

LETTER OF OFFER

'This document is important and requires your immediate attention'

This Letter of Offer is being sent to you as the Public Shareholder of Mihika Industries Limited. If you require any clarifications about the action to be taken, you may consult your stockbroker or investment consultant or Manager to the Offer or the Registrar. In case you have recently sold your Equity Shares, please hand over this Letter of Offer and the accompanying form of acceptance-cum-acknowledgement to the member of the stock exchange through whom the said sale was effected.

OPEN OFFER BY

| Name | Acquirer | Address | Contact Details | Email Address |
|-----------------------------------|----------|---|-----------------|--|
| Veggie Fest Foods Private Limited | Acquirer | B-712 Seven Floor Titanium City Center Near Sachin Tower, 100 Feet Anandnagar Road Ahmedabad-380015, Gujrat | +91 9157877415 | veggiefestfoods@gmail.com |

There is no person acting in concert for this Offer.

FOR THE ATTENTION OF THE PUBLIC SHAREHOLDERS OF MIHIKA INDUSTRIES LIMITED

Corporate Identification Number: L70101WB1983PLC035638;

Registered Office: 3, 2nd Floor, Bentinck Street, Kolkata-700001, West Bengal, India;

Contact Number: +033-65366663; **Website:** www.mihika.co.in; **Email:** mihikaindustries@gmail.com

Open Offer for acquisition of up to 26,00,000 (Twenty-Six Lakhs) Equity Shares, representing 26.00% (Twenty-Six Percent) of the Voting Share Capital of Mihika Industries Limited ('Mihika Industries Limited' or 'Target Company'), at an offer price of Rs. 24.00 (Rupees Twenty-Four Only) ('Offer Price'), by the Acquirer in accordance with the provisions of Regulations 3(1) and 4 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, and subsequent amendments thereto ('SEBI (SAST) Regulations') ('Offer').

Please Note:

1. This Offer is being made by the Acquirer, in pursuance of the provisions of Regulations 3(1) and 4 of the SEBI (SAST) Regulations, for substantial acquisition of Equity Shares and Voting Share Capital accompanied with change in control and management of the Target Company.
2. As on the date of this Letter of Offer, to the best knowledge of the Acquirer, there are no statutory approval(s) required to acquire Equity Shares that are validly tendered pursuant to this Offer. However, the Offer would be subject to all statutory approval(s) as may be required and/or may subsequently become necessary to acquire at any later date.
3. If there is any upward revision in the Offer Price and/ or the Offer Size at any time up to 1 (One) Working Day prior to commencement of the Tendering Period *i.e.*, **Monday May 15, 2023**, in terms of the SEBI (SAST) Regulations, the same would also be informed by way of a public announcement in the same newspapers where the original Detailed Public Statement had appeared. If the Offer is withdrawn pursuant to Regulation 23 of the SEBI (SAST) Regulations, the same would be communicated within 2 (Two) Working Days by an announcement in the same newspapers in which the Detailed Public Statement had appeared.
4. **This is not a competitive offer as per Regulation 20 of the SEBI (SAST) Regulations.**
5. This Offer is not subject to a minimum level of acceptance by the Public Shareholders of the Target Company and is not a conditional offer under Regulation 19 of the SEBI (SAST) Regulations.
6. Public Shareholders, who have accepted this Offer by tendering the requisite documents in terms of the Offer Documents, shall not be entitled to withdraw such acceptance during the Tendering Period.
7. The procedure for acceptance is set out in Paragraph 8 titled as '*Procedure for Acceptance and Settlement of the Offer*' at page 21 of this Letter of Offer.
8. The Offer Documents would also be available on SEBI's website accessible at www.sebi.gov.in, BSE's website accessible at www.bseindia.com, Manager to the Offer's website accessible at www.bonanzaonline.com, and Registrar's website accessible at www.purvashare.com.

For capitalized terms, refer to the Paragraph titled '*Definitions and Abbreviations*' beginning on page 6 of this Letter of Offer.

| | |
|--|---|
|  <p>Bonanza make money. not mistakes.</p> <p>MANAGER TO THE OFFER BONANZA PORTFOLIO LIMITED Corporate Identification Number: U65991DL1993PLC052280 Bonanza House, Plot No. M-2, Cama Industrial Estate, Walbhat Road, Behind The Hub, Goregaon (East), Mumbai - 400 063 Contact Person: Ms. Swati Agrawal Tel No.: +91 22 62735500/ 68363700 Email: swati.agrawal@bonanzaonline.com SEBI Registration No.: INM000012306 Validity: Permanent</p> |  <p>REGISTRAR TO THE OFFER PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED Unit No. 9, Ground Floor, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel (East) Mumbai – 400011, Maharashtra Telephone Number: +91 22 23010771/ 49614132 E-mail Address: support@purvashare.com Website: www.purvashare.com Contact Person: Ms. Deepali Dhuri SEBI Registration Number: INR000001112 Validity: Permanent</p> |
| OFFER OPENING DATE TUESDAY, MAY 16, 2023 | OFFER CLOSING DATE MONDAY, MAY 29, 2023 |

REVISED SCHEDULE OF THE MAJOR ACTIVITIES RELATING TO THIS OFFER

| Schedule of Activities | Tentative schedule | Revised schedule |
|--|----------------------------------|-------------------------------|
| | Day and Date | Day and Date |
| Date of the Public Announcement | Monday, February 06, 2023 | Monday, February 06, 2023 |
| Publication of Detailed Public Statement in newspapers | Friday, February 10, 2023 | Friday, February 10, 2023 |
| Date of filing of the Draft Letter of Offer with the SEBI | Friday, February 17, 2023 | Friday, February 17, 2023 |
| Last date of a Competing Offer | Friday , March 03, 2023 | Friday , March 03, 2023 |
| Last Date of SEBI's Observation shall be received | Monday, March 13, 2023 | Wednesday, April 26, 2023 |
| Identified Date* | Wednesday, March 15, 2023 | Friday, April 28, 2023 |
| Date by which the Letter of Offer will be dispatched to the shareholders | Thursday, March 23, 2023 | Tuesday, May 09, 2023 |
| Last date for publication of the recommendations of the committee of the independent directors | Tuesday, March 28, 2023 | Friday, May 12, 2023 |
| Last date for revising the Offer Price / Offer Size | Wednesday, March 29, 2023 | Monday, May 15, 2023 |
| Offer Opening Public Announcement | Wednesday, March 29, 2023 | Monday, May 15, 2023 |
| Date of commencement of tendering period (Open Date) | Friday, March 31, 2023 | Tuesday, May 16, 2023 |
| Date of closing of tendering period (Close Date) | Tuesday, April 18, 2023 | Monday, May 29, 2023 |

Note: Schedule of Activities has been updated on receipt of requisite approval from SEBI.

#There has been no competing offer as of the date of this Draft Letter of Offer.

**Identified Date is only for the purpose of determining the names of the Public Shareholders to whom the Letter of Offer would be sent. All the public shareholders (registered or unregistered) of the Equity Shares (except the Acquirer and the parties to the Share Purchase Agreement) are eligible to participate in this Offer any time before the closure of this Offer.*

RISK FACTORS RELATING TO THE UNDERLYING TRANSACTION, THE PROPOSED OFFER, AND PROBABLE RISKS INVOLVED IN ASSOCIATING WITH THE ACQUIRER

For capitalized terms used hereinafter, please refer to the *'Definitions'* set out below:

A. Risks relating to Underlying Transaction

1. The Underlying Transaction is subject to various conditions as specified under the Share Purchase Agreement, including:
 - (a) Receipt of all statutory approvals as set out in Paragraph 7.6 titled as *'Statutory Approvals and conditions of the Offer'* at page 20 of this Letter of Offer and those which become applicable prior to the completion of this Offer;
 - (b) The satisfaction or waiver of the various conditions under the Share Purchase Agreement, including those conditions set out in paragraph 3.1.9 at page 9 of this Letter of Offer, and if these conditions are not satisfied or waived and subsequently terminated in accordance with the terms of the Share Purchase Agreement, then the Underlying Transaction may be terminated.
2. The Underlying Transaction is subject to completion risks as would be applicable to similar transactions.

B. Risks relating to this Offer

1. This Offer is a mandatory open offer to acquire up to 26.00% (Twenty-Six Percent) of Voting Share Capital of the Target Company from the Public Shareholders. In the case of oversubscription in this Offer, as per the SEBI (SAST) Regulations, acceptance of the Equity Shares would be determined on a proportionate basis, and hence there is no certainty that all the Equity Shares tendered by the Public Shareholders in this Offer will be accepted.
2. As on the date of this Letter of Offer, to the best of knowledge and belief of the Acquirer, there are no statutory approvals required to acquire the Equity Shares that are validly tendered pursuant to this Offer or to complete this Offer, for further details kindly refer to Paragraph 7.6 titled as *'Statutory Approvals and conditions of the Offer'* at page 20 of this Letter of Offer. However, if any other statutory approvals are required prior to the completion of this Offer, then this Offer would be subject to the receipt of such other statutory approvals that may become applicable later.
3. In the event that either:
 - (a) Regulatory approval is not received in a timely manner, or
 - (b) There is any litigation leading to stay on this Offer, or
 - (c) SEBI instructs the Acquirer not to proceed with this Offer,then the Offer process may be delayed beyond the Schedule of Activities indicated in this Letter of Offer. Consequently, payment of consideration to the Public Shareholders of the Target Company whose Equity Shares have been accepted in this Offer as well as the return of the Equity Shares not accepted by the Acquirer may be delayed. In case of delay, due to non-receipt of statutory approvals, as per Regulation 18(11) of the SEBI (SAST) Regulations, then SEBI may, if satisfied that the non-receipt of approvals was not attributable to any wilful default, negligence, or failure on the part of the Acquirer to diligently pursue such approvals, grant an extension for the purpose of completion of this Offer, subject to the Acquirer agreeing to pay interest to the Public Shareholders for the delay beyond the 10th (Tenth) Working Day from the date of closure of the Tendering Period, as may be specified by SEBI.
4. Public Shareholders should note that the Equity Shares tendered by them and accepted in this Offer shall not be entitled to be withdrawn post-acceptance of such Equity Shares during the Tendering Period, even if the acceptance of such Equity Shares under this Offer and the payment of consideration gets delayed. The tendered Equity Shares and documents would be held by the Registrar, till such time as the process of acceptance of tenders and the payment of consideration is completed.
5. This Offer is subject to the receipt of statutory and regulatory approvals by the Acquirer. The Acquirer may not be able to proceed with this Offer in the event the approvals are not received in terms of the Regulation 23 of the SEBI (SAST) Regulations. Further delay, if any, in the receipt of these approvals may delay completion of this Offer.
6. Non-residents and overseas corporate bodies (the "OCBs") holding the Equity Shares must obtain all requisite approvals, if any, to tender the Equity Shares held by them in this Offer. Further, if the Public Shareholders who are not person's resident in India had required any approvals (including from Reserve Bank of India or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals that they would have obtained for holding the Equity Shares, to tender the Equity Shares held by them pursuant to this Offer, along with the documents

required to be tendered to accept this Offer. In the event such prior approvals are not submitted, the Acquirer reserves its right to reject such Equity Shares tendered under this Offer. If the Equity Shares are held under general permission of the Reserve Bank of India, the non-resident Public Shareholder or OCB should state that the Equity Shares are held under general permission and clarify whether the Equity Shares are held on repatriable basis or non-repatriable basis.

7. This Letter of Offer/ and the Letter of Offer has not been filed, registered, or approved in any jurisdiction outside India. Recipients of this Letter of Offer/ and the Letter of Offer, resident in jurisdictions outside India should inform themselves of and comply with all applicable legal requirements. This Offer is not directed towards any person or entity in any jurisdiction or country where the same would be contrary to the applicable laws or regulations or would subject the Acquirer or the Manager to any new or additional registration requirements.
8. Public Shareholders are advised to consult their respective tax advisors for assessing the tax liability, pursuant to this Offer, or in respect of other aspects such as the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. The Acquirer and the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in this Letter of Offer.

C. Risks involved in associating with the Acquirer.

1. The Acquirer intends to acquire up to 26,00,000 (Twenty-Six Lakhs) Equity Shares, representing 26.00% (Twenty-Six Percent) of the Voting Share Capital of the Target Company, at an offer price of Rs.24.00 (Rupees Twenty-Four Only) per Equity Share, payable in cash, under the SEBI (SAST) Regulations. The Target Company does not have any partly paid-up Equity Shares as on the date of this Letter of Offer. The Equity Shares and the documents tendered in this Offer will be held in trust by the Registrar until the completion of this Offer formalities, and the Public Shareholders will not be able to trade in such Equity Shares thereafter. Post this Offer, the Acquirer will have significant equity ownership and effective management control over the Target Company, pursuant to the provisions of Regulations 3 (1) and 4 of the SEBI (SAST) Regulations.
2. The Acquirer makes no assurance with respect to the market price of the Equity Shares during the Offer Period and upon the completion of this Offer and disclaim any responsibilities with respect to any decision by the Public Shareholders on whether to participate in this Offer. The Acquirer makes no assurance with respect to the financial performance of the Target Company.
3. The Acquirer and the Manager to the Offer, accepts no responsibility for the statements made otherwise than in the Offer Documents or in the advertisement or any materials issued by or at the instance of the Acquirer and the Manager to the Offer, and any person placing reliance on any other source of information would be doing so at its own risk.
4. For the purpose of disclosures in the Letter of Offer, all information relating to the:
 - (a) Target Company has been obtained from publicly available sources or from the Target Company;
 - (b) Promoter Sellers has been obtained from them. The accuracy of such details of the Target Company and the Promoter Sellers have not been independently verified by the Acquirer and the Manager to the Offer.

The risk factors set forth above pertaining to this Offer, are not in relation 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 a Public Shareholder in this Offer. Public Shareholders of the Target Company are advised to consult their stockbrokers or investment consultants, if any, for further risk with respect to their participation in this Offer. Each Public Shareholder of the Target Company is hereby advised to consult with their legal, financial, tax, investment, or other advisors and consultants of their choice, if any, for further risks with respect to each such Public Shareholder's participation in this Offer and related transfer of Equity Shares to the Acquirer.

