

OFFER OPENING PUBLIC ANNOUNCEMENT UNDER REGULATION 18(7) OF SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011, AS AMENDED ("SEBI (SAST) REGULATIONS") AND CORRIGENDUM TO THE DETAILED PUBLIC STATEMENT FOR THE ATTENTION OF THE PUBLIC SHAREHOLDERS OF

LOTUS CHOCOLATE COMPANY LIMITED

CIN: L15200TG1988PLC009111

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OPEN OFFER FOR ACQUISITION OF UP TO 33,38,673 (THIRTY THREE LAKH THIRTY EIGHT THOUSAND SIX HUNDRED AND SEVENTY THREE) EQUITY SHARES OF FACE VALUE OF INR 10 (INDIAN RUPEES TEN ONLY) EACH ("EQUITY SHARES") AT A PRICE OF INR 115.50 (INDIAN RUPEES ONE HUNDRED AND FIFTEEN AND FIFTY PAISE ONLY) PER EQUITY SHARE, REPRESENTING 26.00% OF THE EMERGING VOTING CAPITAL OF LOTUS CHOCOLATE COMPANY LIMITED ("TARGET COMPANY") FROM THE PUBLIC SHAREHOLDERS BY RELIANCE CONSUMER PRODUCTS LIMITED ("ACQUIRER") ALONG WITH RELIANCE RETAIL VENTURES LIMITED ("PAC") IN ITS CAPACITY AS PERSON ACTING IN CONCERT WITH THE ACQUIRER ("OFFER" OR "OPEN OFFER")

This offer opening public announcement and corrigendum to the DPS ("Offer Opening Public Announcement and Corrigendum") is being issued by DAM Capital Advisors Limited, the manager to the Open Offer ("Manager to the Offer" or "Manager"), for and on behalf of the Acquirer and the PAC, pursuant to and in accordance with Regulation 18(7) of the SEBI (SAST) Regulations in respect of the Open Offer.

This Offer Opening Public Announcement and Corrigendum should be read in continuation of and in conjunction with: (a) the Public Announcement dated December 29, 2022 ("PA"); (b) the Detailed Public Statement that was published in Business Standard - English (all editions), Business Standard - Hindi (all editions), Andhra Jyothy - Telugu (Hyderabad edition) and Navshakti - Marathi (Mumbai edition) on January 05, 2023 ("DPS"); and (c) the Letter of Offer dated March 06, 2023 along with Form of Acceptance ("LOF"). This Offer Opening Public Announcement and Corrigendum is being published in all the newspapers in which the DPS was published.

Capitalised terms used but not defined in this Offer Opening Public Announcement and Corrigendum shall have the meaning assigned to such terms in the LOF.

- Offer Price:** The Offer Price is INR 115.50/- per Offer Share payable in cash. There has been no revision in the Offer Price. For further details relating to the Offer Price, please refer to paragraph 7.1 (Justification of Offer Price) beginning on page 42 of the LOF.
- Recommendations of the committee of independent directors of the Target Company:** The recommendation of committee of independent directors of the Target Company ("IDC") in relation to the Open Offer was approved on March 13, 2023 and published on March 14, 2023 in the same newspapers where the DPS was published ("IDC Recommendation"). The relevant extract of the IDC Recommendation is given below:

Members of the Committee of Independent Directors	1. Mr. Bharathan Rajagopalan Thatai, Chairperson 2. Mr. Gottemukkala Venkatapathi Raju, Member
Recommendation on the Open Offer, as to whether the Open Offer is fair and reasonable	1. The IDC is of the opinion that the Offer Price of INR 115.50/- per Equity Share offered by the Acquirer and the PAC vide Letter of Offer dated March 6, 2023, is in accordance with the SEBI (SAST) Regulations and is fair and reasonable. However, the IDC would like to draw attention of the shareholders that since the announcement of the Open Offer, the Equity Shares of the Target Company have been consistently trading on the Stock Exchange at prices that are higher than the Offer Price. 2. The shareholders should independently evaluate the Open Offer, the market performance of the Equity Shares of the Target Company and take an informed decision. Further the shareholders should independently review the Letter of Offer dated March 6, 2023, including the risk factors described therein before taking any decision in relation to the Open Offer.
Disclosure of the voting pattern	These recommendations were unanimously approved by the members of IDC.

