

FREQUENTLY ASKED QUESTIONS

RIGHTS ISSUE OF EQUITY SHARES BY SOM DISTILLERIES AND BREWERIES LIMITED

Set out below are the frequently asked questions (“FAQs”) to guide investors in gaining familiarity with the application process for subscribing to the rights issue of fully paid equity shares (“Issue” or “Rights Issue”) by SOM DISTILLERIES AND BREWERIES LIMITED (“Company”) in terms of the Letter of Offer dated April 6, 2023 (“Letter of Offer”), filed with the Securities and Exchange Board of India (“SEBI”), BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”) (collectively “Stock Exchanges”). These FAQs are not exhaustive, nor do they purport to contain a summary of all the disclosures in the Letter of Offer or the entire application process in the Issue or all details relevant to prospective investors (“Investors”). Further, these FAQs should be read in conjunction with, and are qualified in their entirety by, more detailed information appearing in the Letter of Offer, including the sections “Notice to Investors”, “Risk Factors” and “Terms of the Issue” on pages 9, 18 and 117 respectively, of the Letter of Offer. Readers are advised to refer to the Letter of Offer which is available on the websites of the Registrar (www.masserv.com), Company (www.somindia.com), Lead Manager (www.vivro.net), BSE (www.bseindia.com) and NSE (www.nseindia.com). Unless otherwise defined herein, all capitalised terms shall have such meaning as ascribed to them in the Letter of Offer.

A. General FAQs

1. What are the details of the Issue?

Equity Shares being offered by the Company	Issue of up to 34,95,952 fully paid-up Equity Shares of a face value of ₹5 each (“Rights Equity Shares”)
Issue Size	Aggregate amount up to ₹4,894.33 lakhs*
Rights Entitlements	Ratio of 10 (Ten) Rights Equity Shares for every 211 (Two Hundred Eleven) fully paid-up Equity Shares held on the Record Date
Record Date	Friday, April 14, 2023
Issue Price	₹140 per Equity Share (including a share premium of ₹135 per Rights Equity Share)

* Assuming full subscription

2. What is the Rights Issue schedule?

Last Date for credit of Rights Entitlements	Tuesday, April 25, 2023
Issue Opening Date	Wednesday, April 26, 2023
Last date for On Market Renunciation of Rights Entitlements[#]	Monday, May 8, 2023
Issue Closing Date*	Thursday, May 11, 2023
Finalization of Basis of Allotment (on or about)	Thursday, May 18, 2023
Date of Allotment (on or about)	Friday, May 19, 2023
Date of credit (on or about)	Tuesday, May 23, 2023
Date of listing (on or about)	Monday, May 29, 2023

[#]Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.

*Our Board or the Rights Issue Committee thereof will have the right to extend the Issue period as it may determine from time to time, provided that this Issue will not remain open in excess of 30 (thirty) days from the Issue Opening Date (including Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

3. What is the Rights Entitlement Ratio?

The Equity Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of 10 (Ten) Rights Equity Shares for every 211 (Two Hundred Eleven) fully paid-up Equity Shares held on the Record Date i.e., Friday, April 14, 2023.

4. What is the amount to be paid at the time of submitting the Application Form?

The full amount of the Issue Price is payable at the time of Application being ₹140 per Equity Share.

5. What are Rights Entitlements?

Eligible Equity Shareholders whose names appear as a beneficial owner in respect of the Equity Shares held in dematerialized form or appear in the register of members as a Shareholder of our Company in respect of the Equity Shares held in physical form as on the Record Date, i.e., Friday, April 14, 2023, are entitled to the number of Rights Entitlements as set out in their respective Rights Entitlement Letter.

The Registrar to the Issue has sent the Rights Entitlement Letter along with the Abridged Letter of Offer and Application Form to all Eligible Equity Shareholders, through email or physical dispatch, which contain details of their Rights Entitlements based on the shareholding as on the Record Date.

Further, the Eligible Equity Shareholders can also obtain the details of their Rights Entitlements from the website of the Registrar (www.masserv.com) by entering their DP ID, Client ID / Folio No. and PAN.