CURRENCY OF PRESENTATION

1. In this Letter of Offer, all references to '₹', 'Rs.', 'Rupees', 'Re', 'Rupee' are references to the official currency of India.
2. In this Letter of Offer, any discrepancy in any table between the total and sums of the amounts listed are due to rounding off and/ or regrouping.

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1. DEFINITIONS AND ABBREVIATIONS

| Abbreviations | Particulars |
|-----------------------------|--|
| Acquirer | Veggie Fest Foods Private Limited |
| Board | Board of Directors of the Target Company |
| Book Value per Equity Share | Net-Worth / Number of Equity Share |
| BSE | BSE Limited |
| CDSL | Central Depository Services (India) Limited |
| CIN | Corporate Identification Number |
| Clearing Corporation | Indian Clearing Corporation Limited |
| Companies Act, 2013 | The Companies Act, 2013, along with the relevant rules made thereunder |
| Depositories | CDSL and NSDL |
| DIN | Director Identification Number |
| Draft Letter of Offer | This draft letter of offer dated Friday, February 17, 2023, filed and submitted with SEBI pursuant to the provisions of Regulation 16 (1) of the SEBI (SAST) Regulations, for its observations |
| DP | Depository Participant |
| DPS | Detailed Public Statement dated Thursday, February 09, 2023, in connection with this Offer, published on behalf of the Acquirer on Friday, February 10, 2023, in Financial Express (English) (All Editions), Jansatta (Hindi) (All Editions) Mumbai Lakshadweep (Marathi) (Mumbai Edition), Duranta Barta (Bengali Daily) (Kolkata Edition) |
| ECS | Electronic Clearing Service |
| EPS | Earnings Per Equity Share calculated as Profit after tax / number of outstanding Equity Shares at the close of the year/ period |
| Escrow Agreement | Escrow Agreement, dated Monday, February 06, 2023, entered amongst and between the Acquirer, the Escrow Banker and the Manager to the Offer |
| Escrow Account | The escrow account is opened in the name and style of 'MIL - Open Offer Escrow Account' opened by the Acquirer with the Escrow Bank, in accordance with the SEBI (SAST) Regulations |
| Escrow Amount | The amount aggregating to Rs.1,60,00,000.00 (Rupees One Crore Sixty Lakhs Only) maintained by the Acquirer with the Escrow Banker, in accordance with the Escrow Agreement |
| Escrow Banker | Kotak Mahindra Bank Limited |
| Equity Shares | The fully paid-up equity shares of the Target Company of face value of Rs.10.00 (Rupees Ten Only) each |
| Equity Share Capital | The fully paid-up Equity Share capital of the Target Company is Rs.10,00,00,000.00 (Rupees Ten Crores only) comprising of 1,00,00,000 (One Crore) Equity Shares; |
| Identified Date | The date for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer would be sent, being Friday, April 28, 2023 |
| IT Act | Income Tax Act, 1961, as amended and modified from time to time |
| ISIN | International Securities Identification Number |
| IFSC | Indian Financial System Code |
| Letter of Offer | Letter of Offer dated Friday, May 05, 2023 along with along with Form of Acceptance-Cum-Acknowledgement (for holding Equity Shares in physical form), and Form SH-4 Securities Transfer Form |
| Manager to the Offer | Bonanza Portfolio Limited |
| Maximum Consideration | The total funding requirement for this Offer, assuming full acceptance of this Offer being Rs.6,24,00,000.00 (Rupees Six Crore Twenty-Four Lakhs Only) |
| NRI/s | Non - Resident Indians |
| NSDL | National Securities Depository Limited |
| Offer | Open offer being made by the Acquirer for acquisition of up 26,00,000 (Twenty-Six Lakhs) Equity Shares, representing 26.00% of the Voting Share Capital of the Target Company, at a price of Rs. 24.00 (Rupees Twenty Four Only) per Equity Share, payable in cash, assuming full acceptance aggregating to a maximum consideration of Rs.6,24,00,000.00 (Rupees Six Crore Twenty-Four Lakhs Only) |
| Offer Documents | Public Announcement, Detailed Public Statement, Draft Letter of Offer, Letter of Offer, Recommendation of the Committee of the Independent Directors of the Company, Pre-Offer Cum Corrigendum to Detailed Public Statement, and Post Offer Public Announcement, and any other notices, advertisements, and corrigendum issued by or on behalf of the Manager |
| Offer Period | The period from the date of entering into an agreement, to acquire the Equity Shares, and Voting Share Capital in, or control over, the Target Company requiring a Public Announcement or the date on which the Public Announcement was issued by the Acquirer, |

| Abbreviations | Particulars |
|--|---|
| | i.e., Monday, February 06, 2023 and the date on which the payment of consideration to the Equity Public Shareholders whose Equity Shares are validly accepted in this Offer, is made, or the date on which this Offer is withdrawn, as the case may be |
| Offer Price | An offer price of Rs. 24.00 (Rupees Twenty-Four Only) per Equity Share |
| Offer Shares | 26,00,000 (Twenty-Six Lakhs) Equity Shares |
| Offer Size | 26,00,000 (Twenty-Six Lakh) Equity Shares representing 26.00% of the Voting Share Capital of the Target Company |
| PA | Public Announcement dated Monday, February 06, 2023 |
| PAN | Permanent Account Number |
| Mihika Industries Limited/ Target Company | Mihika Industries Limited, incorporated on January 05, 1983, under the provisions of Companies Act, 1956 the, bearing Corporate Identification Number 'L70101WB1983PLC035638', having its registered office located at 3, 2nd Floor, Bentinck Street, Kolkata-700001, West Bengal, India. |
| PAT | Profit After Tax |
| Promoter Sellers | The existing promoters and members of the promoter and promoter group of the Target Company namely being, Kuldeep Kumar Sethia and Jain Commodity Broking Pvt. Ltd. |
| Public Shareholders | All the equity shareholders of the Target Company other than (i) the Acquirer, (ii) the parties to the Share Purchase Agreement, and (iii) persons deemed to be acting in concert with parties at (i) and (ii) above, in compliance with the provisions of Regulation 7(6) of the SEBI (SAST) Regulations |
| RBI | Reserve Bank of India |
| Registrar | Purva Shareregistry (India) Private Limited |
| Return on Net Worth | Profit After Tax/ Net-Worth |
| Sale Shares | Sale of 24,02,175 (Twenty-Four Lakh Two Thousand One Hundred and Seventy-Five) Equity Shares, constituting 24.02% of the Voting Share Capital of the Target Company, by Promoter Sellers to the Acquirer, pursuant to the execution of a Share Purchase Agreement, at a negotiated price of Rs. 24.00 (Rupees Twenty-Four Only) per Sale Share, aggregating to an amount of Rs. 5,76,52,200.00 (Rupees Five Crores Seventy-Six Lakhs Fifty-Two Thousand and Two Hundred Only) on Monday, February 06, 2023 |
| SCRR | Securities Contract (Regulation) Rules, 1957, as amended |
| SEBI | Securities and Exchange Board of India |
| SEBI Act | Securities and Exchange Board of India Act, 1992 and subsequent amendments thereto |
| SEBI (LODR) Regulations | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subsequent amendment thereto |
| SEBI (SAST) Regulations | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereof |
| Selling Broker | Respective stockbrokers of all the Public Shareholders who desire to tender their Equity Shares under this Offer |
| Promoter Sellers | Promoters of the Target Company as per Regulation 31(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) 2015 |
| Share Purchase Agreement | Share Purchase Agreement dated Monday, February 06, 2023, executed between the Acquirer and the Promoter Sellers, pursuant to which the Acquirer have agreed to acquire 24,02,175 (Twenty-Four Lakhs Two Thousand One Hundred and Seventy-Five) Equity Shares, constituting 24.02% of the Voting Share Capital of the Target Company from the Promoter Sellers at a negotiated price of Rs.24.00/- (Rupees Twenty-Four Only) per Sale Share, aggregating to an amount of Rs. 5,76,52,200.00/- (Rupees Five Crores Seventy-Six Lakhs Fifty-Two Thousand and Two Hundred Only). |
| Stock Exchange | The stock exchange where the Equity Shares of the Target Company are listed, i.e., BSE Limited |
| STT | Securities Transaction Tax |
| Voting Share Capital | The fully diluted Equity Share Capital and voting share capital of the Target Company as of the 10 th (Tenth) working day from the closure of the Tendering Period |
| Tendering Period | The period commencing from Tuesday, May 16, 2023, and ending on Monday, May 29, 2023, both days inclusive |
| TRS | Transaction Registration Slip |
| Underlying Transaction | The transaction for sale and purchase of the Sale Shares as contemplated under the SPA |
| Working Day | Working days of SEBI as defined in the SEBI (SAST) Regulations |

Note:

All terms beginning with a capital letter used in this Letter of Offer, but not otherwise defined herein, shall have the meaning ascribed thereto in the SEBI (SAST) Regulations unless specified.

In this Letter of Offer, any reference to the singular will include the plural and vice-versa.

2. DISCLAIMER CLAUSE

‘IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE DRAFT LETTER OF OFFER WITH SECURITIES AND EXCHANGE BOARD OF INDIA SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT, THE SAME HAS BEEN CLEARED, VETTED, OR APPROVED BY SECURITIES AND EXCHANGE BOARD OF INDIA. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SECURITIES AND EXCHANGE BOARD OF INDIA FOR A LIMITED PURPOSE FOR OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011, INCLUDING SUBSEQUENT AMENDMENTS THERETO. THIS REQUIREMENT IS TO FACILITATE PUBLIC SHAREHOLDERS OF MIHIKA INDUSTRIES LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THIS OFFER. SECURITIES AND EXCHANGE BOARD OF INDIA DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF THE ACQUIRER OR FOR THE TARGET COMPANY WHOSE EQUITY SHARES AND CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR THE OPINIONS EXPRESSED IN THIS LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ACQUIRER ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY, AND DISCLOSURE OF ALL THE RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE-DILIGENCE TO ENSURE THAT THE ACQUIRER DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED FRIDAY, FEBRUARY 17, 2023, TO SECURITIES AND EXCHANGE BOARD OF INDIA IN ACCORDANCE WITH THE PROVISIONS OF SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011, INCLUDING SUBSEQUENT AMENDMENTS THERETO. THE FILING OF THIS LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THIS OFFER.’

General Disclaimer

This Offer Documents in connection with the Offer, has been prepared for the purposes of compliance with the provisions of SEBI (SAST) Regulations. Accordingly, the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws and regulations of any jurisdiction outside of India. The delivery of Offer Documents, does not under any circumstances, create any implication that there has been no change in the affairs of the Target Company and the Acquirer, since the date hereof or that the information contained herein is correct as at any time subsequent to this date. Nor is it to be implied that the Acquirer are under any obligation to update the information contained herein at any time after this date.

No action has been or will be taken to permit this Offer in any jurisdiction where action would be required for that purpose. The Letter of Offer shall be sent to all Public Shareholders whose names appear in the register of members of the Target Company, at their stated address, as of the Identified Date. However, receipt of the Letter of Offer by any Public Shareholder in a jurisdiction in which it would be illegal to make this Offer, or where making this Offer would require any action to be taken (including, but not restricted to, registration of this Letter of Offer and/or the Letter of Offer under any local securities laws), shall not be treated by such Public Shareholder as an offer being made to them, and shall be construed by them as being sent for information purposes only. Accordingly, no such Public Shareholder may tender his, her or its Equity Shares in this Offer in such jurisdiction.

Persons in possession of the Offer Documents are required to inform themselves of any relevant restrictions. Any Public Shareholder who tenders his, her or its Equity Shares in this Offer shall be deemed to have declared, represented, warranted, and agreed that he, she, or it is authorized under the provisions of any applicable local laws, rules, regulations, and statutes to participate in this Offer.

3. DETAILS OF THIS OFFER

3.1. Background of the Offer

3.1.1. This is a mandatory Open Offer, being made by Veggie Fest Foods Private Limited (Acquirer), in pursuance of and in compliance with the provisions of Regulations 3(1) and 4 of the SEBI (SAST) Regulations, to the Public Shareholders of the Target Company. This Offer has triggered upon the execution of the Share Purchase Agreement.

3.1.2. The prime object of this Open Offer is to acquire substantial acquisition of Equity Shares and Voting Share Capital accompanied with the change in control and management of the Target Company.

