

LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This LoF is sent to you as a shareholder(s) of Aayush Food and Herbs Limited. If you require any clarifications about the action to be taken, you may consult your stock broker or investment consultant or Manager / Registrar to the offer. In case you have recently sold your shares in the Company, please hand over this LoF and the accompanying Form of Acceptance cum acknowledgement and Transfer Deed to the Member of Stock Exchange through whom the said sale was effected."

OPEN OFFER BY

MRS. PALLAVI MITTAL

R/o: D-250, Anupam Garden, Sainik Farm, New Delhi – 110062;
Tel No. +91-9958221000; (Hereinafter referred to as "ACQUIRER") along with

MR. ASHISH MITTAL

R/o: D-250, Anupam Garden, Sainik Farm, New Delhi – 110062;
Tel. No. +91-9810274000; (Hereinafter referred to as "PAC")

to

Acquire upto 843,700 (Eight Lacs Forty Three Thousand and Seven Hundred) Equity Shares of face value of Rs. 10/- each representing 26.00% of the present issued, subscribed and paid up share capital of

AAYUSH FOOD AND HERBS LIMITED

Registered Office: G-321, Chirag Delhi, New Delhi – 110017;
Tel. No.: 011-46095455; Email Id: aayushfoodherbs@gmail.com;

At a price of Rs. 15.10/- (Rupees Fifteen and Ten Paise Only) per fully paid up equity share payable in cash, Pursuant to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (SEBI (SAST) Regulations, 2011) and subsequent amendments thereof

1. This offer is being made by the Acquirer along with PAC pursuant to Regulations 3(1) and 4 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto for substantial acquisition of shares and control.
2. The Offer is not subject to any minimum level of acceptance.
3. The details of statutory approvals required is given in para 7.4 of this Letter of Offer.
4. **THIS OFFER IS NOT A COMPETING OFFER.**
5. If there is any upward revision in the Offer Price by the Acquirer along with PAC upto three working days prior to the commencement of the tendering period i.e. upto August 18, 2016, Thursday or in the case of withdrawal of offer, the same would be informed by way of the Issue Opening Public Announcement in the same newspapers where the original Detailed Public Statement has appeared. Such revision in the Offer Price would be payable by the Acquirer along with PAC for all the shares validly tendered anytime during the offer.
6. **There is no competing offer till date.**
7. A copy of Public Announcement, Detailed Public Statement, and Letter of Offer (including Form of Acceptance cum Acknowledgement) is also available on SEBI's web-site: www.sebi.gov.in.

FOR PROCEDURE FOR ACCEPTANCE OF THIS OPEN OFFER PLEASE REFER SECTION 8 "PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER" (PAGE NO. 22 to 28). FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT IS ENCLOSED WITH THIS LETTER OF OFFER.

All future correspondence, if any, should be addressed to the Manager / Registrar to the Offer at the following addresses:

MANAGER TO THE OFFER



CORPORATE PROFESSIONALS CAPITAL PRIVATE LIMITED

CIN: U74899DL2000PTC104508

D-28, South Extn., Part-I, New Delhi – 110 049

Contact Person: Mr. Manoj Kumar/Ms. Ruchika Sharma

Ph.: 91-11-40622228/248 Fax: 91-11-40622201

Email: manoj@indiacp.com / ruchika.sharma@indiacp.com

SEBI Regn. No: INM000011435

REGISTRAR TO THE OFFER

BEETAL

BEETAL Financial and Computer Services Private Limited

CIN: U67120DL1993PTC052486

BEETAL House, 3rd Floor, 99,
Madangir, Behind Local Shopping Centre,
New Delhi – 110 062

Contact Person: Mr. Punit Mittal

Ph.: 011-29961281/82/83

Fax: 011-29961284

Email: beetalrta@gmail.com

SEBI Regn. No.: INR 000000262

OFFER OPENS ON: AUGUST 24, 2016, WEDNESDAY

**OFFER CLOSSES ON: SEPTEMBER 07, 2016,
WEDNESDAY**

SCHEDULE OF ACTIVITIES OF THE OFFER

| ACTIVITY | ORIGINAL | ACTUAL |
|--|--------------------------|-------------------------------|
| | DATE AND DAY | DATE AND DAY |
| Public Announcement (PA) Date | March 17, 2016, Thursday | March 17, 2016, Thursday |
| Detailed Public Statement (DPS) Date | March 28, 2016, Monday | March 28, 2016, Monday |
| Last date for a competing offer | April 22, 2016, Friday | April 22, 2016, Friday |
| Identified Date* | May 03, 2016, Tuesday | August 08, 2016, Monday |
| Date by which LoF will be despatched to the shareholders | May 10, 2016, Tuesday | August 16, 2016, Tuesday |
| Issue Opening PA Date | May 16, 2016, Monday | August 23, 2016, Tuesday |
| Last date by which Board of TC shall give its recommendations | May 12, 2016, Monday | August 19, 2016, Friday |
| Date of commencement of tendering period (Offer opening Date) | May 17, 2016, Tuesday | August 24, 2016, Wednesday |
| Date of expiry of tendering period (Offer closing Date) | May 30, 2016, Monday | September 07, 2016, Wednesday |
| Date by which all requirements including payment of consideration would be completed | June 13, 2015, Monday | September 22, 2016, Thursday |

* Identified Date is only for the purpose of determining the names of the shareholders of the Target Company to whom the Letter of Offer would be sent.

RISK FACTORS

Given below are the risks related to the transaction, proposed Offer and those associated with the Acquirer along with PAC:

(A) Relating to Transaction

In terms of Regulation 23 (1) of SEBI (SAST) Regulations, 2011, there may be an event which warrants withdrawal of the Offer. The Acquirer makes no assurance with respect to the market price of the Shares both during the Offer Period and upon the completion of the Offer and disclaims any responsibility with respect to any decision by any Shareholder on whether to participate or not to participate in the Offer. However, in the SPAs dated March 17, 2016 there is no situation prescribed in which the Offer can be withdrawn. Similarly the Offer or the acquisition under the SPAs, is not subject to any regulatory approval.

(B) Relating to the Offer

- 1) In the event that either (a) the regulatory approvals are not received in a timely manner; (b) there is any litigation to stay the offer; or (c) SEBI instructs the Acquirer along with PAC not to proceed with

the Offer, then the Offer proceeds may be delayed beyond the schedule of activities indicated in this draft Letter of Offer. Consequently, the payment of consideration to the public shareholders of AFHL, whose shares have been accepted in the offer as well as the return of shares not accepted by the Acquirer along with PAC, may be delayed. In case of delay in receipt of any statutory approval, SEBI has the power to grant extension of time to Acquirer along with PAC for payment of consideration to the public shareholders of the Target Company who have accepted the Offer within such period, subject to Acquirer along with PAC agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI (SAST) Regulations, 2011.

- 2) In the event of over-subscription to the Offer, the acceptance will be on a proportionate basis.
- 3) The tendered shares and the documents would be held in trust by the Registrar to the Offer until the completion of Offer formalities. Accordingly, the Acquirer along with PAC makes no assurance with respect to any decision by the shareholders on whether or not to participate in the offer.
- 4) The Acquirer along with PAC and the Manager to the Offer accept no responsibility for statements made otherwise than in the Letter of Offer (LOF)/ Detailed Public Statement (DPS)/ Public Announcement (PA) and anyone placing reliance on any other sources of information (not released by the Acquirer along with PAC) would be doing so at his / her / its own risk.
- 5) Shareholders should note that those who have tendered shares in acceptance of the Open Offer shall not be entitled to withdraw such acceptance.

(C) Relating to Acquirer along with PAC

- 1) The Acquirer along with PAC makes no assurance with respect to the financial performance of the Target Company and disclaims any responsibility with respect to any decision by the Shareholders on whether or not to participate in the Offer.
- 2) The Acquirer along with PAC makes no assurance with respect to their investment/divestment decisions relating to their proposed shareholding in the Target Company.

The risk factors set forth above, pertain to the Offer and 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 shareholder in the Offer. Shareholders of AHFL are advised to consult their stockbrokers or investment consultants, if any, for analysing all the risks with respect to their participation in the Offer.