For further details, please see the IDC Recommendation as available on the website of SEBI (www.sebi.gov.in) and the Stock Exchange (www.bseindia.com).

3. Other details of the Open Offer

- The Open Offer is a mandatory offer being made under Regulations 3(1) and 4, and other applicable regulations of the SEBI (SAST) Regulations to the Public Shareholders of the Target Company.
- The Open Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations. Further, there is no competing offer to this Open Offer. The Open Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of the SEBI (SAST) Regulations.
- The dispatch (through electronic mode or physical mode) of the LOF dated March 06, 2023, to the Public Shareholders as on the Identified Date (being March 01, 2023), in accordance with Regulation 18(2) of the SEBI (SAST) Regulations, was completed on March 08, 2023 (which is before the last date as mentioned in the Revised Schedule of Activities). It is clarified that all the Public Shareholders (even if they acquire Equity Shares and become shareholders of the Target Company after the Identified Date) are eligible to participate in the Open Offer during the Tendering Period.
- Please note that a copy of the LOF as well as the FOA and SH-4 is also available for downloading on the websites of SEBI, the Stock Exchange and the Registrar to the Offer at www.sebi.gov.in, www.bseindia.com and www.kfintech.com respectively.
- Non-receipt/ non-availability of the FOA, does not preclude a Public Shareholder from participating in the Open Offer. Please see the manner of participating in the Open Offer described below in brief. Kindly note that the Open Offer is being implemented by the Acquirer and the PAC through the stock exchange mechanism made available by BSE in the form of a separate window ("Acquisition Window") in accordance with SEBI (SAST) Regulations, other applicable SEBI circulars and guidelines issued by the BSE and the Clearing Corporation.

(a) **In case of Public Shareholders holding Equity Shares in dematerialized form:** Public Shareholders who are holding Equity Shares in dematerialized form and who desire to tender their Equity Shares in the Open Offer, may do so through their respective selling broker(s). Public Shareholders should tender their Equity Shares before market hours close on the last day of the Tendering Period. The selling broker(s) would be required to mark lien on the tendered Equity Shares and thereafter place an order/bid on behalf of the Public Shareholder using the Acquisition Window of the BSE. Please also read detailed procedure described in paragraph 9.5 of the LOF.

(b) **In case of Public Shareholders holding Equity Shares in physical form:** Public Shareholders holding Equity Shares in physical form may participate in the Open Offer through the respective selling broker(s) by providing complete set of documents for verification procedure including (i) original share certificate(s); (ii) valid share transfer form(s) i.e. Form SH-4; (iii) duly filled in FOA (in case the Public Shareholder has not received the FOA, then he/she may make an application on plain paper duly signed by him/her, stating *inter alia*, full name, address, number of Equity Shares held, and number of Equity Shares being tendered); and (iv) such other documents described in paragraph 9.6.2 of the LOF. The selling broker shall place a bid using the Acquisition Window of the BSE and provide a Transaction Registration Slip ("TRS") to such Public Shareholder. The selling broker / Public Shareholder should thereafter deliver the original share certificate(s), Form SH-4 and such other documents described in paragraph 9.6 of the LOF to the Registrar to the Offer at the address mentioned in the LOF so that the same reaches the Registrar to the Offer no later than 5:00 PM Indian Standard Time of March 31, 2023. Please also read and follow the detailed procedure described in paragraph 9.6 of the LOF. Please note that physical share certificates and other relevant documents should not be sent to the Acquirer, PAC, Target Company or the Manager.