- 3.1.3. There is/ are no person acting in concert/s with the Acquirer within the meaning of Regulation 2(1)(q) of the SEBI (SAST) Regulations.
- 3.1.4. The Acquirer is making this Offer to acquire upto 26,00,000 (Twenty Six Lakhs) Equity Shares representing 26.00% (Twenty-Six Percent) of Voting Share Capital of the Target Company, at an offer price of Rs. 24.00 (Rupees Twenty-Four Only) per Equity Share, aggregating to a total consideration of Rs. 6,24,00,000.00 (Rupees Six Crore Twenty-Four Lakhs Only), payable in cash, in accordance with the provisions of Regulation 9(1)(a) of the SEBI (SAST) Regulations, subject to the terms and conditions set out in the Offer Documents.
- 3.1.5. The Acquirer has entered into an Share Purchase Agreement with the Promoter Sellers with an intention to acquire up to 24,02,175 (Twenty-Four Lakhs Two Thousand One Hundred and Seventy Five) Equity Shares, constituting 24.02% of the Voting Share Capital of the Target Company at a negotiated price of Rs.24.00 (Rupees Twenty-Four Only) per Sale Share, aggregating to an amount of Rs.5,76,52,200.00 (Rupees Five Crores Seventy-Six Lakhs Fifty-Two Thousand and Two Hundred Only), payable in compliance with the terms and conditions scheduled in the SPA.
- 3.1.6. The details of the Promoter Sellers, who has entered into the Share Purchase Agreement with the Acquirer are stated hereunder:

| Promoter Sellers | | | Acquirer | | |
|----------------------------------|----------------------|-----------------------------------|-----------------------------------|----------------------|-----------------------------------|
| Name of the Promoter Sellers | No. of Equity Shares | % of Equity Shares/ Voting Rights | Name of the Acquirer | No. of Equity Shares | % of Equity Shares/ Voting Rights |
| Kuldeep Kumar Sethia | 2,175 | 0.02 % | Veggie Fest Foods Private Limited | 24,02,175 | 24.02% |
| Jain Commodity Broking Pvt. Ltd. | 24,00,000 | 24.00 % | | | |
| Total | 24,02,175 | 24.02% | Total | 24,02,175 | 24.02% |

- 3.1.7. Except for the proposed acquisition of 24,02,175 (Twenty-Four Lakhs Two Thousand One Hundred and Seventy-Five) Equity Shares, constituting 24.02% of the Voting Share Capital of the Target Company, by the Acquirer pursuant to execution of the Share Purchase Agreement, the Acquirer, including the promoters, directors, or key employees of Acquirer, are not holding any Equity Shares of the Target Company.
- 3.1.8. This Offer is not as a result of global acquisition resulting in indirect acquisition of the Target Company.
- 3.1.9. The salient features of the Share Purchase Agreement are as follows:
- The Promoter Sellers are holding 24,02,175 (Twenty-Four Lakhs Two Thousand One Hundred and Seventy-Five) Equity Shares, constituting 24.02% of the Voting Share Capital of the Target Company.
 - The Promoter Sellers have agreed to sell, and the Acquirer have agreed to acquire 24,02,175 (Twenty-Four Lakhs Two Thousand One Hundred and Seventy-Five) Equity Shares, constituting 24.02% of the Voting Share Capital of the Target Company, at a negotiated price of Rs.24.00 (Rupees Twenty-Four Only) per Sale Share, aggregating to an amount of Rs. 5,76,52,200.00 (Rupees Five Crores Seventy-Six Lakhs Fifty-Two Thousand and Two Hundred Only), payable in accordance with terms and conditions stipulated of the Share Purchase Agreement (**‘Purchase Price’**).
 - The Sale Shares are free from all charges, encumbrances, pledges, lien, attachments, litigations and are not subjects to any lock in period.
 - The aggregate entire purchase consideration for the Sale Shares aggregating to an amount of Rs. 5,76,52,200.00 (Rupees Five Crores Seventy-Six Lakhs Fifty-Two Thousand and Two Hundred Only) shall be payable by the Acquirer to the Promoter Sellers:
 - By way of Earnest Money Deposit of Rs.1,00,00,000 (Rupees One Crore Only) at the time of signing of the Share Purchase Agreement.
 - The balance amount of 5,00,54,375 (Rupees Five Crores Fifty-Four Thousand Three Hundred and Seventy-Five Only) towards purchase consideration at any time before the completion of the Offer formalities.

- e. After completion of this Offer, the Promoter Sellers shall not hold any Equity Shares and Voting Share Capital in the Target Company, and hence shall be no longer be the shareholders of the Target Company in any capacity.
- f. The Promoter Sellers shall sell, convey, and deliver to the Acquirer the Sale Shares, and the Acquirer shall purchase, acquire, and accept the said Sale Shares from the Promoter Sellers.
- g. The Acquirer and the Promoter Sellers have agreed to abide by their obligations as contained in the SEBI (SAST) Regulations.
- h. Non-compliance with any provisions of the SEBI (SAST) Regulations will lead to termination of the Share Purchase Agreement, effecting such sale from being acted upon by the Promoter Sellers or the Acquirer.

3.1.10. As per the provisions of 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 who would provide written reasoned recommendation on this Offer to the Public Shareholders of the Target Company and such recommendations shall be published at least 2 (Two) Working Days before the commencement of the Tendering Period in the same newspaper where the Detailed Public Statement was published.

3.2. Details of the proposed Offer

3.2.1. The Public Announcement was issued on Monday, February 06, 2023, by the Manager to the Offer, for and on behalf of the Acquirer. A copy of the said Public Announcement was sent to BSE and to the Target Company on Monday, February 06, 2023 and was filed with SEBI on Tuesday, February 07, 2023.

3.2.2. The Detailed Public Statement dated Thursday, February 09, 2023, which were subsequently published in the following newspapers on Friday, February 10, 2023, in accordance with the provisions of Regulation 14(3) of the SEBI (SAST) Regulations:

| Publication | Language | Edition |
|--------------------|---------------|-----------------|
| Financial Express | English | All Editions |
| Jansatta | Hindi | All Editions |
| Mumbai Lakshadweep | Marathi | Mumbai Edition |
| Duranta Barta | Bengali daily | Kolkata Edition |

3.2.3. The Detailed Public Statement along with other Offer Documents is/ shall also be available on the SEBI website at www.sebi.gov.in, website of BSE at www.bseindia.com; and the website of Manager to the offer accessible at www.bonanzaonline.com.

3.2.4. The Acquirer has proposed to acquire from the Public Shareholders up to 26,00,000 (Twenty-Six Lakhs) Equity Shares, representing 26.00% of the Voting Share Capital of the Target Company at a price of Rs. 24.00 (Rupees Twenty-Four Only) per Equity Share, aggregating to an amount of Rs. 6,24,00,000.00 (Rupees Six Crore Twenty-Four Lakhs Only) payable in cash, in accordance with the provisions of Regulation 9(1)(a) of the SEBI (SAST) Regulations, and subject to the terms and conditions set out in the Offer Documents.

3.2.5. The Target Company doesn't have any partly paid-up Equity Shares, and there are no outstanding warrants, or options or similar instrument, which are convertible into Equity Shares at a later stage. Further as on date of this Letter of Offer, no Equity Shares are subject to any lock-in obligations.

3.2.6. The Acquirer will accept all the Equity Shares of the Target Company, that are tendered in valid form in terms of this Offer up to a maximum of 26,00,000 (Twenty-Six Lakhs) Equity Shares, representing 26.00% of the Voting Share Capital.

3.2.7. The Acquirer has not acquired any Equity Shares during period of 52 (Fifty-Two) weeks prior to the date of the PA. Further, the Acquirer has not purchased any Equity Shares from the date of the Public Announcement to the date of this Letter of Offer.

3.2.8. The Acquirer has deposited an amount of Rs.1,60,00,000.00 (Rupees One Crore Sixty Lakhs Only) i.e., more than 25.00% of the total consideration payable in the Offer, assuming full acceptance in the Escrow Account pursuant of this Offer, in compliance with the provisions of Regulation 22(2) of the SEBI (SAST) Regulations.

3.2.9. No competing offer has been received as on date of this Letter of Offer.

3.2.10. There is no differential pricing in this Offer.

- 3.2.11. This Offer is not conditional upon any minimum level of acceptance in terms of the Regulation 19(1) of SEBI (SAST) Regulations.
- 3.2.12. This Offer is not a competing offer in terms of the Regulation 20 of SEBI (SAST) Regulations.
- 3.2.13. This Offer is not pursuant to any global acquisition resulting in an indirect acquisition of Equity Shares.
- 3.2.14. The Equity Shares will be acquired by the Acquirer free from all liens, charges, and encumbrances together with all rights attached thereto, including the right to all dividends, bonus, and rights offer declared hereafter.
- 3.2.15. Pursuant to Regulation 12 of the SEBI (SAST) Regulations, the Acquirer has appointed Bonanza Portfolio Limited as the Manager to the Offer.
- 3.2.16. As on the date of this Letter of Offer, the Manager to the Offer does not hold any Equity Shares in the Target Company and is not related to the Acquirer and the Target Company in any manner whatsoever. The Manager to the Offer declares and undertakes that, they shall not deal on its own account in the Equity Shares during the Offer Period. Further, the Manager to the Offer confirms that, as on date of this Letter of Offer, there are no directions subsisting or proceedings pending against them under the SEBI Act and the regulations made thereunder, and no other statutory approval is pending.
- 3.2.17. As per Regulation 38 of the SEBI (LODR) Regulations, read with Rule 19A of the SCRR, the Target Company is required to maintain at least 25% (Twenty-Five Percent) of the public shareholding, on continuous basis for listing. Pursuant to completion of this Offer, assuming full acceptance, the public shareholding in the Target Company will not fall below the minimum public shareholding requirement as per SCRR and the SEBI (LODR) Regulations. In case, if the public shareholding falls below the minimum required level, the Acquirer undertake to take necessary steps to facilitate compliance by the Target Company with the relevant provisions of the SEBI (LODR) Regulations, within the time period mentioned therein or in accordance with such other directions as may be provided by the BSE, in accordance with the provisions of Regulation 7(4) of the SEBI (SAST) Regulations and SCRR.
- 3.2.18. Upon completion of this Offer, assuming full acceptances, the Acquirer will hold 50,02,175 (Fifty Lakhs Two Thousand One Hundred Seventy-Five) Equity Shares representing 50.02% (Fifty Point Zero Two Percent) of the Voting Share capital of the Target Company.
- 3.2.19. If the Acquirer acquires Equity Shares of the Target Company during the period of 26 (twenty-six) weeks after the Tendering Period at a price higher than the Offer Price, then the Acquirer shall pay the difference between the highest acquisition price and the Offer Price, to all Public Shareholders whose Offer Shares have been accepted in the Offer within 60 (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 Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, including subsequent amendments thereto, or open market purchases made in the ordinary course on the stock exchange, not being negotiated acquisition of Equity Shares of the Target Company in any form.
- 3.2.20. The payment of consideration shall be made to all the Public Shareholders, who have tendered their Equity Shares in acceptance of the Offer within 10 (Ten) Working Days of the expiry of the Tendering Period. Credit for consideration will be paid to the Public Shareholders who have validly tendered Equity Shares in the Offer by crossed account payee cheques/pay order/demand drafts/electronic transfer. It is desirable that Public Shareholders provide bank details in the Form of Acceptance cum Acknowledgement, so that the same can be incorporated in the cheques/demand draft/pay order.

3.3. **Object of the Open Offer**

- 3.3.1. The prime object of this Open Offer is to acquire substantial acquisition of Equity Shares and voting rights accompanied with the change in control and management of the Target Company.
- 3.3.2. The Acquirer has proposed to continue the business as specified under the object clause of Memorandum of Association of the Target Company and may diversify its business activities in the future with the prior approval of the shareholders. The main purpose of this takeover is to expand the Company's business activities in same or diversified line of business through exercising effective control over the Target Company. However, no firm decision in this regard has been taken or proposed so far.
- 3.3.3. The Acquirer states that, they do not have any plan to dispose-off or otherwise encumber any significant assets of the Target Company in the succeeding 2 (Two) years from the date of closure of this Offer, except: (a) in the ordinary course of business of the Target Company; and (b) on account of the regulatory approvals or conditions or compliance with any law that is binding on or applicable to the Target company. In the event any substantial asset of the Target Company is to be sold, disposed-off, or otherwise encumbered other than in the ordinary course of business, the Acquirer undertakes that, they shall do so only upon the receipt of the prior approval of the shareholders of the Target Company through a special

resolution in terms of Regulation 25 (2) of the SEBI (SAST) Regulations, and subject to the such other provisions of applicable law as may be required.

- 3.3.4. The Acquirer has reserved the right to streamline or restructure, pledge, or encumber their holding in the Target Company and/ or the operations, assets, liabilities and/ or the businesses of the Target Company through arrangements, reconstructions, restructurings, mergers, demergers, sale of assets, or undertakings and/ or re-negotiation or termination of the existing contractual or operating arrangements, at a later date in accordance with the relevant applicable laws. Such decisions will be taken in accordance with the procedures set out under the relevant applicable laws, pursuant to business requirements, and in line with opportunities or changes in economic circumstances, from time to time.
- 3.3.5. Post-completion of acquisition of Offer Shares as contemplated under this Offer and pursuant to the transfer of Sale Shares as contemplated under the Share Purchase Agreement, the Acquirer shall hold majority of the Equity Shares of the Target Company by virtue of which they will be in a position to exercise effective management and control over the Target Company.
- 3.3.6. Pursuant to this Offer and the transactions contemplated in the Share Purchase Agreement, the Acquirer shall become the Promoters of the Target Company and, the Promoter Sellers will cease to be the promoters of the Target Company in accordance with the provisions of Regulation 31A (10) of the SEBI (LODR) Regulations.

4. BACKGROUND OF THE ACQUIRER

4.1. Veggie Fest Foods Private Limited (Acquirer)

4.1.1. Veggie Fest Foods Private Limited a company bearing CIN 'U15136GJ2021PTC119514' registered under the Companies Act, 2013, *vide* Certificate of Incorporation dated January 14, 2021, and having its registered office at B-712, Seven Floor, Titanium, City Center, Near Sachin Tower, 100 Feet Anandnagar Road, Ahmedabad, Gujrat 380015.