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1. DEFINITIONS

| | | |
|-----|--|--|
| 1. | Acquirer or The Acquirers | Mrs. Pallavi Mittal |
| 2. | Board of Directors / Board | The Board of Directors of Aayush Food and Herbs Limited |
| 3. | Book Value per share | Net worth / Number of equity shares issued |
| 4. | BSE | BSE Limited |
| 5. | Buying Broker | Integrated Master Securities Private Limited |
| 6. | Companies Act | The Companies Act, 2013, as amended from time to time |
| 7. | Detailed Public Statement or DPS | Detailed Public Statement which appeared in the newspapers on March 28, 2016 |
| 8. | EPS | Profit after Tax / Number of Equity Shares issued |
| 9. | Escrow Agreement | Escrow Agreement dated March 18, 2016 between the Acquirer, Escrow Agent and Manager to the Offer |
| 10. | Escrow Bank/ Escrow Agent | Kotak Mahindra Bank Limited, having its branch office at M-3, Omega Towers (Basement), Hauz Khas, New Delhi - 110017 |
| 11. | FEMA | The Foreign Exchange Management Act, 1999, as amended or modified from time to time |
| 12. | Form of Acceptance | Form of Acceptance cum Acknowledgement |
| 13. | LOO or Letter of Offer or LOF | This Letter of Offer |
| 14. | Manager to the Offer or, Merchant Banker | Corporate Professionals Capital Private Limited |
| 15. | MSEI | Metropolitan Stock Exchange of India Limited |
| 16. | N.A. | Not Available/Not Applicable |
| 17. | NRI | Non Resident Indian |
| 18. | Offer or The Offer or Open Offer | Open Offer for acquisition of upto 843,700 Equity Shares of face value of Rs. 10/- each being 26.00% of the present issued, subscribed and paid up share capital of Target Company at a price of Rs. 15.10/- per Equity share payable in cash. |
| 19. | Offer Period | March 17, 2016, Thursday to September 22, 2016, Thursday |
| 20. | Offer Price | Rs. 15.10/- (Rupees Fifteen and Ten Paise Only) per fully paid up Equity Share payable in cash |
| 21. | PAT | Profit After Tax |
| 22. | Persons eligible to participate in the Offer | Registered shareholders of Aayush Food and Herbs Limited and unregistered shareholders who own the Equity Shares of Aayush Food and Herbs Limited any time prior |

| | | |
|-----|-------------------------------------|---|
| | | to the closure of Offer, including the beneficial owners of the shares held in dematerialised form, except the parties to Share Purchase Agreements dated March 17, 2016, including persons deemed to be acting in concert with such parties, for the sale of shares of the Target Company. |
| 23. | Public Announcement or PA | Public Announcement submitted to BSE, MSEI as well as to SEBI on March 17, 2016. |
| 24. | Person Acting In Concert (PAC) | Mr. Ashish Mittal |
| 25. | Registrar or Registrar to the Offer | Beetal Financial and Computer Services Private Limited, an entity registered with SEBI under the SEBI (Registrar to Issue and Share Transfer Agents) Regulations, 1993, as amended or modified from time to time. |
| 26. | RBI | The Reserve Bank of India |
| 27. | Return on Net Worth | (Profit After Tax/Net Worth) *100 |
| 28. | INR or Rs. | Indian Rupees |
| 29. | SEBI Act | Securities and Exchange Board of India Act, 1992 |
| 30. | SEBI | Securities and Exchange Board of India |
| 31. | SEBI (SAST) Regulations, 2011 | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto |
| 32. | SEBI (SAST) Regulations, 1997 | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto |
| 33. | Sellers | Vertex Drugs Private Limited; and Surya Medi-Tech Limited |
| 34. | Share Purchase Agreements or SPAs | The two Share Purchase Agreements dated March 17, 2016 entered into amongst Acquirer and Sellers |
| 35. | Tendering Period | Wednesday, August 24, 2016 to Wednesday, September 07, 2016 |
| 36. | Target Company or AFHL | Aayush Food and Herbs Limited |

2. DISCLAIMER CLAUSE

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF LOF WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE LOF HAS BEEN SUBMITTED TO SEBI FOR A LIMITED

PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF AAYUSH FOOD AND HERBS LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER, PAC OR THE TARGET COMPANY WHOSE SHARES/ CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRER ALONG WITH PAC ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRER ALONG WITH PAC DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER “CORPORATE PROFESSIONALS CAPITAL PRIVATE LIMITED” HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED MARCH 31, 2016 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS 2011 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE LOF DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER ALONG WITH PAC FROM THE REQUIREMENT OF OBTAINING SUCH A STATUTORY CLEARANCES AS MAYBE REQUIRED FOR THE PURPOSE OF THE OFFER.”

3. DETAILS OF THE OFFER

3.1. Background of the Offer

- 3.1.1. The Offer is being made under Regulation 3(1) and Regulation 4 of SEBI (SAST) Regulations, 2011 for substantial acquisition of shares and control of Target Company.
- 3.1.2. On March 17, 2016, Mrs. Pallavi Mittal (hereinafter referred to as “**Acquirer**”), has entered into two Share Purchase Agreements (“**SPAs**”) with - (1) SPA 1 with Vertex Drugs Private Limited and (2) SPA 2 with Surya Medi-Tech Limited for the acquisition of 1,000,000 (Ten Lacs Only) fully paid-up Equity Shares (“**Sale Shares**”) of face value of Rs.10/- (Rupees Ten) each representing 30.82% of the present issued, subscribed and paid-up equity share capital along with acquisition of control of the Target Company at a price of Rs. 13.25/- (Rupees Thirteen and Twenty Five Paise Only) per fully paid-up equity shares aggregating to Rs. 13,250,000 (Rupees One Crore Thirty Two Lacs and Fifty Thousand Only) payable in cash. The Offer is not a result of Global Acquisition resulting in indirect acquisition of Target Company. As on the date of LoF, the Acquirer does not hold any equity shares in the Target Company and do not have any other interest in the Target Company except that, her husband who is acting in concert in this Takeover Open Offer is the Managing Director and holds 500,000 (Five Lacs) Equity Shares representing 15.41% of the paid up equity share

capital of the Target Company. In addition to this, her father-in-law and mother-in-law are presently the non-executive directors in the Target Company with nil shareholding.

3.1.3. The salient features of the two SPAs dated March 17, 2016 are laid down as under:

- The two SPAs dated March 17, 2016 between the Acquirer and Sellers for collectively acquisition of 1,000,000 (Ten Lacs) fully paid up equity shares representing 30.82% of the present issued, subscribed and paid up equity share capital of the Target Company at a price of Rs. 13.25/- (Rupees Thirteen and Twenty Five Paise Only) per share.
- The total consideration for the sale shares is Rs. 13,250,000/- (Rupee Thirteen Crores Two Lacs Fifty Thousand Only).
- Acquirer and sellers agree that if they will fail to comply with the provisions of SEBI (SAST) Regulations, 2011, the SPA shall not be acted upon by the Acquirer or Sellers.

3.1.4. There is no separate arrangement for acquisition of control over Target Company.

3.1.5. None of the Acquirer along with PAC as mentioned above has been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B of the SEBI Act or under any of the Regulations made under the SEBI Act, 1992.

3.1.6. Subsequent to the completion of Takeover Open Offer, Acquirer along with PAC does not propose to make any change in the BOD of the Target Company.

3.1.7. The recommendation of the committee of Independent Directors as constituted by the Board of Directors of the Target Company on the Offer will be published at least two working days before the commencement of the tendering period, in the same newspapers where the DPS was published and a copy whereof shall be sent to SEBI, BSE, MSEI and Manager to the Offer and in case of a competing offer/s to the manager/s to the open offer for every competing offer.

3.2. Details of the proposed offer

3.2.1. In accordance with Regulations 13(1) and 14(3) of SEBI (SAST) Regulations, 2011, the Acquirer along with PAC has given a PA on March 17, 2016 to SEBI, BSE and TC and DPS on March 28, 2016 which was published in the following newspapers:

| Publication | Editions |
|-----------------------------|----------------|
| Business Standard (English) | All Editions |
| Business Standard (Hindi) | All Editions |
| Mahanayak (Marathi) | Mumbai Edition |

The Detailed Public Statement is also available on the SEBI website at www.sebi.gov.in; BSE website at www.bseindia.com; MSEI website at www.msei.in; and the website of Manager to the Offer www.corporateprofessionals.com

3.2.2. The Acquirer along with PAC has made an Takeover Open Offer in terms of SEBI (SAST) Regulations, 2011 to the shareholders of AHFL to acquire upto 843,700 (Eight Lacs Forty Three Thousand and Seven Hundred Only) fully paid up Equity Shares of Rs. 10/- each representing 26.00% of the present issued, subscribed and paid up capital of the Target

Company at a price of Rs. 15.10/- (Rupees Fifteen and Ten Paise Only) per fully paid up equity share ("**Offer Price**"), payable in cash subject to the terms and conditions set out in the PA, DPS and this Letter of Offer.

