of the Target Company was ₹2121.95 on BSE Limited on 12th August, 2016 and the closing price for the same day was ₹2134.05. The Acquirer has offered a price of ₹1320.00 per share. As per information mentioned in the Letter of Offer, this Offer is being made pursuant to the intention of the Acquirer and PACs to increase their shareholding in the Target Company through the Offer, for the purposes of investment and consolidation of their holdings in the Target Company, held through the Acquirer and the PACs. There is no acquisition of Equity Shares which has triggered this Offer. This Offer does not involve any acquisition of control over the Target Company by the Acquirer and/or the PACs or any change in control of the Target Company. There will be no change in the promoters of the Target Company.
13.	Details of Independent Advisors, if any.	None
14.	Any other matter(s) to be highlighted	None

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

For and on behalf of
The Committee of Independent Directors of
DFM Foods Limited
Sd/-
Pradeep Dinodia
Chairman- Committee of Independent Directors

Place: New Delhi
Date: 16th August, 2016