4.1.2. The details pertaining to the securities of Acquirer is specified as under:

| Sr. No. | Particulars | Number of Equity Shares | Aggregate amount of Equity Shares |
|---------|---|--|---|
| 1 | Authorized Equity Share capital | 1,50,00,000 (One Crores Fifty Lakh) | Rs. 15,00,00,000.00 (Rupees Fifteen Crores Only) |
| 2 | Issued, subscribed and paid-up Equity Share capital | 1,50,00,000 (One Crores Fifty Lakh) | Rs. 15,00,00,000.00 (Rupees Fifteen Crores Only) |

4.1.3. None of the aforesaid securities are listed on any stock exchanges in India nor on any stock exchange abroad.

4.1.4. The details of the Directors and shareholding pattern of the Acquirer are scheduled as under:

| Sr. No | Name of Director & Contact Details | Date of Appointment | Experience | Qualification | No. of shares | % of Holding |
|--------------|---|---------------------|---|---------------|--------------------|---------------|
| 1 | Pranav Kamleshkumar Trivedi Address: Laxminarayan Ni Pole, Raja Maheta Ni Pole, Kalupur Ahmedabad-380001, Gujarat, India Email Id: pranavtrivedi155@gmail.com Mobile No. +91 7383625975 | 01/01/2022 | He is having more than 5 years of experience in Agro related product, Accounts, finance & Admin | HSC | 1,00,00,000 | 66.67 |
| 2 | Sagarkumar Pravinchandra Dataniya Address: 1560-1, Ramesh Chowk, Nagori Vad Same Shahpur Ahmedabad-380001, Gujarat, India Email Id: sagarpdaniya@gmail.com Mobile No. +91 9484967701 | 04/06/2022 | He is having more than 3 years of experience in Agro related product. | HSC | 50,00,000 | 33.33 |
| Total | | | | | 1,50,00,000 | 100.00 |

- 4.1.5. Acquirer is engaged in the trading business of vegetables, foods and various Agro Products.
- 4.1.6. The audited financial information for the Financial Year ending March 31, 2022, and unaudited financial information for January 18, 2023, are as follows:

Profit & Loss Statement

(Amount in Lakhs except Equity Share Data)

| Particulars | January 18, 2023 | 31-March-2022 |
|---|------------------|---------------|
| | (Un-Audited) | (Audited) |
| Income from Operations | 31.00 | 0.00 |
| Other Income | 0.00 | 0.00 |
| Total Income | 31.00 | 0.00 |
| Total Expenditure | 27.19 | 0.05 |
| Profit/ (Loss) before Extraordinary Item and Tax | 3.81 | -0.05 |
| Profit/ (Loss) before Tax | 3.81 | -0.05 |
| Less: Current Tax | - | - |
| Deferred Tax (Asset)/Liability | - | - |
| Profit/ (Loss) After tax | 3.81 | -0.05 |

Balance Sheet

(Amount in Lakhs except Equity Share Data)

| Particulars | January 18, 2023 | 31-March-2022 |
|---|------------------|---------------|
| | (Un-Audited) | (Audited) |
| (A) Sources of Funds | | |
| Paid up share capital | 1,500.00 | 1.00 |
| Reserves & Surplus (excluding revaluation reserves) | 2.96 | -0.85 |
| Net Worth | 1502.96 | 0.15 |
| Non-Current Liabilities | 0.25 | 0.00 |
| Current Liabilities | 27.00 | 0.05 |
| Total (A) | 1530.21 | 0.20 |
| (B) Uses of funds | | |
| Net Fixed Assets | 0.00 | 0.00 |
| Non-Current Assets | 17.54 | 0.00 |
| Current Assets | 1512.67 | 0.20 |
| Total (B) | 1530.21 | 0.20 |

Other Financial Data

| For the Year Ended | January 18, 2023 | 31-March-2022 |
|--|------------------|---------------|
| | (Un-Audited) | (Audited) |
| Dividend (%) | NA | NA |
| Basic and Diluted Earnings Per Share (Rs.) | 0.91 | -1.00 |
| Return on Net worth (%) | 0.25 | -33.29 |
| Book Value Per Share (Rs.) | 10.02 | 1.50 |

4.2. Acquirer' Confirmation and Undertaking

As on date of this Letter of Offer, the Acquirer has confirmed and declared that:

- 4.2.1. It does not hold any Equity Shares in the Target Company, except in pursuant to the execution of the SPA, the Acquirer proposes to acquire Sale Shares, subsequently, pursuant to consummation of the SPA transaction, the Acquirer shall be classified and will become the Promoter of the Target Company, subject to the compliance of the SEBI (LODR) Regulations.
- 4.2.2. The acquirer does not belong to any group.
- 4.2.3. The Acquirer, and the promoters, directors, and/ or key employees of Acquirer, are not forming part of the present promoter and promoter group of the Target Company.
- 4.2.4. There are no directors representing the Acquirer on the board of the Target Company.

- 4.2.5. The Acquirer, and the promoters, directors, or key employees of Acquirer, have not been prohibited by SEBI from dealing in securities, in terms of the provisions of Section 11B of the SEBI Act, or under any other Regulation made under the SEBI Act.
- 4.2.6. The Acquirer, and the promoters, directors, or key employees of Acquirer, have not been categorized nor are appearing in the 'Wilful Defaulter or Fraudulent Borrower' list issued by any bank, financial institution, or consortium thereof in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by Reserve Bank of India.
- 4.2.7. The Acquirer, and the promoters, directors, or key employees of Acquirer, are not declared as 'Fugitive Economic Offenders' under Section 12 of the Fugitive Economic Offenders Act, 2018.
- 4.2.8. The Acquirer will not sell the Equity Shares of the Target Company, held, and acquired, if any, during the Offer period in terms of Regulation 25(4) of the SEBI (SAST) Regulations.
- 4.2.9. The Acquirer has not acquired any Equity Shares from the date of Public Announcement till the date of this Letter of Offer.

5. BACKGROUND OF THE TARGET COMPANY

(The disclosure mentioned under this section has been sourced from information published by the Target Company or provided by the Target Company or publicly available sources)

- 5.1. The Target Company is a public limited company that was incorporated under the provisions of the Companies Act, 1956, under the name and style of 'Ashish Vanijya Pratishthan Limited', vide Certificate of Incorporation bearing registration number '35638 of 1983' vide certificate dated January 05, 1983. Further, the name of the Company was subsequently changed from 'Ashish Vanijya Pratishthan Limited' to 'Mihika Industries Limited' vide fresh certificate of Incorporation consequent on Change of Name dated on May 05, 1995. The CIN of the Target Company is 'L70101WB1983PLC035638', and its registered office is located at 3, 2nd Floor, Bentinck Street, Kolkata-700001, West Bengal, India.
- 5.2. The Equity Shares of the Target Company bearing ISIN 'INE779Q01017' are presently listed on the BSE bearing Scrip ID 'MIHIKA' and Scrip Code '538895'. The Target Company has already established connectivity with both the Depositories.
- 5.3. The Equity Share Capital of the Target Company is as follows:

| Sr. No. | Particulars | Number of Equity Shares | Aggregate amount of Equity Shares | Voting Share Capital |
|---------|--|----------------------------|--|------------------------------|
| 1 | Authorized Equity Share capital | 1,00,00,000 (One Crore) | ₹10,00,00,000/- (Rupees Ten Crore Only) | 100.00% (Hundred Percent) |
| 2 | Issued, subscribed, and paid-up Equity Share capital | 1,00,00,000 (One Crore) | ₹10,00,00,000/- (Rupees Ten Crore Only) | 100.00% (Hundred Percent) |

- 5.4. There are no outstanding partly paid-up shares or any other convertible instruments to be converted into Equity Shares of the Target Company at a future date. Further, none of the Equity Shares are subject to any lock-in obligations.
- 5.5. The trading in Equity Shares of the Target Company have never been suspended on the stock exchange.
- 5.6. The Equity Shares of the Target Company are infrequently traded on BSE within the meaning of explanation provided in Regulation 2(j) of the SEBI (SAST) Regulations.
- 5.7. Based on the information available on the BSE's website, the Equity Shares of the Target Company are infrequently traded on BSE within the meaning of explanation under the provisions of Regulation 2 (1) (j) of the SEBI (SAST) Regulations.
- 5.8. The Target Company is in compliance with the SEBI (LODR) Regulations, and as on date of this Letter of Offer, no penal action has been taken by BSE against the Target Company. Further, no penalties had been or have been levied by SEBI/ RBI or any other regulatory body against the Target Company, and its Promoters.
- 5.9. The Target Company is not registered with any regulatory or governmental authority in any capacity and hence is not required to obtain any No Objection Certificate from any regulatory or governmental authority for effecting change in control of the Target Company.
- 5.10. The Target Company has not been a party to any scheme of amalgamation, restructuring, merger / de-merger, buy-back and spin off during the last 3 (Three) years.

5.11. The present Board of Directors of the Target Company are as follows:

| Sr. No. | Name | Date of Initial Appointment | Director Identification Number | Designation |
|---------|----------------------|-----------------------------|--------------------------------|---------------------------------|
| 1. | Manoj Sethia | 29 September, 2018 | 00585491 | Chairman Non-Executive Director |
| 2. | Kuldeep Kumar Sethia | 28 September, 2012 | 00325632 | Managing Director |
| 3. | Mali Chand Agarwala | 28 September, 2012 | 00772091 | Independent Director |
| 4. | Shweta Sethia | 30 September, 2015 | 01111566 | CFO and Executive-Director |
| 5. | Rajesh Shah | 30 May, 2014 | 06746791 | Independent Director |
| 6. | Malti Jaiswal | 1 April, 2020 | 08852633 | Independent Director |

5.12. **Financial Information**

The audited financial information for the Financial Years ending March 31, 2022, March 31, 2021, and March 31, 2020, audited financial figures for half year ending September 30, 2022, and unaudited financial figures for the nine-months period ending December 31, 2022 are as follows:

Profit and Loss Statement

(Amount in Lakhs except Equity Share data)

| Particulars | Unaudited Financial Statements for 9 months ended December 30, 2022 | Audited Financial Statements for half year ended September 30, 2022 | Audited Financial Statements for the Financial Year ending March 31 | | |
|---|---|---|---|----------------|---------------|
| | | | 2022 | 2021 | 2020 |
| Income from Operations | - | - | 175.57 | 177.70 | 203.86 |
| Other Income | 123.17 | 75.01 | 141.36 | 121.07 | 134.33 |
| Total Income | 123.17 | 75.01 | 316.92 | 298.77 | 338.19 |
| Total Expenditure excluding Interest, Depreciation and Tax | 132.78 | 83.71 | 318.47 | 320.73 | 344.71 |
| Profit/ (Loss) before Interest, Depreciation and Tax | (9.61) | (8.70) | (1.55) | (21.96) | (6.52) |
| Depreciation & Amortization Expenses | 0.05 | 0.04 | 0.06 | 0.02 | 0.15 |
| Interest | - | - | - | - | - |
| Profit/ (Loss) before Tax | (9.66) | (8.74) | (1.61) | (21.98) | (6.67) |
| Add: Exceptional Items | - | - | - | - | - |
| Less: Current Tax | - | - | - | - | - |
| Deferred Tax | (1.84) | 4.37 | 0.30 | (6.09) | (1.97) |
| Taxes for earlier period | - | - | - | - | - |
| Profit/ (Loss) After tax | (7.82) | (13.10) | (1.91) | (15.89) | (4.70) |

Balance Sheet

(Amount in Lakhs except Equity Share data)

| Particulars | Audited Financial Statements for half year ended September 30, 2022 | Audited Financial Statements for the Financial Year ending March 31 | | |
|--|---|---|----------------|----------------|
| | | 2022 | 2021 | 2020 |
| (A) Sources of funds | | | | |
| Paid up share capital | 1000.00 | 1000.00 | 1000.00 | 1000.00 |
| Reserves & Surplus | 1393.67 | 1406.77 | 1408.68 | 1424.57 |
| Less: Miscellaneous Expenditure not written off | - | - | - | - |
| Net Worth | 2393.67 | 2406.77 | 2408.68 | 2424.57 |
| Non-Financials Liabilities | - | - | - | - |
| Other Non-Current Liabilities | - | - | - | - |
| Deferred Tax Liabilities | - | - | - | - |
| Financials Liabilities | - | - | - | - |
| Current Liabilities | 42.66 | 0.31 | 0.22 | 0.15 |

| Particulars | Audited Financial Statements for half year ended September 30, 2022 | Audited Financial Statements for the Financial Year ending March 31 | | |
|------------------------------|---|---|----------------|----------------|
| | | 2022 | 2021 | 2020 |
| Provisions | - | - | - | - |
| Total (A) | 2436.32 | 2407.07 | 2408.90 | 2424.71 |
| (B) Uses of funds | | | | |
| Net Fixed Assets | 0.21 | 0.24 | 0.16 | 0.18 |
| Other intangibles | - | - | - | - |
| Long Term Loans and Advances | - | - | - | - |
| Investments | 13.17 | 12.48 | 3.85 | 3.85 |
| Financial Assets | - | - | - | - |
| Current Assets | 2402.60 | 2369.64 | 2379.87 | 2401.75 |
| Deferred Tax Assets (Net) | 20.34 | 24.71 | 25.01 | 18.92 |
| Total (B) | 2436.32 | 2407.07 | 2408.90 | 2424.71 |

| Particulars | Audited Financial Statements for half year ended September 30, 2022 | Audited Financial Statements for the Financial Year ending March 31* | | |
|---|---|--|---------|---------|
| | | 2022 | 2021 | 2020 |
| Total Revenue | 75.01 | 316.92 | 298.77 | 338.19 |
| Net Earnings or Profit/(Loss) after tax | (13.10) | (1.91) | (15.89) | (4.70) |
| Earnings per Share (EPS) | (0.13) | (0.02) | (0.16) | (0.05) |
| Net Worth | 2393.67 | 2406.77 | 2408.68 | 2424.57 |

5.13. The pre-Offer and post-Offer shareholding of the Target Company (based on the issued, subscribed, and paid-up Equity Share capital and Voting Share Capital), assuming full acceptance under this Offer is as specified below:

| Shareholders' Category | Shareholding/voting rights prior to the SPA/ acquisition and Offer | | Shares/voting rights agreed to be acquired which triggered off the SEBI (SAST) Regulations | | Shares/voting rights to be acquired in Open Offer (assuming full acceptances) | | Shareholding /voting rights after Acquisition and Offer (A+B+C) | |
|---|--|--------------------------|--|--------------------------|---|--------------------------|---|--------------------------|
| | (A) | | (B) | | (C) | | (D) | |
| | No. of Equity Shares | % of Equity Shareholding | No. of Equity Shares | % of Equity Shareholding | No. of Equity Shares | % of Equity Shareholding | No. of Equity Shares | % of Equity Shareholding |
| 1. Promoters & Promoter Group | | | | | | | | |
| (a) Party to the Share Purchase Agreement | | | | | | | | |
| Kuldeep Kumar Sethia | 2,175 | 0.02% | (2,175) | (0.02%) | - | - | - | - |
| Jain Commodity Broking Pvt. Ltd. | 24,00,000 | 24% | (24,00,000) | (24%) | | | | |
| Total | 24,02,175 | 24.02% | (24,02,175) | (24.02%) | - | - | - | - |
| (b) Promoters other than (a) above | | | | | | | | |
| None | - | - | - | - | - | - | - | - |
| Total | - | - | - | - | - | - | - | - |
| Total 1 (a+b) | 24,02,175 | 24.02% | - | - | - | - | - | - |
| 2. Acquirer | | | | | | | | |
| Veggie Fest Foods Private Limited | - | - | 24,02,175 | 24.02% | 26,00,000 | 26% | 50,02,175 | 50.02% |
| Total | - | - | 24,02,175 | 24.02% | 26,00,000 | 26.00% | 50,02,175 | 50.02% |
| 3. Parties to Share Purchase Agreement other than 1(a) & 2 | | | | | | | | |

| Shareholders' Category | Shareholding/voting rights prior to the SPA/acquisition and Offer | | Shares/voting rights agreed to be acquired which triggered off the SEBI (SAST) Regulations | | Shares/voting rights to be acquired in Open Offer (assuming full acceptances) | | Shareholding /voting rights after Acquisition and Offer (A+B+C) | |
|---|---|--------------------------|--|--------------------------|---|--------------------------|---|--------------------------|
| | (A) | | (B) | | (C) | | (D) | |
| | No. of Equity Shares | % of Equity Shareholding | No. of Equity Shares | % of Equity Shareholding | No. of Equity Shares | % of Equity Shareholding | No. of Equity Shares | % of Equity Shareholding |
| None | - | - | - | - | - | - | - | - |
| 4. Public (other than Parties to Agreement and Acquirer) # | | | | | | | | |
| a. FIIs/ MFs/ FIIIs/ Banks/ SFIs (Indicate names) | - | - | - | - | - | - | - | - |
| b. Others | 75,97,825 | 75.98% | - | - | (26,00,000) | (26.00%) | 49,97,825 | 49.98% |
| Total (a+b) | 75,97,825 | 75.98% | - | - | | | | |
| GRAND TOTAL (1+ 2+ 3+ 4) | 1,00,00,000 | 100.00% | 24,02,175 | 24.02% | NIL | NIL | 1,00,00,000 | 100.00% |

Notes:

- i. There are 204 (Two Hundred and Four) Public Shareholders as per the shareholding pattern with BSE filed for the quarter ending December 31, 2022.
- ii. As on date of this Letter of Offer, none of the Equity Shares are subject to lock-in.