- 3.2.3. There are no partly paid up shares in the Target Company.
- 3.2.4. There is no differential pricing in the Offer.
- 3.2.5. This is not a competitive Bid.
- 3.2.6. The Offer is not a conditional offer and is not subject to any minimum level of acceptance from the shareholders. The Acquirer will accept the Equity Shares of AFHL those are tendered in valid form in terms of this offer upto a maximum of 843,700 (Eight Lacs Forty Three Thousand Seven Hundred)Equity Shares representing 26.00% of the present issued, subscribed and paid up capital of the Target Company.
- 3.2.7. The Acquirer along with PAC have not acquired any shares of Target Company after the date of P.A. i.e. March 17, 2016 and upto the date of this LoF.
- 3.2.8. The Equity Shares of the Target Company 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.
- 3.2.9. As on the date of LoF, the Acquirer does not hold any equity shares in the Target Company and do not have any other interest in the Target Company except that, her husband who is acting in concert in this Takeover Open Offer is the Managing Director and holds 500,000 (Five Lacs) Equity Shares representing 15.41% of the paid up equity share capital of the Target Company. In addition to this, her father-in-law and mother-in-law are presently the non-executive directors in the Target Company with nil shareholding
- 3.2.10. Upon completion of the Offer, assuming full acceptances in the Offer and acquisition of Sale Shares in accordance with the SPAs, the Acquirer along with PAC will hold 2,343,700 (Twenty Three Lacs Forty Three Thousand and Seven Hundred)Equity Shares constituting 72.22% of the present issued, subscribed and paid up equity share capital of the Target Company. Pursuant to this Open Offer, the public shareholding in the Target Company will not reduce below the minimum public shareholding required as per the Securities Contracts (Regulation) Rules, 1957.
- 3.2.11. The Manager to the Offer, Corporate Professionals Capital Private Limited does not hold any Equity Shares in the Target Company as at the date of DPS and this LoF. The Manager to the Offer further declares and undertakes that it will not deal on its own account in the Equity Shares of the Target Company during the Offer Period.

3.3. Object of the Acquisition/ Offer

- (A) The main object of this acquisition is to acquire substantial acquisition of shares and control over the Target Company.
- (B) This Open Offer is for acquisition of 26.00% of the present issued, subscribed and paid up equity share capital of the Target Company. After the completion of this Open Offer and

pursuant to the acquisition of shares under SPAs, the Acquirer along with PAC shall become the single largest Equity Shareholder, by virtue of which she would try to exercise effective control over the management and affairs of Target Company.

- (C) The Acquirer along with PAC does not intend to make any changes in the management of the Target Company.

4. BACKGROUND OF THE ACQUIRER ALONG WITH PAC

4.1. MRS. PALLAVI MITTAL (“ACQUIRER”)

- 4.1.1. Mrs. Pallavi Mittal (“**Acquirer**”), W/o Mr. Ashish Mittal (“**PAC**”) R/o D-250, Anupam Garden, Sainik Farm, Delhi – 110062. She is a commerce graduate and holds experience of 2 years in the field of manufacturing, processing and trading of rice and other commodities.
- 4.1.2. The Net Worth of Acquirer is Rs. 31,512,060 (Rupees Three Crores Fifteen Lacs Twelve Thousand and Sixty Only) as certified vide certificate dated March 17, 2016 by Mr. Chirag Aggarwal (Membership No. 523052) of M/s. Kapil Kumar & Co., Chartered Accountants having office at 3rd Floor, SRK Mall, 14 Mall Road, Amritsar – 143001; Tel. No. 0183-5003430, +91-97799-00419; Email: kapilkumarcoasr@gmail.com
- 4.1.3. As on date of DPS, Acquirer does not hold any equity shares in the Target Company and do not have any other interest in the Target Company except that, her husband who is acting in concert in this Takeover Open Offer is the Managing Director and holds 500,000 (Five Lacs) Equity Shares representing 15.41% of the paid up equity share capital of the Target Company. In addition to this, her father-in-law and mother-in-law are presently the non-executive directors in the Target Company with nil shareholding.
- 4.1.4. With respect to the Target Company, there is no applicability of compliance with the provisions of Chapter II and Chapter V of SEBI (SAST) Regulations, 1997/2011 by the Acquirer.
- 4.1.5. The Acquirer does not hold any Directorship/ Designated Partnership in any Company/ LLP or promoter/ control any Company, LLPs, and firms.
- 4.1.6. The Acquirer as mentioned above has not been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B of the SEBI Act or under any of the Regulations made under the SEBI Act, 1992.

4.2. MR. ASHISH MITTAL (“PAC”)

- 4.2.1. Mr. Ashish Mittal (“**PAC**”), S/o Mr. Sunil Mittal R/o D-250, Anupam Garden, Sainik Farm, Delhi – 110062. He is a commerce graduate and holds experience of more than 4 years in the field of business operations and marketing.
- 4.2.2. The Net Worth of Acquirer is Rs. 63,223,911.37 (Rupees Six Crores Thirty Two Lacs Twenty Three Thousand Nine Hundred Eleven and Thirty Seven Paise Only) as certified vide certificate dated March 17, 2016 by Mr. Chirag Aggarwal (Membership No. 523052) of M/s. Kapil Kumar & Co., Chartered Accountants having office at 3rd Floor, SRK Mall, 14 Mall

Road, Amritsar – 143001; Tel. No. 0183-5003430, +91-97799-00419; Email: kapilkumarcoasr@gmail.com.

4.2.3. As on date of DPS, PAC is the Managing Director of Target Company and holds 500,000 (Five Lacs) Equity Shares comprising 15.41% of the paid-up share capital of the Target Company. In addition to this, his father and mother are presently the non-executive directors in the Target Company with nil shareholding.

4.2.4. The details of Companies/ Firms where PAC holds directorship/ is partner in the given below:

| PAC's Directorship in Other Companies | | |
|---|-------------------------|-----------------------|
| Name of the Company/ Firm | Designation | CIN |
| G P M Spinning Mills Private Limited | Director | U17110PB2005PTC028070 |
| Santosh Overseas Limited | Director | U52100DL2007PLC161735 |
| Empire Finvest Limited | Director | U65921PB1995PLC015586 |
| Priority Vanijya Private Limited | Director | U51109WB2007PTC120061 |
| Santosh Warehousing Limited | Director | U63020DL2012PLC230569 |
| NAV Tradex Private Limited | Director | U51909DL2004PTC127036 |
| Ashish Associates | Proprietor | Not Applicable |
| Companies/ Firms Promoted/ Controlled by PAC's | | |
| Name of the Company/ Firm | Shareholding (%) | CIN |
| Santosh Warehousing Limited | 8.22 | U63020DL2012PLC230569 |
| N. A. Foods Private Limited | 5.56 | U15400PB2010PTC033874 |
| Santosh Overseas Limited | 9.84 | U52100DL2007PLC161735 |
| NAV Tradex Private Limited | 25.00 | U51909DL2004PTC127036 |
| GPM Spinning Mills Private Limited | 0.55 | U17110PB2005PTC028070 |

4.2.5. Mr. Ashish Mittal is acting in concert ("PAC") with the Acquirer and Acquirer and PAC are spouse to each other.

4.2.6. None of the Acquirer along with PAC as mentioned above has been prohibited by Securities and Exchange Board of India from dealing in securities, in terms of directions issued u/s 11B of the SEBI Act, 1992 or under any of the Regulations made under the SEBI Act, 1992.

4.2.7. With respect to alleged acquisition of control over the Target Company without giving Open Offer in terms of Regulation 4 of SEBI (SAST) Regulations, 2011, by Mr. Ashish Mittal on July 25, 2014 by acquiring 15.41% equity shares along with becoming the Managing Director

of the Target Company, SEBI may initiate appropriate action against Mr. Ashish Mittal for the violation of Regulation 4 of SEBI (SAST) Regulations, 2011, if the violation is established.

5. BACKGROUND OF THE TARGET COMPANY – AAYUSH FOOD AND HERBS LIMITED

5.1. AFHL was originally incorporated as Arihant Properties and Plantation Limited on June 02, 1984, under the Companies Act, 1956 with the Registrar of Companies, NCT of Delhi and Haryana vide registration no. 018307 & CIN L01122DL1984PLC018307. The Company obtained its Certificate of Commencement of Business from the Registrar of Companies, NCT of Delhi & Haryana on July 18, 1984. On March 07, 2007, the name of the Target Company was changed to MAA Kamakhya Ayurveda Limited and then on December 06, 2007 to Patanjali Food and Herbs Limited. Further on March 04, 2010, the name of Target Company was changed to Aayush Food and Herbs Limited. The registered office of AFHL is situated at G-321, Chirag Delhi, New Delhi – 110017. The Target Company is into the business of packaged foods specifically grains, commodities etc.

5.2. Share capital structure of the Target Company as on the date of LoF is as follows-

| Paid up Equity Shares of Target Company | No. of Shares/ voting rights | % of voting rights |
|--|--|---------------------------|
| Fully paid up equity shares | 3,245,000 Equity Shares of Rs. 10 each | 100.00 |
| Partly paid up equity shares | Nil | Nil |
| Total paid up equity shares | 3,245,000 Equity Shares of Rs. 10 each | 100.00 |
| Total voting rights in TC | 3,245,000 Equity Shares of Rs. 10 each | 100.00 |

5.3. The shares of the Target Company got listed on BSE on December 31, 2015 and on MSEI on January 12, 2015. Before listing at MSEI it was listed on DSE and, the regional exchanges of which recognitions have been revoked by SEBI. The equity shares of Target Company are listed and traded on BSE and MSEI. Presently, the equity shares of the Target Company are infrequently traded within the meaning of definition of frequently traded shares” under clause (j) of Sub-Regulation (1) of Regulation 2 of the SEBI (SAST) Regulations.

