

## ANNEXURE E to FORM I

### Summary of combination in terms of sub-regulation (1A) of regulation 13 of the Regulation

(a) **Name of the parties to the combination:**

i. **Acquirer 1 / RA 1:** Haldiram Snacks Private Limited;

ii. **Acquirer 2 / RA 2:** Pioneer Securities Private Limited

(RA 1 & RA 2 collectively referred to as “**Resolution Applicants**” or “**RA**”);

iii. **Target Company / Corporate Debtor:** Kwaliti Limited.

(b) **Nature and purpose of the combination:**

The Corporate Debtor is undergoing Corporate Insolvency Resolution Process (“CIRP”) pursuant to an order dated December 11, 2018, which was communicated to Insolvency Resolution Professional on December 18, 2018 by the NCLT, New Delhi on an application filed by K.K.R. India Financial Services Private Limited under Section 7 of IBC and the rules and regulations there under. Pursuant thereto, Resolution Professional (“RP”) had invited Expressions of Interests from prospective resolution applicants interested in the Resolution Process for the Corporate Debtor. RA has submitted Expression of Interest and the Resolution

Plan. The Resolution Plan is prepared by the Consortium of **RA 1 and RA 2** which envisages takeover and revival of Corporate Debtor.

The Acquisition of the Corporate Debtor will enable the RA to procure supplies from Corporate Debtor and thereby increasing Exports & Profitability margins for Corporate Debtor. One of the main objectives of presenting the Resolution Plan is to design a scheme whereby the Corporate Debtor is revived in the most viable and efficient manner. The broad objectives of the Resolution Plan are as below:

- (i) To ensure continuation of the present scaled down business operations of the Corporate Debtor.
- (ii) To establish backward integration linkages for lead member of the RA (RA 1) by ensuring supply of milk on priority to the milk processing facilities of the Corporate Debtor.
- (iii) To achieve high operational capacities and efficiencies and achieve normalcy through optimization of various resource and network reestablishment and augmentation, including but not limited to Finance, Manpower, Technology, Sourcing Network, Marketing Network, etc.
- (iv) To create synergy between the operations of the Corporate Debtor and Resolution Applicants; particularly in terms of Distribution Network, Branding, Quality Control Standards, Creating New Product Portfolio, Tapping the Domestic & International Markets, etc.

- (v) To establish Corporate Debtor as one of the leading brands / companies in the Dairy Sector in India.
- (vi) To conduct de-bottlenecking of the existing manufacturing infrastructure to ensure optimum capacity utilization and increase in the production of value added products to realize maximum margins.

**(c) The products, services and business(es) of the parties to the combination:**

Corporate Debtor:

The Corporate Debtor has been one of the prominent Private Dairy Companies in India. The Corporate Debtor is one of the largest processors and handlers of dairy products in India in the private sector. It mainly market and sells its products under the umbrella Brand, "Dairy Best". Corporate Debtor manufactures various dairy products, which include low cholesterol ghee, pure ghee pure cow ghee, butter, instant dairy creamer, dairy mix, skimmed/whole milk powder, milk in pouches, curd (regular, probiotic, meethi dahi, low fat, sugar lite, and raita), paneer, lassi, chaach, tetra pack milk, sterilized flavoured milk, yogurt, cheese etc. Corporate Debtor has six existing brands, out of which "KDIL's Kwaliti", "Meera" and "Kream Kountry" are owned by Corporate Debtor while "Dairy Best", "Dairy Best Wakeup" and "Liv Lite" are leased from a group company namely Pashupati Dairies Pvt Ltd. The Corporate Debtor has various milk processing plants, Milk Chilling Centres, storage facilities and two manufacturing units located at Softa, Palwal (Haryana) and Dibai, Bulandsahar (UP).

**RA 1:**

Acquirer 1 is engaged in the business of manufacturing, trading and supplying range of Fresh Sweets, Sev Namkeen, Potato Chips, Spicy Snacks, Spicy Mixtures, Namkeen Saga, Roasted Namkeen Mixtures, etc.

**RA 2:**

Acquirer 2 is engaged in the business of stock and share broking and its allied matters such as acting as underwriters, brokers to issue of securities, dealing in the securities and providing and also functions as a non-banking financial company. However, presently, its business activities are more focused on rendering competent services in financial and capital sector such as investment advisory, financial consultancy, consultancy to the issue of securities, management and acquisition of mergers and amalgamation.

**(d) The respective markets in which the parties to the combination operate:**

**RA 1:**

RA 1 has strong PAN India Distribution Network and Brand presence especially in North India. It has strong brand presence and marketing & distribution network across 100 countries in the World.

**RA 2:**

RA 2 operates its business operations in the domestic market advising its wide range of clients in capacity of a financial consultants.

**Corporate Debtor:**

Post-acquisition by the RA, the Corporate Debtor can capitalize on the marketing and distribution network, brand presence of RA 1 across the world, for distribution of its product portfolio. The RA 1 consumes a significant quantity of milk & value added products manufactured by the Corporate Debtor as input for its product portfolio.

*[End of this annexure / document]*