- 5.14. The Target Company, its existing Selling Promoters, and its partners and/or designated partners are not declared as "Fugitive Economic Offenders" under Section 12 of the Fugitive Economic Offenders Act, 2018 nor have they been categorized nor are appearing in the "Wilful Defaulter or Fraudulent Borrower" list issued by any bank, financial institution, or consortium thereof in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by SEBI.
- 5.15. The Target Company has complied with all the requirements of the SEBI (LODR) Regulations, as on date, and no penal/punitive actions have been taken by BSE in the preceding 5 (Five) Financial Years.
- 5.16. There are no directions subsisting or proceedings pending against the Target Company and its promoters under the SEBI Act and the regulations made thereunder or by any other regulator. Further, no statutory approvals are pending as on date.
- 5.17. The closing market price of the Equity Shares of the Target Company as on the date of the Public Announcement and the Detailed Public Statement, the trading day after the date of the Public Announcement was as below:

| Particulars | Closing Market Price |
|---|----------------------|
| Monday, February 06, 2023, being the date of PA | 19.85 |
| Tuesday, February 07, 2023, being the next Trading after date of PA | ₹20.80 |
| Thursday, February 09, 2023, being the date of the DPS | ₹22.85 |
| Friday, February 10, 2023, being the date of publication of the DPS | ₹23.95 |

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1. Justification of the Offer Price

- 6.1.1. The Equity Shares of the Target Company bearing ISIN 'INE779Q01017' are presently listed on the BSE bearing Scrip ID 'MIHIKA' and Scrip Code '538895'.
- 6.1.2. The trading turnover in the Equity Shares of the Target Company on BSE based on trading volume during the 12 (twelve) calendar months prior to the month of PA (Tuesday, February 01, 2022 to Tuesday, January 31, 2023) have been obtained from www.bseindia.com, as given below:

| Stock Exchange | Total no. of Equity Shares traded during the 12 (twelve) calendar months prior to the month of PA | Total no. of listed Equity Shares | Annualized trading turnover (as % of shares listed) |
|----------------|---|-----------------------------------|---|
| BSE | 2,93,708 | 1,00,00,000 | 2.94% |

| | | | |
|--|---|-------------|--|
| | (Two Lakhs Ninety-Three Thousand Seven Hundred and Eight) | (One Crore) | |
|--|---|-------------|--|

(Source: www.bseindia.com)

Based on the information provided above, the Equity Shares of the Target Company are infrequently traded on the BSE within the meaning of explanation provided in regulation 2(1)(j) of the SEBI (SAST) Regulations.

- 6.1.3. The Offer Price of Rs. 24.00 (Rupees Twenty-Four Only) has been determined considering the parameters as set out under Regulations 8 (1) and 8 (2) of the SEBI (SAST) Regulations, being highest of the following:

| Sr. No. | Particulars | Price (In ₹ per Equity share) |
|---------|---|-------------------------------|
| 1. | Negotiated Price under the Share Purchase Agreement attracting the obligations to make a Public Announcement for the Offer | Rs. 24.00 |
| 2. | The volume-weighted average price paid or payable for acquisition(s) by the Acquirer, during the 52 (fifty-two) weeks immediately preceding the date of Public Announcement | Not Applicable |
| 3. | The highest price paid or payable for any acquisition by the Acquirer, during the 26 (twenty-six) weeks immediately preceding the date of Public Announcement | Not Applicable |
| 4. | The volume-weighted average market price of Equity Shares for a period of 60 (sixty) trading days immediately preceding the date of Public Announcement as traded on BSE where the maximum volume of trading in the Equity Shares of the Target Company are recorded during such period, provided such shares are frequently traded | Not Applicable |
| 5. | Where the Equity Shares are not frequently traded, the price determined by the Acquirer and the Manager considering valuation parameters per Equity Share including, book value, comparable trading multiples, and such other parameters as are customary for valuation of Equity Shares | Rs. 24.00 |

**Cost Accountant, Mr. Suman Kumar Verma, bearing Membership number '28453', IBBI Registered Valuer Registration number 'IBBI/RV/05/2019/12376' and having his office at RZ-26P/205E, Lane No. 10, Indra Park, Palam Colony, New Delhi - 110045 with the Email address being 'ipskverma@gmail.com', through his valuation report dated Monday, February 06, 2023, has certified that the fair value of the Equity Share of Target Company is ₹24.00 (Rupees Twenty Four Only) per Equity Share.*

In view of the parameters considered and presented in the table above, in the opinion of the Acquirer and Manger to the Offer the Offer Price of Rs.24.00 (Rupees Twenty-Four Only) per Equity Share being the highest of the prices mentioned above is justified in terms of Regulation 8(2) of the SEBI (SAST) Regulations and is payable in cash.

- 6.1.4. As on date of this Letter of Offer, there is no revision in Offer Price or Offer Size. In case of any revision in the Offer Price or Offer Size, the Acquirer would comply with Regulation 18 and all other applicable provisions of SEBI (SAST) Regulations.
- 6.1.5. There have been no corporate actions by the Target Company warranting adjustment of any of the relevant price parameters under Regulation 8(9) of the SEBI (SAST) Regulations. The Offer Price may be adjusted in the event of any corporate actions like bonus, rights issue, stock split, consolidation, dividend, demergers, reduction, etc. where the record date for effecting such corporate actions falls between the date of this Letter of Offer up to 3 (three) Working Days prior to the commencement of the Tendering Period of the Offer, in accordance with Regulation 8(9) of the SEBI (SAST) Regulations.
- 6.1.6. In the event of any acquisition of Equity Shares by the Acquirer during the Offer Period, at a price higher than the Offer Price, then the Offer Price will be revised upwards to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8) of the SEBI (SAST) Regulations. However, the Acquirer shall not acquire any Equity Shares after the 3rd (third) Working Day prior to the commencement and until the expiry of the Tendering Period of this Offer.
- 6.1.7. As on the date of this Letter of Offer, there is no revision in the Offer Price or Offer Size. An upward revision to the Offer Price or to the Offer Size, if any, on account of competing offers or otherwise, may also be done at any time prior to the commencement of 1 (one) Working Day before the commencement of the Tendering Period in accordance with the provisions of Regulation 18(4) of the SEBI (SAST) Regulations. Such revision would be done in compliance with other formalities prescribed under the SEBI (SAST) Regulations. In the event of such revision, the Acquirer shall: (i) make corresponding increase to the escrow amount (ii) make an announcement in the same

newspapers in which this this Detailed Public Statement has been published; and (iii) simultaneously notify the BSE, the SEBI, and the Target Company at its registered office of such revision.

- 6.1.8. If the Acquirer acquires Equity Shares during the period of 26 (twenty-six) weeks after the Tendering Period at a price higher than the Offer Price, the Acquirer would pay the difference between the highest acquisition price and the Offer Price, to all the Public Shareholders whose Equity Shares have been accepted in the Open Offer within 60 (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 SEBI (SAST) Regulations, or pursuant to Securities and Exchange Board of India (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. In terms of Regulation 25(1) of the SEBI (SAST) Regulations, the Acquirer has adequate financial resources and have made firm financial arrangements for the implementation of the Offer in full out of their own sources/ Net-worth and no borrowings from any Bank and/ or Financial Institutions are envisaged. Chartered Accountant, Aakash P. Soni bearing Membership Number '181196', proprietor at Soni Akash & Co (Chartered Accountants) bearing firm registration number '146070W' having their office located at 302, Abhiraj, 68-B Swastik Co-op Society, Opp. Femina Town, CG Road, Ahmedabad-380009, Gujarat, India with contact details being '+91 8469111903' and Email Address being caakashsoni.11195@gmail.com has certified that sufficient resources are available with the Acquirer for fulfilling their Offer obligations in full.
- 6.2.2. The maximum consideration payable by the Acquirer to acquire up to 26,00,000 (Twenty-Six Lakhs) Equity Shares, representing 26.00% (Twenty-Six Percent) of the Voting Share Capital of the Target Company at the Offer Price of ₹24.00 (Rupees Twenty-Four Only) per Offer Share, assuming full acceptance of the Offer aggregating to ₹6,24,00,000.00 (Rupees Six Crores Twenty-Four Lakhs Only). In accordance with Regulation 17 of the SEBI (SAST) Regulations, the Acquirer have opened an Escrow Account under the name and style of '**MIL – OPEN OFFER ESCROW ACCOUNT**' with Kotak Mahindra Bank Limited and have deposited an amount of ₹1,60,00,000.00 (Rupees One Crore Sixty Lakhs Only) *i.e.*, more than 25.00% of the total consideration payable in the Offer, assuming full acceptance.
- 6.2.3. The Manager is authorized to operate the Escrow Account to the exclusion of all others and been duly empowered to realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations.
- 6.2.4. Based on the aforesaid financial arrangements and on the confirmations received from the Escrow Banker and the Chartered Accountant, the Manager to offer is satisfied about the ability of the Acquirer to fulfill its obligation in respect of this Offer in accordance with the SEBI (SAST) Regulations.
- 6.2.5. In case of upward revision of the Offer Price and/ or the Offer Size, the Acquirer would deposit additional appropriate amount into an Escrow Account to ensure compliance with Regulation 18(5) of the SEBI (SAST) Regulations, prior to effecting such revision.

7. TERMS AND CONDITIONS OF THE OFFER

- 7.1. The Letter of Offer will be mailed to all those Public Shareholders of the Target Company whose names appear on the Register of Members and to the beneficial owners of the Equity Shares of the Target Company whose names appear on the beneficial records of the Depository Participant, at the close of business hours on **Friday, April 28, 2023**.
- 7.2. Accidental omission to dispatch the Letter of Offer or the non-receipt or delayed receipt of the Letter of Offer will not invalidate this Offer in anyway.
- 7.3. In terms of the provisions of Regulation 18(9) of the SEBI (SAST) Regulations, the Public Shareholders who tender their Equity Shares in this Offer shall not be entitled to withdraw such acceptance.
- 7.4. **Locked-in Shares**
- None of the Equity Shares of the Target Company are subject to lock-in.
- 7.5. **Eligibility for accepting the Offer**
- 7.5.1. The Letter of Offer shall be mailed to all the Public Shareholders and/or beneficial owners holding Equity Shares in dematerialized form whose names appear in register of Target Company as on **Friday, April 28, 2023**, the Identified Date.

- 7.5.2. This Offer is also open to persons who own Equity Shares but are not registered Public Shareholders as on the Identified Date.
- 7.5.3. All Public Shareholders and/or beneficial owners who own Equity Shares of the Target Company any time before the closure of this Offer are eligible to participate in this Offer.
- 7.5.4. The Acquirer have appointed Purva Sharegistry (India) Private Limited, as the Registrar to the Offer, having office at 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Opposite Kasturba Hospital Lane, Lower Parel (East) Mumbai – 400011, Maharashtra with contact number being ‘+022-23010771/49614132’, Email Address being ‘support@purvashare.com’ and website being ‘www.purvashare.com’. The Contact Person Ms. Deepali Dhuri can be contacted from 10:00 a.m. to 5:00 p.m. on working days (except Saturdays, Sundays and all public holidays), during the Tendering Period.
- 7.5.5. The Offer Documents will also be available on the website of SEBI accessible at www.sebi.gov.in, BSE accessible at www.bseindia.com and Manager to the offer accessible at www.bonanzaonline.com In case of non-receipt of the Letter of Offer, all Public Shareholders including unregistered Public Shareholders, if they so desire, may download the Letter of Offer, the Form of Acceptance from the website of SEBI for applying in this Offer.
- 7.5.6. Unregistered Public Shareholders, those who hold in street name and those who apply in plain paper will not be required to provide any indemnity. They may follow the same procedure mentioned above for registered Public Shareholders.
- 7.5.7. The acceptance of this Offer by the Public Shareholders of Target Company must be absolute and unqualified. Any acceptance to this Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever.
- 7.5.8. The acceptance of this Offer is entirely at the discretion of the Public Shareholder(s)/beneficial owner(s) of Target Company.
- 7.5.9. The Acquirer, Manager to the Offer, or the Registrar accepts no responsibility for any loss of Equity Share certificates, Offer Acceptance Forms, and Share Transfer Deed, etc., during transit and the Public Shareholders of Target Company are advised to adequately safeguard their interest in this regard.
- 7.5.10. The acceptance of Equity Shares tendered in this Offer will be made by the Acquirer in consultation with the Manager to the Offer.
- 7.5.11. The instructions, authorizations and provisions contained in the Form of Acceptance constitute part of the terms of this Offer.