5.4. The authorised share capital of the Target Company as on date is Rs. 35,000,000/- (Rupees Three Crores Fifty Lacs Only) consisting of 3,500,000 (Thirty Five Lacs) Equity Shares of Rs. 10/- each. The present issued and paid up share capital of the Target Company as on the date is Rs. 32,450,000 (Rupees Three Crores Twenty Four Lacs Fifty Thousand Only) divided into 3,245,000 (Thirty Two Lacs Forty Five Thousand) Equity Shares of the face value of Rs. 10/- each. All the equity shares of the Target Company are listed on Stock Exchanges.

5.5. There are currently no outstanding partly paid up shares or any other instruments convertible into Equity Shares of the Target Company at a future date.

5.6. On October 30, 2014, the promoter group of the Target Company sold their entire shareholding and presently the Target Company do not have any promoters.

5.7. The equity shares of the Company are not currently suspended for trading on any Stock Exchanges.

5.8. As on the date of LoF, the composition of the Board of Directors of AFHL is as under:

| S. No. | Name and Address of Director | Designation | Date of Appointment |
|--------|---|----------------------|---------------------|
| 1. | Mr. Ashish Mittal Address: D-250, Anupam Garden, Sainik Farm, Delhi – 110017 | Managing Director | 25/07/2014 |
| 2. | Mr. Sunil Mittal Address: D-250, Anupam Garden, Sainik Farm, Delhi – 110017 | Director | 25/07/2014 |
| 3. | Mrs. Neena Mittal Address: D-250, Anupam Garden, Sainik Farm, Delhi – 110017 | Director | 10/08/2014 |
| 4. | Mr. Ajay Mathur Address: D-96, Munirka, Flat No-18, Shubhram Complex, Near Barat Ghar, Delhi – 110067 | Independent Director | 13/02/2015 |
| 5. | Mr. Atul Kumar Chaturvedi Address: Aashirwad, 785, Sheel Nagar, Sagartal Road, Gwalior – 474012 | Independent Director | 13/02/2015 |
| 6. | Mr. Rajesh Goel Address: F 71/8, Nehru Nagar Tritya, Block F, Ghaziabad, Uttar Pradesh – 201001 | Additional Director | 17/02/2016 |
| 7. | Mr. Pawan Kumar Singh Address: 204B, First Floor, Pocket M, Near Temple Flats, Sarita Vihar, New Delhi – 110076 | Additional Director | 17/02/2016 |

5.9. There has been no merger/de-merger, spin off during last 3 years involving the Target Company.

5.10. During this Offer a few instances of non-compliances of provisions of SEBI (SAST) Regulations, 1997/2011 were found. SEBI may initiate appropriate actions, for imposing monetary penalty against the erstwhile promoters and shareholders of the Target Company for the non-compliance of disclosure requirement under Takeover Regulations, if violations are established.

5.11. The financial information of Target Company based on the audited standalone financial statements for the financial year ended March 31, 2013, March 31, 2014, March 31, 2015 and nine months ended December 31, 2015 are as follows:

(Rs. In Lacs)

| Profit & Loss Statement | Year Ended 31.03.2013 (Audited) | Year Ended 31.03.2014 (Audited) | Year Ended 31.03.2015 (Audited) | Nine Months Ended 31.12.2015 (Unaudited) |
|--|--|--|--|---|
| Income from Operations | 14.72 | 2.72 | 7.13 | 4.50 |
| Other Income | 5.79 | 1.80 | 1.01 | 7.27 |
| Increase/ (Decrease) in Stock | 0.00 | 0.00 | 0.00 | 0.00 |
| Total Income | 20.51 | 4.52 | 8.14 | 11.77 |
| Total Expenditure (Excluding Depreciation and Interest) | 19.70 | 3.41 | 9.04 | 14.55 |
| Profit Before Depreciation Interest and Tax | 0.81 | 1.11 | (0.89) | (2.78) |
| Depreciation | 0.60 | 0.95 | 1.05 | 0.69 |
| Interest | 0.00 | 0.00 | 0.00 | 0.00 |
| Profit/ (Loss) Before Tax | 0.21 | 0.16 | (1.94) | (3.47) |
| Provision for Tax | 0.12 | (0.10) | (0.58) | 0.99 |
| Profit/ (Loss) After Tax | 0.09 | 0.26 | (1.36) | (4.46) |

| Balance Sheet Statement | Year Ended 31.03.2013 (Audited) | Year Ended 31.03.2014 (Audited) | Year Ended 31.03.2015 (Audited) | Nine Months Ended 31.12.2015 (Unaudited) |
|--|--|--|--|---|
| Sources of funds | | | | |
| Paid up share capital | 24.50 | 24.50 | 324.50 | 324.50 |
| Reserves and Surplus (Excl. Revaluation Reserves) | 7.01 | 7.27 | 80.91 | 76.45 |
| Secured loans | 0.00 | 0.00 | 0.00 | 0.00 |
| Unsecured loans | 0.00 | 0.00 | 0.00 | 0.00 |
| Deferred Tax Liability (Net) | 0.00 | 0.00 | 0.00 | 0.00 |
| Total | 31.51 | 31.77 | 405.41 | 400.95 |
| Uses of funds | | | | |
| Net fixed assets | 3.38 | 2.94 | 1.90 | 1.90 |

| | | | | |
|---|--|--|--|---|
| Investments | 16.93 | 19.44 | 19.44 | 19.44 |
| Net current assets | 7.22 | 8.62 | 382.73 | 382.73 |
| Total miscellaneous expenditure not written off | 0.00 | 0.00 | 0.00 | 0.00 |
| Total | 27.53 | 31.00 | 404.07 | 404.07 |
| Other Financial Data | Year Ended 31.03.2013 (Audited) | Year Ended 31.03.2014 (Audited) | Year Ended 31.03.2015 (Audited) | Nine Months Ended 31.12.2015 (Unaudited) |
| Dividend (%) | 0.00 | 0.00 | 0.00 | 0.00 |
| Earnings Per Share (Rs.) | 0.04 | 0.11 | (0.04) | (0.14) |
| Networth (Rs. In Lacs) | 31.51 | 31.77 | 405.41 | 400.95 |
| Return on Networth (%) | 0.29% | 0.82% | (0.34)% | (1.11%) |
| Book Value Per Share (Rs.) | 12.86 | 12.97 | 12.49 | 12.36 |

Source- As certified by Mr. Amit Kumar (Membership No. 518735), Partner of Sudhir Aggarwal & Associates, Chartered Accountant having office at 508, Arunachal Building, 19, Barakhamba Road, New Delhi – 110 001; Tel. 011-43592522, vide certificate dated March 17, 2016.

5.12. Pre and Post- Offer shareholding pattern of the Target Company as on the date of LoF is as follows:

| Sr. No. | Shareholder Category | Shareholding & Voting rights prior to the Agreement/ acquisition and Offer (A) | | Shares/voting rights agreed to be acquired Which triggered off the Regulations (B) | | Shares/Voting rights to be acquired in the Open Offer (assuming full acceptance) (C) | | Shareholding/ voting rights after the acquisition and Offer i.e. (A+B+C) | |
|---------|-----------------------------------|--|-----------|--|-----------|--|-----------|--|-----------|
| | | No. | % | No. | % | No. | % | No. | % |
| 1 | Promoter Group | | | | | | | | |
| | a. Parties to agreement, if any | Nil | NA | Nil | NA | Nil | NA | Nil | NA |
| | b. Promoters other than (a) above | Nil | NA | Nil | NA | Nil | NA | Nil | NA |
| | Total 1 (a+b) | Nil | NA | Nil | NA | Nil | NA | Nil | NA |
| 2 | Acquirer or | | | | | | | | |

| | PAC | | | | | | | | |
|----|---|------------------|---------------|--------------------|----------------|------------------|----------------|------------------|---------------|
| | Mrs. Pallavi Mittal | Nil | NA | 1,000,000 | 30.82 | 843,700 | 26.00 | 1,843,700 | 56.82 |
| | Mr. Ashish Mittal | 500,000 | 15.41 | Nil | NA | Nil | NA | 500,000 | 15.41 |
| | Total 2 | 500,000 | 15.41 | 1,000,000 | 30.82 | 843,700 | 26.00 | 2,343,700 | 72.22 |
| 3 | Parties to the agreement other than 1(a) & 2 | Nil | NA | Nil | NA | Nil | NA | Nil | NA |
| 4 | Public | | | | | | | | |
| a. | FIs / MFs / FIs / Banks, SFIs | 0 | 0.00 | | | | | | |
| b. | Others | 2,745,000 | 84.59 | (1,000,000) | (30.82) | (843,700) | (26.00) | 901,300 | 27.77 |
| | Total (4)(a+b) | 2,745,000 | 84.59 | (1,000,000) | (30.82) | (843,700) | (26.00) | 901,300 | 27.77 |
| | Total (1+2+3+4) | 3,245,000 | 100.00 | | | | | 3,245,000 | 100.00 |

Notes: The data within bracket indicates sale of equity shares.