- In accordance with Regulation 16(1) of the SEBI (SAST) Regulations, the draft letter of offer dated January 12, 2023 ("DLOF") was submitted to SEBI on January 12, 2023. SEBI issued its observations on the DLOF vide its letter bearing reference no. SEBI/HO/CFD/CFD-RAC-DCR1/P/OW/2023/8319/1 dated February 27, 2023. SEBI's observations have been incorporated in the LOF.

5. Material Updates

Public Shareholders are requested to note the following material updates to the DLOF as included in the LOF in relation to the Open Offer:

5.1. Material update regarding the PAC

Shri Rajiv Mehrishi has been appointed to the board of directors of the PAC as an independent director with effect from January 20, 2023. Details pertaining to Shri Rajiv Mehrishi have been included in paragraph 4.2.5 on page 31 of the LOF.

5.2. Other key updates and changes in the LOF

- Disclosures regarding regulatory actions, administrative warnings, directions subsisting or proceedings, if any, which have been issued / initiated by (a) SEBI under SEBI Act 1992 and the regulations made thereunder, and (b) any other regulator, against the Acquirer, the PAC, Manager to the Offer, Registrar to the Offer, the Target Company and the Current Promoter and Promoter Group have been included in paragraph 3.2.12 on page 22, paragraph 4.1.12 on page 26, paragraph 4.2.11 on page 32 and paragraph 6.19 on page 39 of the LOF;
- Disclosures regarding penalties levied by SEBI / RBI, if any, against the Acquirer, the PAC, Manager to the Offer, Registrar to the Offer, the Target Company and the Current Promoter and Promoter Group have been included in paragraph 3.2.12 on page 22, paragraph 4.1.12 on page 26, paragraph 4.2.11 on page 32 and paragraph 6.19 on page 39 of the LOF;
- Disclosures that the Acquirer and the PAC do not have any relationship / association with the Sellers, the Current Promoter and Promoter Group and the Target Company have been included in paragraph 4.1.9 on page 25 and paragraph 4.2.8 on page 32 of the LOF;

- Disclosure regarding status of orders passed by Adjudicating Officer in couple of matters involving inter alia certain directors of the PAC has been included in paragraph 4.2.12 on page 32 of the LOF;
- Disclosure regarding revision to the total authorized share capital of the Target Company has been included in paragraph 6.7 on page 37 of the LOF;
- Disclosure regarding compliance status of the Target Company with various applicable provisions of the listing requirements and the SEBI (LODR) Regulations and penal actions has been included in paragraph 6.13 on page 38 of the LOF;
- Disclosure regarding compliance status of the Current Promoter and Promoter Group with Chapter V of the SEBI (SAST) Regulations has been included in paragraph 6.14 on page 38 of the LOF;
- Disclosure regarding the Equity Shares held by the directors of the Target Company have been included in paragraph 6.17 on page 38 of the LOF;
- Disclosure that the Current Promoter and Promoter Group has not sought any general exemption under regulation 10 of the SEBI (SAST) Regulations and has not filed any report under Regulation 10(7) of the SEBI (SAST) Regulations has been included in paragraph 6.20 on page 39 of the LOF;
- Details of the closing price of the Equity Shares of the Target Company as on the date of the PA and on the date following the date of the PA has been included in paragraph 6.22 on page 41 of the LOF;
- Additional disclosures and confirmations regarding the SCPL SPA and the Investment Agreement have been included in paragraph 3.1.7 on page 16, paragraph 3.1.8 on page 16 and paragraph 3.1.9 on page 17 of the LOF and paragraph 7.1.4 on page 42 of the LOF;
- The list of documents for inspection has been updated to include the copies of the SCPL SPA and the Investment Agreement, as set out in paragraph 11.4 on page 66 of the LOF; and
- Details regarding the procedure for electronic inspection of documents by Public Shareholders has been included in paragraph 11 on page 66 of the LOF.