7.6. Statutory Approvals and conditions of the Offer

- 7.6.1. To the best of the knowledge and belief of the Acquirer, as on the date of this Letter of Offer, there are no statutory or other approvals required for implementing the Offer. If any statutory approvals are required or become applicable prior to completion of the Offer, the Offer would be subject to the receipt of such statutory approvals.
- 7.6.2. If the holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs, and FIIs) required and received any approvals (including from the RBI, the FIPB, 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 their Equity Shares held by them in this Offer, along with other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer reserve the right to reject such Equity Shares tendered in this Offer.
- 7.6.3. The Acquirer in terms of Regulation 23 of SEBI (SAST) Regulations, will have a right not to proceed with this Offer in the event the statutory approvals indicated above are refused. In the event of withdrawal, a public announcement will be made within 2 (two) Working Days of such withdrawal, in the same newspapers in which the Detailed Public Statement had appeared.
- 7.6.4. In case of delay in receipt of any statutory approval, SEBI may, if satisfied that delay receipt of the requisite approvals was not due to any wilful default or neglect of the Acquirer, or failure of the Acquirer to diligently pursue the application for the approval, grant extension of time for the purpose, subject to the Acquirer agreeing to pay interest to the Public Shareholders as directed by SEBI, in terms of the provisions of Regulation 18 (11) of SEBI (SAST) Regulations. Further, if delay occurs on account of wilful default by the Acquirer in obtaining the requisite approvals, the provisions of 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. Further, where any statutory approval extends to some but not all of the Public Shareholders, the Acquirer shall have the option to make payment to such Public Shareholders in respect of whom no statutory approvals are required in order to complete this Offer.

8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER

- 8.1. This Offer will be implemented by the Acquirer, through stock exchange mechanism as provided under the SEBI (SAST) Regulations and the SEBI circulars bearing reference number ‘CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015’, ‘CFD/DCR2/CIR/P/2016/131 dated December 09, 2016’ and ‘SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021’ and on such terms and conditions as may be permitted by law from time to time.
- 8.2. BSE shall be the designated stock exchange for the purpose of tendering Equity Shares in this Offer.
- 8.3. The facility for acquisition of Equity Shares through stock exchange mechanism pursuant to this Offer shall be available on the BSE, in the form of a separate window (**‘Acquisition Window’**).
- 8.4. For implementation of this Offer, the Acquirer has appointed Nikunj Stock Brokers Limited (**‘Buying Broker’**) through whom the purchases and settlements on account of this Offer would be made by the Acquirer. The contact details of the Buying Broker are as follows:

| | |
|------------------------|---|
| Name | Nikunj Stock Brokers Limited |
| Address | A-92, Ground Floor, Left Portion, Kamla Nagar, 110 007 New Delhi, India |
| Contact Details | +91-011-47030017 -18 |
| Email Address | complianceofficer@nikunjonline.com |
| Contact Person | Mr. Pramod Kumar Sultania |

- 8.5. For implementation of this Offer, the Acquirer has appointed Swaraj Shares & Securities Private Limited as the Advisor to the Issue, having their registered office located at 21 Hemant Basu Sarani, 5th Floor, Room No 507, Kolkata-700001 and branch Office located at Unit no 304, A Wing, 215 Atrium Courtyard Marriot, Andheri East Mumbai-400093 with Contact No being +91 -22-69649999, Email Address being tanmoy@swarajshares.com/pankita@swaraj.com and Contact Person being Tanmoy Banerjee and Pankita Patel.
- 8.6. All the Public Shareholders who desire to tender their Equity Shares under this Offer would have to approach their respective stockbrokers (**‘Selling Broker’**), during the normal trading hours of the secondary market during the Tendering Period.
- 8.7. The Acquisition Window provided by the BSE shall facilitate placing of sell orders. The Selling Brokers can enter orders for dematerialized Equity Shares only.
- 8.8. The cumulative quantity tendered shall be displayed on the BSE’s website throughout the trading session at specific intervals by the BSE during Tendering Period.
- 8.9. Equity Shareholders can tender their Equity Shares only through a broker with whom the shareholder is registered as client (KYC Compliant).
- 8.10. **Procedure for Equity Shares held in physical form**
- 8.10.1. In accordance with the Frequently Asked Questions issued by SEBI, ‘FAQs – Tendering of physical shares in buyback offer/ open offer/ exit offer/ delisting dated February 20, 2020’ and SEBI circular bearing reference number ‘SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020’, shareholders holding securities in physical form are allowed to tender shares in the open offer through Tender Offer route. However, such tendering shall be as per the provisions of respective regulations.
- 8.10.2. Public Shareholders who are holding physical Equity Shares and intend to participate in this Offer shall approach Selling Broker. The Selling Broker should place bids on the BSE’s platform with relevant details as mentioned on physical share certificate(s). The Selling Broker(s) shall print the TRS generated by the Exchange Bidding System. TRS will contain the details of order submitted like Folio No., Certificate No. Dist. Nos., No. of Equity Shares etc.
- 8.10.3. After placement of order, the Selling Broker(s)/ Eligible Shareholders must ensure delivery of the Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein the along with the complete set of documents for verification procedures to be carried out, namely being: (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 favour of the Target Company, (c) self-attested copy of the shareholder's PAN Card, and (d) TRS, 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 either by registered post or courier or hand delivery to the Registrar to the Offer (at the address mentioned on the cover page not later than 2 (Two) days from the closure of the Tendering Period latest by 5:00 PM (Indian Standard Time). The envelope should be superscripted as '**Mihika Open Offer**'. One copy of the TRS will be retained by Registrar and it will provide acknowledgement of the same to the Selling Broker.

- 8.10.4. In addition, if the address of the Public Shareholder has undergone a change from the address registered in the register of members of the Target Company, the relevant Public Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: (a) valid Aadhar Card; (b) Voter Identity Card; or (c) Passport.
- 8.10.5. 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 this Offer shall be subject to verification by the Registrar. On receipt of the confirmation from the Registrar, the bid will be accepted else rejected and accordingly the same will be depicted on the BSE platform.
- 8.10.6. Public Shareholders who have sent the Equity Shares held by them for dematerialization need to ensure that the process of dematerialization is completed in time for the credit in the Escrow Demat Account, to be received on or before the closure of the Tendering Period or else their application will be rejected.
- 8.10.7. Public Shareholders should also provide all relevant documents, which are necessary to ensure transferability of Equity Shares in respect of which the application is being sent failing which the tender would be considered invalid and would be liable to be rejected. Such documents may include (but not be limited to):
 - a) Duly attested death certificate and succession certificate (for single shareholder) in case the original shareholder has expired;
 - b) Duly attested power of attorney if any person apart from the shareholder has signed acceptance form or transfer deed(s);
 - c) No objection certificate from any lender, if the Equity Shares in respect of which the acceptance is sent, were under any charge, lien, or encumbrance;

8.11. Procedure for tendering the Equity Shares held in dematerialized form

- 8.11.1. The Public Shareholders who are holding the Equity Shares in demat form and who desire to tender their Equity Shares in this Offer shall approach their Selling Broker/ Seller Member, indicating details of Equity Shares they wish to tender in this Offer.
- 8.11.2. The Seller Member would be required to place a bid on behalf of the Public Shareholders who wish to tender their Equity Shares in this Offer using the Acquisition Window of the BSE Limited.
- 8.11.3. The lien shall be marked in demat account of the Eligible Public Shareholders for the Equity Shares tendered in this Offer. The details of Equity Shares marked as lien in the demat account of the Eligible Public Shareholders shall be provided by Depositories to the Clearing Corporation.
- 8.11.4. In case, the demat account of the Eligible Public Shareholders is held in one depository and clearing member pool and clearing corporation account is held with another depository, the Equity Shares tendered under this Offer shall be blocked in the Public Shareholders demat account at the source depository during the Tendering Period. Inter Depository Tender Offer ('IDT') instruction shall be initiated by the Public Shareholder at source depository to clearing member pool/ clearing corporation account at target depository. Source depository shall block the Public Shareholder's securities (i.e., transfers from free balance to blocked balance) and send IDT message to target depository for confirming creation of lien. The details of Equity Shares blocked in the shareholders demat account shall be provided by the target Depository to the Clearing Corporation.
- 8.11.5. For Custodian Participant orders for Equity Shares in demat form, early pay-in is mandatory prior to confirmation of order by custodian. The custodian shall either confirm or reject the orders not later than closing of trading hours on the last day of the Tendering Period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed Custodian Participant orders, order modification shall revoke the custodian confirmation and the revised order shall be sent to custodian again for confirmation.

- 8.11.6. Upon placing the order, the Seller Member shall provide a transaction registration slip generated by the exchange bidding system to the Eligible Public Shareholder on whose behalf the order has been placed. The TRS will contain details of order submitted like Bid ID No., DP ID, Client ID, no. of Equity Shares tendered, etc.
- 8.11.7. It is clarified that in case of dematerialized Equity Shares, non-receipt of the completed acceptance form and other documents, but if the lien is marked successfully in the depository system and a valid bid in the exchange bidding system, the tender for this Offer shall be deemed to have been accepted.
- 8.11.8. The Eligible 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 pro rata (if applicable) decided by the Company.

9. ACCEPTANCE OF EQUITY SHARES

- 9.1. The Registrar shall provide details of order acceptance to Clearing Corporation within the specified timelines.
- 9.2. In the event that the number of Equity Shares validly tendered by the Public Shareholders under this Offer is more than the number of Offer Shares, the Acquirer shall accept those Equity Shares validly tendered by the Public Shareholders on a proportionate basis in consultation with the Manager 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 acquisition of Equity Shares from a Public Shareholder shall not be less than the minimum marketable lot.

10. PROCEDURE FOR TENDERING THE EQUITY SHARES IN CASE OF NON-RECEIPT OF THE LETTER OF OFFER

- 10.1. Persons 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.
- 10.2. A Public Shareholder may participate in this Offer by approaching their broker/ Selling Broker and tender Equity Shares in this Offer as per the procedure mentioned in the Letter of Offer.
- 10.3. The Letter of Offer along with acceptance form will be dispatched to all the eligible Public Shareholders of the Target Company, as appearing in the list of members of the Target Company. In case of non-receipt of the Letter of Offer, such eligible shareholders of the Target Company may download the same from the website of SEBI at www.sebi.gov.in or obtain a copy of the same from the Registrar on providing suitable documentary evidence of holding of the Equity Shares.
- 10.4. The Letter of Offer along with the Form of Acceptance would also be available at website of SEBI at www.sebi.gov.in and Public Shareholders can also apply by downloading such forms from the said website.
- 10.5. Alternatively, in case of non-receipt of the Letter of Offer, the eligible Public Shareholders holding the Equity Shares may participate in this Offer by providing their application in plain paper in writing signed by all the 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 as mentioned in Paragraph 8.10 titled as '*Procedure for Equity Shares held in physical form*' at page 21 of this Letter of Offer. Such eligible Public Shareholders have to ensure that their order is entered in the electronic platform of BSE, made available by BSE before the closure of the Tendering Period.

11. SETTLEMENT PROCESS AND PAYMENT OF CONSIDERATION

- 11.1. Upon finalization of the basis of acceptance as per the SEBI (SAST) Regulations, the settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market and as intimated by the Clearing Corporation from time to time.
- 11.2. Details in respect of Public Shareholder's entitlement for this Offer shall be provided to Clearing Corporation by Company/ Registrar to the Offer. On receipt of the same, the Clearing Corporation will cancel excess or unaccepted blocked Equity Shares. On settlement date, all blocked Equity Shares mentioned in the accepted tender will be transferred to the Clearing Corporation.
- 11.3. In the case of IDT, Clearing Corporation will cancel the excess or unaccepted Equity Shares in target depository. Source depository will not be able to release the lien without a release of IDT message from target depository. Further, release of IDT message shall be sent by target depository either based on cancellation request received from Clearing Corporation or automatically generated after matching with tender accepted detail as received from the Registrar to the Offer. Post receiving the IDT message from target depository, source depository will cancel/release excess or unaccepted block Equity Shares in the demat account of the Public Shareholder. Post completion of the Tendering Period and receiving the requisite

details viz., demat account details and accepted tendered quantity, source depository shall debit the Equity Shares as per the communication/ message received from target depository to the extent of accepted tendered Equity Shares from the Public Shareholder's demat account and credit it to Clearing Corporation settlement account in target depository on settlement date.

- 11.4. The Buying Broker will transfer the consideration pertaining to this Offer to the Clearing Corporation's bank account as per the secondary market mechanism, as per the prescribed schedule. For demat Equity Shares accepted under this Offer, the Clearing Corporation will make direct funds pay-out to the respective Eligible Public Shareholders. If the bank account details of any Eligible Public Shareholder holding Equity Shares in dematerialized form are not available or if the fund transfer instruction is rejected by the Reserve Bank of India or any other relevant Bank, due to any reasons, then the amount payable to the Eligible Public Shareholders will be transferred to the concerned Seller Member for onward transfer to such Eligible Public Shareholder holding Equity Shares in dematerialized form.
- 11.5. 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 Member's settlement accounts for releasing the same to the respective Eligible Public Shareholder's account. For this purpose, the client type details would be collected from the Depositories, whereas funds payout pertaining to the tenders settled through custodians will be transferred to the settlement bank account of the custodian, each in accordance with the applicable mechanism prescribed by the BSE Limited and the Clearing Corporation from time to time.
- 11.6. For the Eligible Public Shareholders holding Equity Shares in physical form, the funds pay-out would be given to their respective Seller Member's settlement accounts for releasing the same to the respective Eligible Public Shareholder's account. On settlement date, all blocked Equity Shares mentioned in accepted tender shall be transferred to Clearing Corporation.
- 11.7. The Equity Shares tendered in the dematerialized form would be transferred directly to the escrow demat account/ demat account of the Acquirer provided it is indicated by the Buying Brokers or it will be transferred by the Buying Broker to the demat escrow account/ demat account of the Acquirer on receipt of the Equity Shares from the clearing and settlement mechanism of BSE Limited.
- 11.8. Excess Equity Shares or unaccepted Equity Shares, in dematerialized form, if any, tendered by the Eligible Public Shareholders would be transferred by the Clearing Corporation directly to the respective Eligible Public Shareholder's DP account. If the securities transfer instruction is rejected in the Depository system, due to any issue then such securities will be transferred to the Seller Member's depository pool account for onward transfer to the respective Eligible Public Shareholder. The Public Shareholders of the demat Equity Shares will have to ensure that they keep the DP account active and unblocked to receive credit in case of return of demat Equity Shares, due to rejection or due to non-acceptance in this Offer.
- 11.9. Any excess Equity Shares, in physical form, pursuant to proportionate acceptance/ rejection will be returned back to the Eligible Public Shareholders directly by the Registrar to the Offer. The Target Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Equity Shares, in case the Equity Shares accepted are less than the Equity Shares tendered in this Offer by Eligible Public Shareholders holding Equity Shares in the physical form.
- 11.10. The Seller Member would issue contract note for the Equity Shares accepted under this Offer and will unblock the excess unaccepted Equity Shares. The Buying Broker would also issue a contract note to the Company for the Equity Shares accepted under this Offer.
- 11.11. Equity Shareholders who intend to participate in this Offer should consult their respective Seller Member for payment to them of any cost, applicable taxes, charges, and expenses (including brokerage) that may be levied by the Seller Member for tendering Equity Shares in this Offer (secondary market transaction). Therefore, the Offer consideration received by the selling Eligible Public Shareholders, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage). The Manager to the Offer and the Acquirer accept no responsibility to bear or pay any additional cost, applicable taxes, charges, and expenses (including brokerage) levied by the Seller Member, and such costs will be borne solely by the Eligible Public Shareholders.
- 11.12. In case of delay in receipt of any statutory approval(s), the SEBI may, if satisfied that such delay in receipt of the statutory approval(s) was not attributable to any wilful default, failure, or neglect on the part of the Acquirer to diligently pursue such approval, and subject to such terms and conditions as specified by the SEBI (including payment of interest in accordance with Regulation 18 (11) of the SEBI (SAST) Regulations grant an extension of time to the Acquirer pending receipt of such statutory approval(s) to make the payment of the consideration to the Eligible Public Shareholders whose Equity Shares have been accepted in the Offer.