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1. Justification of Offer Price

6.1.1. The Offer is made pursuant to the direct acquisition of shares and control over the Target Company by the Acquirer along with PAC. This Offer is not pursuant to any global acquisition resulting in an indirect acquisition of shares of the Target Company.

6.1.2. The Equity Shares of the Target Company are listed on BSE. The annualized trading turnover in the Equity Shares of the Target Company based on trading volume during the twelve calendar months prior to the month of PA (March, 2015 to February, 2016) is as given below:

| Stock Exchange | Total No. of equity shares traded during the Twelve calendar months prior to the month of PA | Total No. of Equity Shares | Annualised Trading Turnover (as % of Total Equity Shares) |
|-----------------------|---|-----------------------------------|--|
| BSE | 79,918 | 3,245,000 | 2.46% |
| MSEI | Nil | Nil | Nil |

(Source: www.bseindia.com and www.msei.in)

6.1.3. The equity shares of the Target Company are listed and traded on BSE and MSEI (hereinafter referred to as "Stock Exchanges") and are infrequently traded within the

meaning of definition of “frequently traded shares” under clause (j) of Sub-Regulation (1) of Regulation 2 of the SEBI (SAST) Regulations).

6.1.4. The Offer Price of Rs. 13.25/- (Rupees Thirteen and Twenty Five Paise Only) is justified, in terms of Regulation 8(2) of the SEBI (SAST) Regulations, being the highest of the following:

| S. No. | Particulars | Price |
|--------|--|---------------------|
| (a) | Negotiated Price | Rs. 13.25 per share |
| (b) | The volume-weighted average price paid or payable for acquisition whether by the Acquirer or by any person acting in concert with him, during 52 weeks immediately preceding the date of PA | Not Applicable |
| (c) | The highest price paid or payable for any acquisition, whether by the acquirer or by any person acting in concert with him, during 26 weeks immediately preceding the date of the PA | Not Applicable |
| (d) | The volume-weighted average market price of shares for a period of sixty trading days immediately preceding the date of the public announcement as traded on the stock exchange where the maximum volume of trading in the shares of the target company are recorded during such period. | Not Applicable |

| Other Parameters* | Based on the unaudited financial data for the period ended December 31, 2015 |
|----------------------------|--|
| Return on Net Worth (%) | (1.11) |
| Book Value per Share (Rs.) | 12.36 |
| Earnings Per Share (Rs.) | (0.14) |

Source- As certified by Mr. Amit Kumar (Membership No.518735) of M/s. Sudhir Agarwal & Associates, Chartered Accountants having office at 508, Arunachal Building, 19, Barakhama Road, New Delhi – 110001; Tel. No.011-43592522; Fax No.: 011-43592522; Email: sudhircai@yahoo.com vide certificate dated March 17, 2016.

6.1.5. During the Offer Period, the following factual position with respect to the controlling position of PAC came to our notice:

- On July 25, 2014, the Board of Target Company appointed Mr. Ashish Mittal as the Managing Director of the Target Company in **professional capacity** and his appointment was approved by the shareholders of the Target Company in its

Annual General Meeting held on September 20, 2014. At that time Mr. Ashish Mittal was not holding any share in the Target Company;

- Further, the Target Company, on October 31, 2014 allotted 500,000 Equity Shares each to the six allottees, including Mr. Ashish Mittal on preferential allotment basis as Non-promoters;
- PAC never felt that he is assuming Control by becoming Managing Director along with subscribing to 15.41% Equity Shares in the Target Company and hence he did not give the Open Offer;
- Now, as PAC's wife has given the Offer, accordingly to settle the issue, the Offer Price assuming July 25, 2014 is calculated hereinbelow:
 - The shares of the Target Company got listed on MSEI on January 12, 2015 and on BSE on December 31, 2015. Before listing at MSEI and BSE, it was listed on DSE and there was no trading on DSE at that time. The annualized trading turnover in the Equity Shares of the Target Company based on trading volume during the twelve calendar months prior to the date of said trigger (July, 2013 to June, 2014) is as given below:

| Stock Exchange | Total No. of equity shares traded during the Twelve calendar months prior to the date of said trigger | Total No. of Equity Shares | Annualised Trading Turnover (as % of Total Equity Shares) |
|----------------|---|----------------------------|---|
| BSE | Nil | 245,000 | 0.00% |

(Source: www.bseindia.com)

- The equity shares of the Target Company were **infrequently traded** within the meaning of definition of “frequently traded shares” under clause (j) of Sub-Regulation (1) of Regulation 2 of the SEBI (SAST) Regulations);
- The Offer Price considering PA date as July 25, 2014 should be the highest of the following:

| S. No. | Particulars | Price |
|--------|--|----------------|
| (a) | Negotiated Price | Not Applicable |
| (b) | The volume-weighted average price paid or payable for acquisition whether by the Acquirer or by any person acting in concert with him, during 52 weeks immediately preceding July 25, 2014 | Not Applicable |
| (c) | The highest price paid or payable for any acquisition, whether by the Acquirer or by any person acting in concert with him, during 26 weeks immediately preceding July 25, 2014 | Not Applicable |

| | | |
|-----|---|----------------|
| (d) | The volume-weighted average market price of shares for a period of sixty trading days immediately preceding the July 25, 2014 as traded on the stock exchange where the maximum volume of trading in the shares of the target company are recorded during such period | Not Applicable |
|-----|---|----------------|

| | |
|-------------------------------|--|
| Value per share | Based on the audited financial data for the period ended March 31, 2014 |
| Book Value per Share (In Rs.) | 12.97 |

○ **Calculation of Interest:**

| Period | Interest @ 10% p. a. on Rs. 12.97 (In Rs.) |
|--------------------------|---|
| 26-07-2014 to 31-12-2014 | 0.56 |
| 01-01-2015 to 31-12-2015 | 1.30 |
| 01-01-2016 to 18-02-2016 | 0.27 |
| Total | 2.14 |

- Considering the Offer Price as Rs. 12.97 per share and the interest thereon for the delay period should be Rs. 2.14 per share, the Offer Price is coming out to be Rs. 15.10 per share.

In term of above, the Acquirer along with PAC has agreed to revise and increase the Offer Price to Rs. 15.10 per shares from the original offer price of Rs. 13.25 per share.

In view of the parameters considered and presented in table above, in the opinion of the Acquirer along with PAC and Manager to the Offer, the Offer Price of Rs. 15.10/- (Rupees Fifteen and Ten Paise Only) per share is justified in terms of Regulation 8 of the SEBI (SAST) Regulations.

- 6.1.6. There have been no corporate actions in the Target Company warranting adjustment of relevant price parameters.
- 6.1.7. In the event of further acquisition of Equity Shares of the Target Company by the Acquirer along with PAC during the offer period, whether by subscription or purchase, 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, it shall not be acquiring any equity shares of the Target Company after the third working day prior to the commencement of the tendering period and until the expiry of the tendering period.
- 6.1.8. If the Acquirer along with PAC acquire equity shares of the Target Company during the period of twenty-six weeks after the tendering period at a price higher than the Offer Price, then the Acquirer along with PAC shall pay the difference between the highest acquisition

price and the Offer Price, to all shareholders whose shares have been accepted in Offer within sixty days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under an open offer under the SEBI (SAST) Regulations, or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2009, or open market purchases made in the ordinary course on the stock exchanges, not being negotiated acquisition of shares of the Target Company in any form.

6.1.9. As on date, there is no revision in Open Offer Price or Open Offer Size. In case of any revision in the Open Offer Price or Open Offer Size, the Acquirer along with PAC shall comply with Regulation 18 of SEBI (SAST) Regulations and all the provisions of SEBI (SAST) Regulations which are required to be fulfilled for the said revision in the Open Offer Price or Open Offer Size.

6.1.10. If there is any revision in the offer price on account of future purchases / competing offers, it will be done only up to the period prior to three (3) working days before the date of commencement of the tendering period and would be notified to the shareholders.

6.2. Financial Arrangement

6.2.1. The total fund requirement for the Offer (assuming full acceptances) i.e. for the acquisition upto 843,700 (Eight Lacs Forty Three Thousand Seven Hundred) Equity Shares from the public shareholders of the Target Company at an Offer Price of Rs. 15.10/- (Rupees Fifteen and Ten Paise Only) per fully paid up equity share is Rs. 12,739,870 (Rupees One Crore Twenty Seven Lacs Thirty Nine Thousand and Eight Hundred and Seventy Only) (the "**Maximum Consideration**").

6.2.2. The Acquirer along with PAC has adequate resources and has made firm financial arrangements for financing the acquisition of the Equity Shares under the Offer in terms of Regulation 25(1) of the SEBI (SAST) Regulations. The acquisition will be financed through internal resources of the Acquirer along with PAC.