6. Status of Statutory and Other Approvals

To the best of the knowledge of the Acquirer and the PAC, as on the date of this Offer Opening Public Announcement and Corrigendum, there are no statutory or other approvals required to complete the Underlying Transaction and the Open Offer. If, however, any statutory or other approval becomes applicable prior to completion of such acquisitions, the Open Offer would also be subject to such other statutory or other approval(s) being obtained. Please also refer to paragraph 8.4 beginning on page 48 of the LOF for further details.

7. Revised Schedule of Activities:

No.	Activity	Schedule disclosed in the DLOF (Day and Date)	Revised Schedule ⁽¹⁾ (Day and Date)
1.	Date of PA	Thursday, December 29, 2022	Thursday, December 29, 2022
2.	Date of publication of the DPS	Thursday, January 5, 2023	Thursday, January 5, 2023
3.	Last date for filing of the DLOF with SEBI	Thursday, January 12, 2023	Thursday, January 12, 2023
4.	Last date for public announcement for competing offer(s) ⁽²⁾	Friday, January 27, 2023	Friday, January 27, 2023
5.	Last date for receipt of SEBI observations on the DLOF (in the event SEBI has not sought clarifications or additional information from the Manager)	Friday, February 3, 2023	Monday, February 27, 2023 ⁽³⁾
6.	Identified Date ⁽⁴⁾	Tuesday, February 7, 2023	Wednesday, March 1, 2023
7.	Last date by which the LOF is to be dispatched to the Public Shareholders whose names appear on the register of members on the Identified Date	Tuesday, February 14, 2023	Thursday, March 9, 2023
8.	Last date by which the committee of the independent directors of the Target Company is required to publish its recommendation to the Public Shareholders for this Open Offer	Friday, February 17, 2023	Tuesday, March 14, 2023
9.	Last date for upward revision of the Offer Price and/or Offer Size	Friday, February 17, 2023	Tuesday, March 14, 2023
10.	Date of publication of opening of Open Offer public announcement in the newspapers in which the DPS was published	Monday, February 20, 2023	Wednesday, March 15, 2023
11.	Date of commencement of the tendering period ("Offer Opening Date")	Tuesday, February 21, 2023	Thursday, March 16, 2023
12.	Date of closure of the tendering period ("Offer Closing Date")	Monday, March 6, 2023	Friday, March 31, 2023
13.	Last date of communicating the rejection/ acceptance and completion of payment of consideration or return of Equity Shares to the Public Shareholders	Tuesday, March 21, 2023	Wednesday, April 19, 2023
14.	Last date for publication of post-Open Offer public announcement in the newspapers in which the DPS was published	Wednesday, March 29, 2023	Wednesday, April 26, 2023

(1) Where last dates are mentioned for certain activities, such activities may take place on or before the respective last dates.

(2) There is no competing offer to this Open Offer.

(3) Actual date of receipt of SEBI observations on the DLOF.

(4) The Identified Date is only for the purpose of determining the Public Shareholders as on such date to whom the LOF would be sent. It is clarified that all the Public Shareholders (even if they acquire Equity Shares and become shareholders of the Target Company after the Identified Date) are eligible to participate in the Open Offer.

The Acquirer, the PAC and their directors in their capacity as directors accept the responsibility for the information contained in this Offer Opening Public Announcement and Corrigendum (other than the information pertaining to the Target Company or the Current Promoter and Promoter Group, which has been obtained from publicly available sources or provided by the Target Company / Current Promoter and Promoter Group) and also for the obligations of the Acquirer and the PAC laid down in the SEBI (SAST) Regulations in respect of the Open Offer.

This Offer Opening Public Announcement and Corrigendum will be available on SEBI's website at (www.sebi.gov.in).

Issued on behalf of the Acquirer and the PAC by the Manager to the Offer



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Registrar to the Offer



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