12. NOTE ON TAXATION

12.1. General

- 12.1.1. Securities transaction tax will not be applicable to the Equity Shares accepted in this Offer.
- 12.1.2. 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 liable to income-tax in India on his/her worldwide income, subject to certain tax exemptions, which are provided under the Income Tax Act, 1961. 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 is deemed to accrue or arise in India) as also income received by such person in India. In case of shares of a company, the source of income from shares will depend on the "situs" of such shares. As per judicial precedents, the "situs" of the shares is where a company is "incorporated" and where its shares can be transferred.
- 12.1.3. Accordingly, since the Target Company is incorporated in India, the Target Company's shares should be deemed to be "situated" in India and any gains arising to a non-resident on transfer of such shares should be taxable in India under the IT Act.
- 12.1.4. Further, the non-resident shareholder can avail beneficial treatment under 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 including but not limited to (a) conditions (if any) present in the said DTAA read with the relevant provisions of the Multilateral Instrument ("MLI") as ratified by India with the respective country of which the said shareholder is a tax resident and (b) non-applicability of General Anti-Avoidance Rule ("GAAR") and (c) providing and maintaining necessary information and documents as prescribed under the IT Act.
- 12.1.5. The IT 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 and nature of the income earned, etc.
- 12.1.6. The Public Shareholders may be required to undertake compliances such as filing an annual income tax return, as may be applicable to different categories of persons, with the income-tax authorities, reporting their income for the relevant year.
- 12.1.7. The summary of income-tax implications on tendering of listed equity shares is set out below. All references to equity shares herein refer to listed equity shares unless stated otherwise.

12.2. Classification of Shareholders: Public Shareholders can be classified under the following categories:

a) Resident Shareholders being:

- Individuals, Hindu Undivided Family ("HUF"), Association of Persons ("AOP") and Body of Individuals ("BOI")
- Others:
 - (i) Company
 - (ii) Other Than Company

b) Non-Resident Shareholders being:

- Non-Resident Indians (NRIs)
- Foreign Institution Investors (FIIs) / Foreign Portfolio Investors (FPIs)
- Others:
 - (i) Company
 - (ii) Other Than Company

- 12.3. Gains 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 business asset (i.e. stock-in-trade). The IT Act also provides for different income-tax regimes/ rates applicable to the gains arising from the tendering of Equity Shares under the Open Offer, based on the period of holding, residential status, classification of the shareholder and nature of the income earned, etc.

12.4. Taxability of Capital Gains in the hands of shareholders

- 12.4.1. Gains arising from the transfer of shares may be treated either as "capital gains" or as "business income" for income-tax purposes, unless specifically exempted, depending upon whether such shares were held as a capital asset or trading asset (i.e. stock-in-trade).

- 12.4.2. As per the current provisions of the IT Act, where the shares are held as investments (i.e. capital assets), income arising from the transfer of such shares is taxable under the head “Capital Gains”. Further, Section 2(14) of the IT Act has provided for deemed characterization of securities held by FPIs as capital assets, whether or not such assets have been held as a capital asset; and therefore, the gains arising in the hands of FPIs will be taxable in India as capital gains.
- 12.4.3. Capital Gains in the hands of shareholders would be computed as per the provisions of Section 48 of the IT Act.
- 12.4.4. Period of holding: Depending on the period for which the shares are held, the gains would be taxable as “short-term capital gain/ STCG” or “long-term capital gain/ LTCG”:
- a) In respect of 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 “STCG”.
 - b) Similarly, where 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 “LTCG”.
- 12.4.5. The Finance Act, 2018, vide Section 112A, has imposed an income tax on LTCG at the rate of 10% (plus applicable surcharge and health and education cess) on transfer of equity shares that are listed on a recognized stock exchange, which have been held for more than 12 (Twelve) months and have been subject to STT upon both acquisition and sale exceeding Rs. 1,00,000 (Rupees One lakh only) (without any indexation and foreign exchange fluctuation benefits).
- 12.4.6. As per section 111A of the IT Act, STCG arising from transfer of listed shares on which STT is paid would be subject to tax at the rate of 15% (plus applicable surcharge and health and education cess) (except under specific categories).
- However, since STT will not be applicable to the Equity Shares transferred in this Offer, the provisions of Section 112A and Section 111A of the IT Act shall not be applicable.
- 12.4.7. LTCG arising from tendering of Equity Shares in the Offer shall be subject to tax as follows:
- a) LTCG will be chargeable to tax at the rate of up to 20% (plus applicable surcharge and health and education cess) in the case of a non-resident Public Shareholder (other than a FPI/FII, or a NRI who is governed by the provisions of Chapter XII-A of the IT Act) in accordance with provisions of section 112 of the IT Act.
 - b) In the case of FIIs/FPIs, LTCG would be taxable at 10% (plus applicable surcharge and health and education cess) in accordance with provisions of section 115AD of the IT Act (without benefit of indexation and foreign exchange fluctuation).
 - c) For a NRI who is governed by the provisions of Chapter XII-A of the IT Act, LTCG would be taxable at 10% (plus applicable surcharge and health and education cess) under Section 115E of the IT Act on meeting certain conditions. While computing the LTCG, the benefit of indexation of cost may not be available.
 - d) For a resident Public Shareholder, an option is available to pay tax on such LTCG at either 20% (plus applicable surcharge and cess) with indexation or 10% (plus applicable surcharge and health and education cess) without indexation.
- 12.4.8. Further, any gain realized on the sale of listed equity shares held for a period of 12 (twelve) months or less, which are transferred under the Offer, will be subject to short term capital gains tax and shall be taxable at the rates prescribed in First Schedule to the Finance Act (i.e. applicable marginal tax rates applicable to different categories of persons) (plus applicable surcharge and health and education cess).
- 12.4.9. Taxability of capital gain arising to a non-resident in India from the transfer of equity shares shall be determined basis the provisions of the IT Act or the DTAA entered between India and the country of which the non-resident seller is resident, whichever is more beneficial, subject to fulfilling relevant conditions and maintaining & providing necessary documents prescribed under the IT Act.
- 12.4.10. As per Section 70 of the IT Act, short-term capital loss computed for a given year is allowed to be set off against STCG as well as LTCG computed for the said year. The balance loss, which is not set off, is allowed to be carried

forward for subsequent eight assessment years, for being set-off against subsequent years' STCG as well as LTCG, in terms of Section 74 of the IT Act.

12.4.11. Long-term capital loss computed for a given year is allowed to be set-off only against LTCG computed for the said year, in terms of Section 70 of the IT Act. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years, for being set off only against subsequent years' LTCG, in terms of Section 74 of the IT Act.

12.4.12. Investment Funds

Under Section 10 (23FBA) of the IT Act, any income of an Investment Fund, other than the income chargeable under the head, "Profits and gains of business or profession" would be exempt from income tax but would be taxable in the hands of their investors. For this purpose, an "Investment Fund" means a fund registered as Category I or Category II Alternative Investment Fund and is regulated under the Securities and Exchange Board of India (Alternate Investment Fund) Regulations, 2012.

12.4.13. Mutual Funds

Under Section 10(23D) of the IT Act, any income of mutual funds registered under SEBI or Regulations made thereunder or mutual funds set up by public sector banks or public financial institutions or mutual funds authorized by the RBI and subject to the conditions specified therein, is exempt from tax subject to such conditions as the Central Government may by notification in the Official Gazette, specify in this behalf.

12.5. Taxability of business income in hands of shareholders (Shares held as Stock-in-Trade)

If the shares are held as stock-in-trade by any of the eligible Public Shareholders of the Target Company, then the gains will be characterized as business income and taxable under the head "Profits and Gains from Business or Profession".

a) Profit of Resident Shareholders

- (i) Individuals, HUF, AOP and BOI will be taxable at applicable slab rates.
- (ii) Domestic companies having turnover or gross receipts not exceeding Rs. 400 crores in the prescribed financial year, will be taxable @ 25%.
- (iii) Domestic companies which have opted for concessional tax regime under Section 115BAA and 115BAB of the IT Act will be taxable at 22%, upon meeting certain conditions.
- (iv) For persons other than stated in (A), (B) and (C) above, profits will be taxable @ 30%.
- (v) No benefit of indexation by virtue of period of holding will be available in any case.

b) Profit of Non-Resident Shareholders

- (i) Non-resident Public Shareholders can avail beneficial provisions of the applicable DTAA entered into by India with the relevant country of residence of the shareholder but subject to fulfilling relevant conditions and maintaining & providing necessary documents prescribed under the IT Act, as discussed in para 1(d) above.
- (ii) Where DTAA provisions are not applicable:
- (iii) For non-resident individuals, HUF, AOP and BOI, profits (as determined in accordance with the provisions of the IT Act) will be taxable at slab rates.
- (iv) For foreign companies, profits (as determined in accordance with the provisions of the IT Act) will be taxed in India @ 40%.
- (v) For other non-resident Public Shareholders, such as foreign firms, profits (as determined in accordance with the provisions of the IT Act) will be taxed in India @ 30%.

12.6. **THE ABOVE DISCLOSURE 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 THE EQUITY SHARES. THIS DISCLOSURE 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, THE PUBLIC SHAREHOLDERS ARE ADVISED TO CONSULT THEIR TAX ADVISORS FOR TAX TREATMENT ARISING OUT OF THE PROPOSED OFFER THROUGH TENDER OFFER AND APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE. THE ACQUIRER AND THE MANAGER TO THE OFFER DO NOT ACCEPT**

NOR HOLD ANY RESPONSIBILITY FOR ANY TAX LIABILITY ARISING TO ANY PUBLIC SHAREHOLDER AS A REASON OF THIS OFFER.

13. DOCUMENTS FOR INSPECTION

The copies of the following documents will be available for inspection at the registered office of the Manager to the Offer, Bonanza Portfolio Limited, located at Bonanza House, Plot No. M-2, Cama Industrial Estate, Walbhat Road, Behind The Hub, Goregaon (East), Mumbai - 400 063 Maharashtra, India on any working day between 10:00 a.m. (Indian Standard Time) and 5:00 p.m. (Indian Standard Time) during the Tendering Period commencing from Tuesday, May 16, 2023 to Monday, May 29, 2023:

- 13.1. Memorandum and Articles of Association and Certificate of Incorporation of the Target Company.
- 13.2. Memorandum of Understanding between the Manager and the Acquirer.
- 13.3. The copy of Agreement between the Registrar and the Acquirer.
- 13.4. Audited Annual Report for the Financial Year ending March 31, 2022, and Unaudited Financial Information for January 18, 2023 of the Acquirer.
- 13.5. Audited Annual Reports for the last 3 (three) Financial Years ending March 31, 2022, March 31, 2021, and March 31, 2020, audited Financial Results for the six-months period ending September 30, 2022, and unaudited Financial Results for the nine-months period ending December 31, 2022 of the Target Company.
- 13.6. Bank Statement received from, Kotak Mahindra Bank Limited for required amount kept in the escrow account and marked lien in favor of Manager to the Offer.
- 13.7. The copy of Share Purchase Agreement dated Monday, February 06, 2023, entered between the Promoters and the Acquirer, which triggered this Offer.
- 13.8. Copy of the Public Announcement dated Monday, February 06, 2023.
- 13.9. Copy of the Detailed Public Statement dated Thursday, February 09, 2023, published on behalf of the Acquirer on Friday, February 10, 2023, in the newspapers.
- 13.10. Copy of the recommendations to be published on Friday, May 12, 2023, by the Committee of Independent Directors of the Target Company.
- 13.11. Copy of SEBI Observation letter bearing reference number 'SEBI/HO/CFD/DCR-2/P/OW/2023/17094/1' dated April 26, 2023.
- 13.12. Escrow Agreement between Acquirer, Escrow Bank, and Manager to the Offer.

14. DECLARATION BY THE ACQUIRER

For the purpose of disclosures in this Letter of Offer relating to the Target Company, the Acquirer have relied on the information provided by the Target Company and has not independently verified the accuracy of details of the Target Company. Subject to the aforesaid, the Acquirer accepts full responsibility for the information contained in this Letter of Offer. The Acquirer shall be responsible for ensuring compliance with the SEBI (SAST) Regulations.