6.2.3. Acquirer, the Manager to the Offer and Kotak Mahindra Bank Limited, a company incorporated under the Companies Act, 1956, and carrying on business as a banking company under Banking Regulations Act, 1949 having one of its branch offices at M-3, Omega Towers (Basement), Hauz Khas, New Delhi – 110017, have entered into an Escrow Agreement dated March 18, 2016 for the purpose of the Offer (the "**Offer Escrow Agreement**") in accordance with Regulation 17 of the SEBI (SAST) Regulations. In terms of the Escrow Agreement, the Acquirer have opened an Escrow Account and deposited cash of Rs. 3,200,000 (Rupees Thirty Two Lacs Only) being more than 25.00% of the Maximum Consideration.

6.2.4. The Acquirer has authorized the Manager to the Offer to realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations.

6.2.5. Mr.Chirag Aggarwal (Membership No. 523052) of M/s. Kapil Kumar & Co., Chartered Accountants having office at 3rd Floor, SRK Mall, 14 Mall Road, Amritsar – 143001; Tel. No.

0183-5003430, +91-97799-00419; Email: kapilkumarcoasr@gmail.comvide certificate dated March 17, 2016 certified that the Acquirer along with PAC have sufficient resources to meet the fund requirement for the Takeover of Target Company.

- 6.2.6. Based on the above and in the light of the escrow arrangement, the Manager to the Offer is satisfied that firm arrangements have been put in place by the Acquirer along with PAC to fulfill their obligations through verifiable means in relation to the Offer in accordance with the Regulations.

7. TERMS AND CONDITIONS OF THE OFFER

7.1. Operational terms and conditions

- 7.1.1. The Offer is not subject to any minimum level of acceptances from shareholders.
- 7.1.2. LoF will be dispatched to all the equity shareholders of AFHL, whose names appear in its Register of Members on August 08, 2016, Monday, the Identified Date.
- 7.1.3. The Offer is subject to the terms and conditions set out in this Letter of Offer, the Form of Acceptance, the PA, the DPS and any other Public Announcements that may be issued with respect to the Offer.
- 7.1.4. The LoF along with the Form of Acceptance cum acknowledgement would also be available at SEBI's website, www.sebi.gov.in, and shareholders can also apply by downloading such forms from the website.
- 7.1.5. This Offer is subject to the receipt of the statutory and other approvals as mentioned in paragraph 7.4. of this LOF. In terms of Regulation 23(1) of the Regulations, if the statutory approvals are refused, the Offer would stand withdrawn.
- 7.1.6. While it would be ensured that the Letter of Offer is despatched by the due date to all the eligible shareholders as on the Identified Date, non-receipt of this Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever.
- 7.1.7. The acceptance of the Offer must be unconditional and should be on the enclosed Form of Acceptance and sent along with the other documents duly filled in and signed by the applicant shareholder(s).
- 7.1.8. Any equity shares that are subject matter of litigation or are held in abeyance due to pending court cases/attachment orders/ restriction from other statutory authorities wherein the shareholder may be precluded from transferring the equity shares during pendency of the said litigation are liable to be rejected if directions/orders regarding these equity shares are not received together with the equity shares tendered under the Offer.

7.2. Locked in shares: There are no lock-in shares in the Company.

7.3. Persons eligible to participate in the Offer

Registered shareholders of AFHL and unregistered shareholders who own the Equity Shares of AFHL any time prior to the Closure of Offer, including the beneficial owners of the shares held in

dematerialised form, except the parties to Share Purchase Agreements dated March 17, 2016 including persons deemed to be acting in concert with such parties, for the sale of shares of the Target Company.

7.4. Statutory and other Approvals:

- 7.4.1. Shareholder of the Target Company who are either Non-Resident Indians (“NRIs”) or Overseas Corporate Bodies (OCBs) and wish to tender their Equity Shares in this Open Offer shall be required to submit all the applicable approvals (specific and general) from the Reserve Bank of India (RBI) that they have obtained at the time of their acquisition of the Equity Shares of the Target Company. In the event such approvals from the RBI are not submitted, the Acquirer reserves the sole right to reject the Equity Shares tendered by such shareholders in the Open Offer. This Open Offer is subject to receipt of the requisite RBI approvals, if any, for acquisition of Equity Shares by the Acquirer from NRIs and OCBs.
- 7.4.2. As of the date of this LOO, there are no other statutory approvals required to acquire the equity shares tendered pursuant to this Open Offer. If any other statutory approvals required or become applicable, the Open Offer would be subject to the receipt of such other statutory approvals. The Acquirer will not proceed with the Open Offer in the event such statutory approvals that are required are refused in terms of Regulation 23 of SEBI (SAST) Regulations. This Open Offer is subject to all other statutory approvals that may become applicable at a later date before the completion of the Open Offer.
- 7.4.3. No approval from any bank or financial institutions is required for the purpose of this Offer.
- 7.4.4. In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirer for payment of consideration to the public shareholders of the Target Company who have accepted the Offer within such period, subject to the Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI (SAST) Regulations.
- 7.4.5. The Acquirer shall complete all procedures relating to the Open Offer including payment of consideration to the shareholders whose shares are accepted in the open offer within 10 working days from the last date of the tendering period.

8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

- 8.1. The Open Offer will be implemented by the Acquirer along with PAC through Stock Exchange Mechanism made available by the Stock Exchanges in the form of separate window (“**Acquisition Window**”) as provided under the SEBI (SAST) Regulations and SEBI circular CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015 issued by SEBI.
- 8.2. **BSE** shall be the **Designated Stock Exchange** for the purpose of tendering Equity Shares in the Open Offer.
- 8.3. The facility for acquisition of shares through Stock Exchange Mechanism pursuant to the Offer shall be available on the BSE in the form of a separate window (“**Acquisition Window**”).

8.4. The Acquirer has **Integrated Master Securities Private Limited (“Buying Broker”)** for the Open Offer through whom the purchases and settlement of Open Offer shall be made during the Tendering Period.

The Contact details of the Buying Broker are as mentioned below:

Name - Integrated Master Securities Private Limited;

Address - 303-304, 3rd Floor, New Delhi House 27, Barakhama Road, New Delhi – 110001;

Contact Person - Ms. Manisha Singh;

Telephone - 011-43074307;

Fax - 011-43074315;

Email ID: ceo@integratedmaster.com;

8.5. All Shareholders who desire to tender their Shares under the Open Offer would have to approach their respective stock brokers (**“Selling Broker”**), during the normal trading hours of the secondary market during the Tendering Period.

8.6. Separate Acquisition window will be provided by BSE to facilitate placing of sell orders. The Selling Brokers can enter orders for demat Equity Shares as well as physical Equity Shares.

8.7. The cumulative quantity tendered shall be displayed on the exchange website throughout the trading session at specific intervals by the Stock Exchange during the Tendering Period.

8.8. Shareholders can tender their shares only through a broker with whom the Shareholder is registered as client (KYC Compliant).

8.9. Procedure for tendering Equity Shares held in dematerialised Form:

- a) The Equity Shareholders who are holding the Equity Shares in demat form and who desire to tender their Equity Shares in this Offer shall approach their broker indicating to their broker the details of Equity Shares they intend to tender in Open Offer.
- b) The Selling Broker shall provide early pay-in of demat shares (except for custodian participant orders) to the Clearing Corporation before placing the orders and the same shall be validated at the time of order entry.
- c) For custodian participant, orders for demat Equity Shares early pay-in is mandatory prior to confirmation of order by the custodian. The custodians shall either confirm or reject orders not later than close of trading hours on the last day of the Offer Period. Thereafter, all unconfirmed orders shall be deemed to be rejected.
- d) The details of settlement number for early pay-in of Equity Shares shall be informed in the issue opening circular that will be issued by the Stock Exchanges / Clearing Corporation, before the opening of the Offer.
- e) Upon placing the order, the Selling Broker(s) shall provide transaction registration slip (**“TRS”**) generated by the exchange bidding system to the Shareholder. TRS will contain details of order submitted like bid ID No., DP ID, client ID, no. of Equity Shares tendered etc.

- f) The Shareholders will have to ensure that they keep the depository participant (“DP”) account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Open Offer.

The Shareholders holding Equity Shares in demat mode are not required to fill any Form of Acceptance-cum-Acknowledgement. The Shareholders are advised to retain the acknowledged copy of the DIS and the TRS till the completion of Offer Period.

8.10. Procedure to be followed by registered Shareholders holding Equity Shares in the physical form:

- a) Shareholders who are holding physical Equity Shares and intend to participate in the Offer will be required to approach their respective Selling Broker along with the complete set of documents for verification procedures to be carried out including the:
- i. The Form of Acceptance-cum-Acknowledgement duly signed (by all Equity Shareholders in case shares are in joint names) in the same order in which they hold the Equity Shares;
 - ii. Original share certificates;
 - iii. Valid share transfer form(s) duly filled and signed by the transferors (i.e. by all registered Shareholders in same order and as per the specimen signatures registered with the Target Company and duly witnessed at the appropriate place authorizing the transfer in favour of the Acquirer;
 - iv. Self-attested copy of the Shareholder's PAN Card;
 - v. Any other relevant documents such as (but not limited to):
 - Duly attested power of attorney if any person other than the Equity Shareholder has signed the relevant Form of Acceptance-cum-Acknowledgement;
 - Notarized copy of death certificate / succession certificate or probated will, if the original Shareholder has deceased;
 - Necessary corporate authorisations, such as Board Resolutions etc., in case of companies.
 - vi. In addition to the above, if the address of the Shareholder has undergone a change from the address registered in the register of members of the Target Company, the Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: Valid Aadhar Card, Voter Identity card or Passport.
- b) Selling Broker should place order on the Acquisition Window with relevant details as mentioned on the physical share certificate(s). Upon placing the order, the Selling Broker shall provide a TRS generated by the exchange bidding system to the Shareholder. TRS will contain the details of order submitted like folio no., certificate no., distinctive no., no. of Equity Shares tendered etc.

- c) After placement of order, as mentioned in paragraph 10(b), the Selling Broker must ensure delivery of the Form of Acceptance-cum-Acknowledgement, TRS, original share certificate(s), valid share transfer form(s) and other documents (as mentioned in paragraph 8.10(a)) 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 Offer Closing Date (by 5 PM). The envelope should be superscribed as **“AAYUSH FOOD AND HERBS LIMITED – OPEN OFFER”**. One copy of the TRS will be retained by Registrar to the Offer and it will provide acknowledgement of the same to the Selling Broker.
- d) 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 by the Acquirer along with PAC shall be subject to verification as per the SEBI (SAST) Regulations and any further directions issued in this regard. Registrar to the Offer will verify such orders based on the documents submitted on a daily basis and till such time the BSE shall display such orders as “unconfirmed physical bids”. Once, Registrar to the Offer confirms the orders it will be treated as “Confirmed Bids”.
- e) In case any person has submitted Equity Shares in physical form for dematerialisation, such Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Offer before the Offer Closing Date.

8.11. Modification / Cancellation of orders will not be allowed during the period the Offer is open.

8.12. The cumulative quantity tendered shall be made available on the website of the BSE throughout the trading session and will be updated at specific intervals during the Tendering Period.

8.13. Procedure for tendering the shares in case of non-receipt of Letter of Offer:

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. A Shareholder may participate in the Offer by approaching their broker and tender Equity Shares in the Open Offer as per the procedure mentioned in this Letter of Offer or in the Form of Acceptance–cum-Acknowledgement. The Letter of Offer along with Form of Acceptance cum-Acknowledgement will be dispatched to all the eligible shareholders of the Target Company as of the Identified Date. In case of non-receipt of the Letter of Offer, such eligible shareholders of the Target Company may download the same from the SEBI website (www.sebi.gov.in) or BSE website (www.bseindia.com) or MSEI (www.msei.in) or Merchant Banker website (www.corporateprofessionals.com) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity Shares of the Target Company. Alternatively, in case of non-receipt of the Letter of Offer, shareholders holding shares may participate in the Offer by providing their application in plain paper in writing signed by all shareholder, stating name, address, number of shares held,

client ID number, DP name, DP ID number, number of shares tendered and other relevant documents such as physical share certificate and Form SH-4 in case of shares being held in physical form. Such shareholders have to ensure that their order is entered in the electronic platform to be made available by BSE before the closure of the Offer.

8.14. Accidental omission of non-receipt of this Letter of Offer by, or accidental omission to dispatch this Letter of Offer to any shareholder, shall not invalidate the Offer in any way.

8.15. The acceptance of the Offer made by the Acquirer along with PAC is entirely at the discretion of the Shareholders of the Target Company. The Acquirer along with PAC does not accept any responsibility for the decision of any Shareholder to either participate or to not participate in the Offer. The Acquirer along with PAC will not be responsible in any manner for any loss of share certificate(s) and other documents during transit and the Shareholders are advised to adequately safeguard their interest in this regard.

8.16. Acceptance of Equity Shares

Registrar to the Offer shall provide details of order acceptance to Clearing Corporation within specified timelines. In the event that the number of Equity Shares (including demat Equity Shares, physical Equity Shares and locked-in Equity Shares) validly tendered by the Shareholders under this Offer is more than the number of Offer Shares, the Acquirer along with PAC shall accept those Equity Shares validly tendered by the Shareholders on a proportionate basis in consultation with the Manager, 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 Shareholder shall not be less than the minimum marketable lot.

8.17. Settlement Process

On closure of the Offer, reconciliation for acceptances shall be conducted by the Manager to the Offer and the Registrar to the Offer and the final list shall be provided to the Stock Exchange to facilitate settlement on the basis of Shares transferred to the Clearing Corporation.

The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market. Selling Brokers should use the settlement number to be provided by the Clearing Corporation to transfer the shares in favour of Clearing Corporation.

8.18. The shares shall be directly credited to the pool account of the Buying Broker. For the same, the existing facility of client direct pay-out in the capital market segment shall be available. Once the basis of acceptance is finalised, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of shares to the pool account of the Buying Broker. In case of partial or non-acceptance of orders or excess pay-in, demat Shares shall be released to the securities pool account of the Selling Broker / custodian, post which, the Selling Broker would then issue contract note for the shares accepted and return the balance shares to the Shareholders. Any excess physical Equity Shares, to the extent tendered but not accepted, will be returned to the Shareholder(s) directly by Registrar to the Offer.

8.19. Settlement of Funds / Payment Consideration

The settlement of fund obligation for demat and physical Equity Shares shall be effected through existing settlement accounts of Selling Broker. The payment will be made to the Buying Broker for settlement. For Equity Shares accepted under the Open Offer, the Selling Broker / Custodian Participant will receive funds payout in their settlement bank account. The Selling Brokers / Custodian participants would pay the consideration to their respective clients. The funds received from Buying Broker by the Clearing Corporation will be released to the Selling Broker(s) as per secondary market pay-out mechanism. Shareholders who intend to participate in the Offer should consult their respective Selling Broker for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Selling Broker upon the selling Shareholders for tendering Equity Shares in the Offer (secondary market transaction). The consideration received by the selling Shareholders from their respective Selling Broker, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Acquirer along with PAC accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling Shareholder. In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirer along with PAC for payment of consideration to the shareholders of the Target Company who have accepted the Open Offer within such period, subject to Acquirer along with PAC agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18 (11) of the SEBI (SAST) Regulations, 2011.

NOTE ON TAXATION

1. Capital gain: Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 (twelve) months will not be subject to capital gains tax in India if Securities Transaction Tax ("STT") has been paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the equity shares are sold. Further, any gain realised on the sale of listed Equity Shares held for a period of 12 (twelve) months or less, which are sold will be subject to short term capital gains tax and STT.
2. **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 ALONG WITH PAC DO NOT ACCEPT NOR HOLD ANY RESPONSIBILITY FOR ANY TAX LIABILITY ARISING TO ANY SHAREHOLDER AS A REASON OF THIS OFFER.**
3. Tax deduction at source
 - a) In case of resident Shareholders, in absence of any specific provision under the Income Tax Act, 1961 ("Income Tax Act") the Acquirer along with PAC shall not

deduct tax on the consideration payable to resident Shareholders pursuant to the Offer.

- b) In the case of non-resident Shareholders, since the Offer is through the stock exchange, the responsibility of discharge of the tax due on the gains (if any) is on the non-resident Shareholder. It is therefore recommended that the non-resident Shareholder may consult their custodians/ authorised dealers/ tax advisors appropriately.

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

5. THE TAX RATE AND OTHER PROVISIONS MAY UNDERGO CHANGES.

9. DOCUMENTS FOR INSPECTION

The following documents are regarded as material documents and are available for inspection at the office of the Manager to the Offer at D-28, South Extn. Part-I, New Delhi – 110049 from 10.30 A.M. to 1.00 P.M. on any working day, except Saturdays, Sundays and Holidays until the Closure of the Offer:

- 9.1. Certificate of Incorporation, Certificate of Commencement of Business, Memorandum & Articles of Association of AFHL.
- 9.2. Mr. Chirag Aggarwal (Membership No. 523052) of M/s. Kapil Kumar & Co., Chartered Accountants, having office at 3rd Floor, SRK Mall, 14 Mall Road, Amritsar – 143001; Tel. No. 0183-5003430, +91-97799-00419; Email: kapilkumarcoasr@gmail.com vide certificate dated March 17, 2016 certified that the Acquirer have sufficient resources to meet the fund requirement for the Takeover of Target Company.
- 9.3. Audited Annual Reports of AFHL for the years ended March 31, 2013, 2014 and 2015.
- 9.4. Escrow Agreement between the Acquirer, Kotak Mahindra Bank Limited and Manager to the Offer.
- 9.5. Confirmation from Kotak Mahindra Bank Limited confirming the amount kept in Escrow Account opened as per SEBI (SAST) Regulation 2011.
- 9.6. Copy of Current Public Announcement filed on March 17, 2016, Published copy of the Detailed Public Statement which appeared in the Newspapers on March 28, 2016, Issue Opening PA and any corrigendum to these, if any,
- 9.7. A copy of the Recommendation made by the Board of AFHL.
- 9.8. A copy of the Observation letter from SEBI.
- 9.9. Copy of Agreement between the Acquirer along with PAC and the Registrar to the Offer.