For and on behalf of the Acquirer,

Veggie Fest Foods Private Limited

Sd/-
Pranav Kamleshkumar Trivedi
(Director)

Sd/-
Sagarkumar Pravinchandra Dataniya
(Director)

Place : Mumbai
Date : May 05, 2023

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

(FOR HOLDING EQUITY SHARES IN PHYSICAL FORM)

(Please send this Form with TRS generated by the Selling Broker and enclosures to Registrar, Purva Shareregistry (India) Private Limited, at their address given in the Letter of Offer, as per the mode of delivery mentioned in the Letter of Offer)

From: _____

Date: _____

Folio Number: _____

Name: _____

Address: _____

Contact Number: _____

Fax Number: _____

E-mail Address: _____

| TENDERING PERIOD FOR THIS OFFER | |
|---------------------------------|-----------------------|
| Offer Opens on | Tuesday, May 16, 2023 |
| Offer Closes on | Monday, May 29, 2023 |

To,

The Acquirer

C/o Purva Shareregistry (India) Private Limited

Unit: MIHIKA INDUSTRIES LIMITED – Open Offer

9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Opposite Kasturba Hospital Lane, Lower Parel (East) Mumbai – 400011, Maharashtra

Dear Sir/ Ma'am,

Subject: Open offer for acquisition of up to 26, 00,000 Equity Shares, representing 26.00% of the Voting Share Capital of Mihika Industries Limited by Veggie Fest Foods Private Limited

I/We refer to the Letter of Offer dated Friday, May 05, 2023, for acquiring the Equity Shares, held by us in Mihika Industries Limited.

I/We, the undersigned have read the Letter of Offer, and understood its contents including the terms and conditions as mentioned therein.

EQUITY SHARES HELD IN PHYSICAL FORM

The particulars of tendered original share certificate(s) and duly signed transfer deed(s) are detailed below:

| Sr. No. | Ledger folio No. | Certificate No. | Distinctive No. | | No. of Equity Shares |
|--------------------------------------|------------------|-----------------|-----------------|----|----------------------|
| | | | From | To | |
| | | | | | |
| Total number of Equity Shares | | | | | |

(In case of insufficient space, please use an additional sheet and authenticate the same)

I/We note and understand that the original Equity Share certificate(s) and valid share transfer deed(s) will be held in trust for me/us by the Registrar until the time the Acquirer pay the purchase consideration as mentioned in the LoF.

I/We also note and understand that the Acquirer will pay the purchase consideration only after verification of the documents and signatures.

Enclosures (please provide the following and √ whichever is applicable):

- i. Original Equity Share certificates.
- ii. Valid share transfer deed(s) duly filled, stamped, and signed by the transferor(s) (i.e., by all registered shareholder(s) in the same order and as per specimen signatures registered with the Target Company), and duly witnessed at the appropriate place.
- iii. Form of Acceptance (FOA) – signed by sole/joint shareholders whose name(s) appears on the share certificate(s) and in the same order and as per the specimen signature lodged with the Target Company.

- iv. Photocopy of Transaction Registration Slip (TRS) Self attested copy of PAN card of all the transferor(s).
- v. Self-attested copy of the address proof consisting of any one of the following documents: valid Aadhar card, voter identity card, passport or driving license.
- vi. Any other relevant document (but not limited to) such as Power of Attorney (if any person apart from the Shareholder has signed the FOA), 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. Shareholders of the Target Company holding physical Equity Shares should note that Physical Equity Shares will not be accepted unless the complete set of documents are submitted.

FOR ALL PUBLIC SHAREHOLDERS (HOLDING EQUITY SHARES IN DEMAT OR PHYSICAL FORM)

I/We confirm that the Equity Shares which are being tendered herewith by me/us under this Offer, are free from liens, charges, equitable interests, and encumbrances and are being tendered together with all rights attached thereto, including all rights to dividends, bonuses and rights offers, if any, declared hereafter and that I/we have obtained any necessary consents to sell the equity 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 equity shares for Offer and that I/we am/are legally entitled to tender the equity shares for Offer.

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

I/We agree that the Acquirers will pay the consideration as per secondary market mechanism only after verification of the certificates, documents, and signatures, as applicable submitted along with this FOA.

I/We undertake to return to the Acquirers any Offer consideration that may be wrongfully received by me/us.

I/We give my/our consent to file form FCTRS, if applicable, on my/our behalf.

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 to effect this Offer in accordance with the SEBI (SAST) Regulations.

I /We am/are not debarred from dealing in Equity Shares.

I/We authorize the Acquirers to accept the Equity Shares so offered or such lesser number of Equity Shares which they may decide to accept in consultation with the Manager and the Registrar and in terms of the LoF and I/we further authorize the Acquirer to return to me/us in the demat account/share certificate(s) in respect of which the Offer is not found valid/not accepted without specifying the reasons thereof.

I/We further agree to receive a single share certificate for the unaccepted Equity Shares in physical form.

In case of demat shareholders, I /We note and understand that the Equity Shares would be kept in the pool account of my/our broker and the lien will be marked by Clearing Corporation until the Settlement Date whereby the Acquirers make payment of purchase consideration as mentioned in the Letter of Offer.

In case of physical shareholders, I/We note and understand that the shares/ Original Share Certificate(s) and Transfer Deed(s) will be held by the Registrar in trust for me/us till the date the Acquirers make payment of consideration as mentioned in the Letter of Offer or the date by which Original Share Certificate(s), Transfer Deed(s) and other documents are returned to the shareholders, as the case may be.

I /We confirm that there are no taxes or other claims pending against us which may affect the legality of the transfer of Equity Shares under the Income Tax Act, 1961.

I/We confirm that in the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy, or omission of information provided/to be provided by me/us, I/we will indemnify the Acquirers for such income tax demand (including interest, penalty, etc.) and provide the Acquirers with all information/documents that may be necessary and cooperate in any proceedings before any income tax/appellate authority.

FOR NRIS/OCBS/ FIIS AND SUB-ACCOUNTS/OTHER NON-RESIDENT SHAREHOLDERS

I/We confirm that my/our status is (√ whichever is applicable):

| | | | | |
|--------------------------|------------------|-------------------------------------|-----------------------------|---|
| Individual | Domestic Company | Foreign Company | FII's / FPIs-Corporate | FII's / FPIs-Others |
| QFI | FVCI | Partnership/ Proprietorship/ LLP | Private Equity Fund/ AiF | Pension/ Provident Fund |
| Sovereign Wealth Fund | Foreign Trust | Financial Institution | NRI's/ PIOs-repatriable | NRI's/ PIOs-non-repatriable |
| Insurance Company | OCB | Domestic Trust | Banks | Association of person/ body of individuals |
| Others (Please Specify): | | | | |

I/We confirm that my/our investment status is (√ whichever is applicable): FDI Route / PIS Route / Any Other (Please Specify):

I/We confirm that the Equity Shares tendered by me/us are held on (√ whichever is applicable): Repatriable basis / Non-repatriable basis

I/We confirm that (√ whichever is applicable):

No RBI, FIPB or other regulatory approval was required by me for holding Equity Shares that have been tendered in this Offer and the Equity Shares are held under general permission of the Reserve Bank of India. The copies of all approvals required by me for holding Equity Shares that have been tendered in this Offer are enclosed herewith Copy of RBI Registration letter taking on record the allotment of shares to me/us is enclosed herewith.

I/We confirm that (√ whichever is applicable):

No RBI, FIPB or other regulatory approval is required by me for tendering the equity shares in this Offer.

Copies of all approvals required by me for tendering equity shares in this Offer are enclosed herewith.

In case of shareholders holding Equity Shares in demat form, the bank account details for the purpose of interest payment, if any, will be taken from the record of the Depositories.

In case of interest payments, if any, by the Acquirer for delay in payment of Offer consideration or a part thereof, the Acquirer will deduct taxes at source at the applicable rates as per the Income Tax Act, 1961.

Yours faithfully,

Signed and Delivered:

| | Full Names(s) of the holders | Address and Telephone Number | Signature | PAN |
|--------------------|------------------------------|------------------------------|-----------|-----|
| First/ Sole Holder | | | | |
| Joint Holder 1 | | | | |
| Joint Holder 2 | | | | |

Note: In case of joint holdings, all holders must sign. In case of body corporate, the rubber stamp should be affixed, and necessary board resolution must be attached.

Place:

Date:

INSTRUCTIONS

1. Please read the enclosed Letter of Offer carefully before filling-up this Form of Acceptance cum Acknowledgement.
2. The Form of Acceptance cum Acknowledgement should be filled-up in English only.
3. Signature(s) other than in English, Hindi, and thumb impressions must be attested by a Notary Public under his Official Seal.
4. **Mode of tendering the Equity Shares pursuant to the Offer:**
 - a. The acceptance of the Offer made by the Acquirers is entirely at the discretion of the equity shareholder of Mihika Industries Limited.
 - b. The Public Shareholders of Mihika Industries Limited to whom this Offer is being made, are free to Offer his / her / their shareholding in Mihika Industries Limited for sale to the Acquirers, in whole or part, while tendering his / her / their Equity Shares in the Offer.

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

ACKNOWLEDGEMENT SLIP

Subject: Open offer for acquisition of up to 26,00,000 Equity Shares, representing 26.00% of the Voting Share Capital of Mihika Industries Limited by Veggie Fest Foods Private Limited.

FOR PHYSICAL EQUITY SHARES

Received from Mr./Ms./Mrs./M/s. _____

I / We, holding Equity Shares in the physical form, accept the Offer and enclose duly filled signed and or stamped the original share certificate(s), transfer deed(s) and Form of Acceptance in 'market' mode, duly acknowledged by me/us in respect of my Equity Shares as detailed below:

| Sr. No | Folio No. | Certificate No. | Distinctive No. | | No. of Equity Shares |
|-------------------------------|-----------|-----------------|-----------------|----|----------------------|
| | | | From | To | |
| | | | | | |
| | | | | | |
| Total Number of Equity Shares | | | | | |

FOR DEMAT EQUITY SHARES

Received from Mr./Ms./Mrs./M/s. _____

I / We, holding Equity Shares in the dematerialized form, accept the Offer and enclose the photocopy of the Delivery Instruction in 'market' mode, duly acknowledged by my/our Depository Participant in respect of my shares as detailed below:

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

| Stamp of Collection Centre | Signature of Official | Date of Receipt |
|----------------------------|-----------------------|-----------------|
| | | |

Note: All future correspondence, if any, should be addressed to the Registrar at the address mentioned above.

Purva Sharegistry (India) Private Limited
Unit: Mihika Industries Limited – Open Offer
9, Shiv Shakti Industrial Estate, J. R. Boricha Marg,
Opposite Kasturba Hospital Lane,
Lower Parel (East), Mumbai – 400011, Maharashtra
Telephone Number: +91 22-23012518/ 23016761
E-mail Address: support@purvashare.com
Website: www.purvashare.com
Contact Person: Ms. Deepali Dhuri
SEBI Registration Number: INR00000112

FORM NO. SH-4 SECURITIES TRANSFER FORM

[Pursuant to section 56 of the Companies Act, 2013 and Rule 11 (1) of the Companies (Share Capital and Debentures) Rules, 2014]

Date of Execution:...../...../.....

FOR THE CONSIDERATION stated below the ‘Transferor(s)’ named do hereby transfer to the ‘Transferee(s)’ named the securities specified below subject to the conditions on which the said securities are now held by the Transferor(s) and the Transferee(s) do here by agree to accept and hold the said securities subject to the conditions aforesaid

| | | | | | | | | | | | | | | | | | | | | | |
|-------------|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| CIN: | L | 7 | 0 | 1 | 0 | 1 | W | B | 1 | 9 | 8 | 3 | P | L | C | 0 | 3 | 5 | 6 | 3 | 8 |
|-------------|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|

Name of the Company (in full): **Mihika Industries Limited**

Name of the Stock Exchange where the Company is listed, if any: **BSE LIMITED**

Description of Securities

| Kind/Class of Securities (1) | Nominal value of each unit of security (2) | Amount called up per unit of security (3) | Amount paid up per unit of security (4) |
|-------------------------------------|--|---|---|
| Equity Share | ₹10.00/- (Rupees Ten Only) each | ₹10.00/- (Rupees Ten Only) each | ₹10.00/- (Rupees Ten Only) each |
| No. of Securities being Transferred | | Consideration Received (INR) | |
| In Figures | In Words | In words | In figures |
| | | | |

| Distinctive Number | From | | | |
|--------------------|------|--|--|--|
| | To | | | |

| Corresponding Certificate Nos. | | | |
|--------------------------------|--|--|--|
|--------------------------------|--|--|--|

| Transferor’s Particulars | | |
|--------------------------|----------|--------------|
| Registered Folio Number: | | |
| Name(s) in full | PAN | Signature(s) |
| 1. _____ | 1. _____ | 1. _____ |
| 2. _____ | 2. _____ | - |
| 3. _____ | 3. _____ | 2. _____ |
| | | - |
| | | 3. _____ |
| | | - |

Attestation:

I hereby confirm that the transferor has signed before me.

Signature of the witness: _____

Name of the witness: _____

Address of the witness: _____

Pin Code: _____

| Transferee's Particulars: | | |
|---------------------------|---------------------------------|--------------------------------------|
| Name in full (1) | Father's/ mother's/ spouse name | Address, phone no. and Email Address |
| | | |
| Occupation (4) | Existing folio no., if any (5) | Signature (6) |
| Business | | 1. _____ 2. _____ 3. _____ |

| Folio No. of Transferee | Specimen Signature of Transferee(s) |
|-------------------------|-------------------------------------|
| _____ | 1. _____ |
| _____ | 2. _____ |
| _____ | 3. _____ |

Declaration:

- (1) Transferee is not required to obtain the Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to transfer of shares; or
(2) Transferee is required to obtain the Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to transfer of shares and the same has been obtained and is enclosed herewith.

Value of stamp affixed: _____ (₹)

| Enclosures: | Stamps |
|---|--------|
| 1. Certificate of Equity Shares or debentures or other securities 2. If no certificate is issued, letter of allotment 3. Copy of PAN CARD of all the Transferees (For all listed Cos) 4. Other, Specify, _____ | |
| For office use only Checked by _____ Signature tallied by _____ Entered in the Register of Transfer on _____ vide Transfer No. _____ Approval Date _____ Power of attorney /Probate/ Death Certificate/ Letter of administration Registered on _____ at No. _____ | |

On the reverse page of the certificate

| Name of Transferor | Name of Transferee | No. of Equity Shares | Date of Transfer | |
|--------------------|--------------------|----------------------|------------------|-----------------------------------|
| | | | | Signature of authorised signatory |

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