10. DECLARATION BY THE ACQUIRER ALONG WITH PAC

The Acquirer along with PAC accepts full responsibility for the information contained in this LOF and also for the obligations of the Acquirer along with PAC as laid down in the SEBI (SAST) Regulations, 2011 and subsequent amendments made thereof. The Acquirer along with PAC would be responsible for ensuring compliance with the concerned Regulations.

For and on behalf of Acquirer and PAC

Sd/-

Mrs. Pallavi Mittal

Sd/-

Mr. Ashish Mittal

Date: August 09, 2016

Place: New Delhi

11. ENCLOSURES

- 11.1.** Form of Acceptance cum Acknowledgement
- 11.2.** Blank Share Transfer

FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT
(For physical shares being tendered)

(All terms and expressions used herein shall have the same meaning as described thereto in
the Letter of Offer)

| | |
|---|---|
| THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION (Please send this Form of Acceptance with enclosures to the Registrar to the Offer) | |
| OFFER OPENS ON | : AUGUST 24, 2016, WEDNESDAY |
| OFFER CLOSSES ON | : SEPTEMBER 07, 2016, WEDNESDAY |
| Please read the Instructions overleaf before filling-in this Form of Acceptance | |

| FOR OFFICE USE ONLY | |
|-----------------------------------|--|
| Acceptance Number | |
| Number of equity shares Offered | |
| Number of equity shares accepted | |
| Purchase consideration (Rs.) | |
| Cheque/Demand Draft/Pay Order No. | |

From:

Tel. No.:

Fax No.:

E-mail:

To,

The Acquirer along with PAC

C/O BEETAL FINANCIAL AND COMPUTER SERVICES PRIVATE LIMITED

BEETAL House, 3rd Floor, 99, Madangir, Behind Local Shopping Centre, New Delhi – 110062

Dear Sir/s,

REG.: OPEN OFFER TO THE SHAREHOLDERS OF AAYUSH FOOD AND HERBS LIMITED
(“AFHL”/“TARGET COMPANY”) BY MRS. PALLAVI MITTAL (“ACQUIRER”) ALONG WITH
MR. ASHISH MITTAL (“PAC”) PURSUANT TO SEBI (SUBSTANTIAL ACQUISITION OF
SHARES AND TAKEOVERS) REGULATIONS, 2011

I / we, refer to the Letter of Offer dated _____ for acquiring the equity shares held by me / us in **Aayush Food and Herbs Limited**.

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

I / We, unconditionally Offer to sell to the Acquirer along with PAC the following equity shares in AFHL held by me/ us at a price of Rs. 15.10/- (Rupees Fifteen and Ten Paise Only) per fully paid-up equity share.

1. I/We enclose the original share certificate(s) and duly signed valid Transfer Deed(s) in respect of my / our equity shares as detailed below (please enclose additional sheet(s), if required).

| | | | |
|---|-----------------|--|-----------------|
| Ledger Folio No.....Number of share certificates attached..... | | | |
| Representing equity shares | | | |
| Number of equity shares held in AFHL | | Number of equity shares Offered | |
| In figures | In words | In figures | In words |
| | | | |

| Sr. No. | Share Certificate No. | Distinctive Nos. | | No. of equity shares |
|-----------------------------------|------------------------------|-------------------------|-----------|-----------------------------|
| | | From | To | |
| 1 | | | | |
| 2 | | | | |
| 3 | | | | |
| Total No. of Equity Shares | | | | |

2. I / We confirm that the Equity Shares of AFHL which are being tendered herewith by me / us under the Offer are free from liens, charges and encumbrances of any kind whatsoever.
3. I / We authorize the Acquirer along with PAC to accept the Equity Shares so offered or such lesser number of equity shares that the Acquirer along with PAC may decide to accept in consultation with the Manager to the Offer and in terms of the said Letter of Offer and I / we further authorise the Acquirer along with PAC to apply and obtain on our behalf split of share certificate(s) as may be deemed necessary by them for the said purpose. I further authorize the Acquirer along with PAC to return to me / us, equity share certificate(s) in respect of which the Offer is not found / not accepted, specifying the reason thereof.
4. My / Our execution of this Form of Acceptance shall constitute my / our warranty that the equity shares comprised in this application are owned by me / us and are transferred by me / us free from all liens, charges, claims of third parties and encumbrances. If any claim is made by any third party in respect of the said equity shares, I / we will hold the Acquirer along with PAC, harmless and indemnified against any loss they or either of them may suffer in the event of the Acquirer along with PAC acquiring these equity shares. I / We agree that the Acquirer along with PAC may pay the Offer Price only after due verification of the document(s) and signature(s) and on obtaining the necessary approvals as mentioned in the said Letter of Offer.
5. I / We also note and understand that the shares/ Original Share Certificate(s) and Transfer Deed(s) will be held by the Registrar to the Offer in trust for me / us till the date the Acquirer along with PAC makes payment of consideration or the date by which Shares/ Original Share Certificate(s), Transfer Deed(s) and other documents are dispatched to the shareholders, as the case may be.
6. I/We note and understand that the Shares would held in trust by the Registrar until the time the Acquirer along with PAC makes payment of purchase consideration as mentioned in the Letter of Offer.

7. I/We undertake to execute such further document(s) and give such further assurance(s) as may be required or expedient to give effect to my / our agreeing to sell the said equity shares.
8. I / We irrevocably authorise the Acquirer along with PAC to send by Registered Post at my / our risk, the Cheque(s) / Demand Draft(s) / Pay Order(s) in settlement of consideration payable and excess share certificate(s), if any, to the Sole / First holder at the address given hereunder and if full address is not given below the same will be forwarded at the address registered with AFHL:

Name and complete address of the Sole/ First holder (in case of member(s), address as registered with AFHL):

Place: ----- **Date:** -----

Tel. No(s) : ----- **Fax No.:** -----

So as to avoid fraudulent encashment in transit, the shareholder(s) have an option to receive the sale consideration through RTGS/ECS mode and requested to kindly provide following information compulsorily in order to received payment through RTGS/ECS

Bank Account No.: ----- Type of Account: -----

(Savings /Current /Other (please specify))

Name of the Bank: -----

Name of the Branch and Address: -----

MICR Code of Bank-----

IFCS Code of Bank-----

The Permanent Account Number (PAN / GIR No.) allotted under the Income Tax Act, 1961 is as under:

| | 1 st Shareholder | 2 nd Shareholder | 3 rd Shareholder |
|---------------|-----------------------------|-----------------------------|-----------------------------|
| PAN / GIR No. | | | |

Yours faithfully,

Signed and Delivered:

| | FULL NAME (S) OF THE HOLDERS | SIGNATURE (S) |
|------------------------|------------------------------|---------------|
| First/Sole Shareholder | | |
| Joint Holder 1 | | |
| Joint Holder 2 | | |

Note: In case of joint holdings all the holders must sign. In case of body corporate, stamp of the Company should be affixed and necessary Board Resolution should be attached.

INSTRUCTIONS

- 1 Please read the enclosed Letter of Offer carefully before filling-up this Form of Acceptance.
- 2 The Form of Acceptance 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:**
 - I. The acceptance of the Offer made by the Acquirer along with PAC is entirely at the discretion of the equity shareholder of AFHL.
 - II. Shareholders of AFHL to whom this Offer is being made, are free to Offer his / her / their shareholding in AFHL for sale to the Acquirer along with PAC, in whole or part, while tendering his / her / their equity shares in the Offer.

ACKNOWLEDGEMENT SLIP

SHARES IN PHYSICAL FORM

OPEN OFFER TO THE SHAREHOLDERS OF AAYUSH FOOD AND HERBS LIMITED (“AFHL”/ “TARGET COMPANY”) BY MRS. PALLAVI MITTAL (“ACQUIRER”) ALONG WITH MR. ASHISH MITAL (“PAC”) PURSUANT TO SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011.

Received from Mr. / Ms.....

Ledger Folio No/ -----Number of certificates enclosed..... under the Letter of Offer dated _____, Form of Acceptance, Transfer Deeds(s) and Original Share Certificate(s) as detailed hereunder:

| Sr. No. | Share Certificate No. | Distinctive Nos. | | No. of equity shares |
|-----------------------------------|-----------------------|------------------|----|----------------------|
| | | From | To | |
| 1. | | | | |
| 2. | | | | |
| 3. | | | | |
| Total no. of Equity Shares | | | | |

Stamp

Authorised Signatory

Date

Note: All future correspondence, if any, should be addressed to

Registrar to the Offer

Beetal Financial and Computer Services Private Limited

BEETAL House, 3rd Floor, 99, Madangir, Behind Local Shopping Centre, New Delhi – 110062

Contact Person: Mr. Punit Mittal,

Ph.:011-29961281/82/83