6. How will the Basis of Allotment be decided?

Subject to the provisions contained in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Common Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board or Rights Issue Committee will proceed to Allot the Rights Equity Shares in the following order of priority:

1. Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Rights Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for Rights Equity Shares renounced in their favour, in full or in part.
2. Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Equity Shareholders with zero entitlement, would be given preference in allotment of 1 additional Rights Equity Share each if they apply for Additional Rights Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Equity Shares after allotment under (1) above. If number of Equity Shares required for Allotment under this head are more than the number of Rights Equity Shares available after Allotment under (1) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.
3. Allotment to the Eligible Equity Shareholders who having applied for all the Rights Equity Shares offered to them as part of this Issue, have also applied for Additional Rights Equity Shares. The Allotment of such Additional Rights Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Rights Equity Shares held by them on the Record Date, Friday, April 14, 2023, provided there are any unsubscribed Rights Equity Shares after making full Allotment in (1) and (2) above. The Allotment of such Rights Equity Shares will be at the sole discretion of our Board or Rights Issue Committee in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
4. Allotment to Renouncees who having applied for all the Rights Equity Shares renounced in their favour, have applied for Additional Rights Equity Shares provided there is surplus available after making full Allotment under (1), (2) and (3) above. The Allotment of such Rights Equity Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
5. Allotment to any other person, that our Board or Rights Issue Committee may deem fit, provided there is surplus available after making Allotment under (1), (2), (3) and (4) above, and the decision of our Board in this regard shall be final and binding.

After taking into account Allotment to be made under (1) to (4) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

7. How can an Eligible Equity Shareholder access the details of his respective Rights Entitlement?

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialised form. Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar i.e., www.masserv.com by entering their DP ID, Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form as on the record date, i.e., Friday, April 14, 2023) and PAN.

8. What are fractional entitlements? What will be the entitlement if a shareholder holds less than 22 shares?

The Rights Equity Shares are being offered on a rights basis to existing Eligible Equity Shareholders in the ratio of 10 (Ten) Rights Equity Shares for every 211 (Two Hundred Eleven) Equity Shares held as on the Record Date. As per the SEBI Rights Issue Circular, the fractional entitlements are to be ignored. Accordingly, if the shareholding of any of the Eligible Equity Shareholders is less than 22 (Twenty Two) Equity Shares or is not in the multiple of 22 (Twenty Two) Equity Shares, the fractional entitlements of such Eligible Equity Shareholders shall be ignored by rounding down of their Rights Entitlements. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the Allotment of one additional Rights Equity Share if they apply for the Additional Rights Equity Shares over and above their Rights Entitlements, if any, subject to availability of the Rights Equity Shares in this Issue post allocation towards the Rights Entitlements applied for.

For example, if an Eligible Equity Shareholder holds 22 (Twenty Two) Equity Shares, such Equity Shareholder will be entitled to 1.042654 Rights Equity Share and will also be given a preferential consideration for the Allotment of 1 (One) additional Rights Equity Share if such Eligible Equity Shareholder has applied for additional Rights Equity Shares, over and above his/her Rights Entitlements, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.

Further, the Eligible Equity Shareholders holding less than 22 (Twenty Two) Equity Shares shall have 'zero' entitlement for the Rights Equity Shares. Such Eligible Equity Shareholders are entitled to apply for the Additional Rights Equity Shares and will be given preference in the Allotment of one Rights Equity Share, if such Eligible Equity Shareholders apply for the Additional Rights Equity Shares, subject to availability of the Rights Equity Shares in this Issue post allocation towards the Rights Entitlements applied for. However, they cannot renounce the same in favour of third parties.

9. When will Credit of Rights Entitlements in the demat accounts happen?

Pursuant to the provisions of the SEBI ICDR Regulations and the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, the Rights Entitlements shall be credited in dematerialized form in respective demat accounts of the Eligible Equity Shareholders before the Issue Opening Date.

In this connection, the Company has made necessary arrangements with NSDL and CDSL for credit of the Rights Entitlements in dematerialized form in the demat accounts of the Eligible Equity Shareholders. The ISIN of the Rights Entitlements is INE480C20020. The said ISIN shall remain frozen (for debit) until the Issue Opening. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

If the Eligible Equity Shareholders holding the Equity Shares in the physical form as on Record Date ("**Physical Shareholders**") have not provided the details of their demat accounts to the Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date (i.e., Tuesday, May 9, 2023, to enable the credit of their Rights Entitlements in their demat accounts at least one day before the Issue Closing Date (i.e., Wednesday, May 10, 2023).

10. What is the process for Renunciation of Rights Entitlements?

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchanges; or (b) through an off-market transfer, during the Renunciation Period. The Investors should have the demat Rights Entitlements credited/lying in his/ her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

The Lead Manager and our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.

On Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchanges through a registered stock-broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circular, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchanges under ISIN INE480C20020 subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchanges for trading of Rights Entitlements. No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. The details for trading in Rights Entitlements will be as specified by the Stock Exchanges from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is one Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from Wednesday, April 26, 2023 to Monday, May 8, 2023 (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock-brokers by quoting the ISIN INE480C20020 and indicating the details of the Rights Entitlements they intend to trade. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of Stock Exchanges under automatic order matching mechanism and on 'T+1 rolling settlement basis', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock-broker will issue a contract note in accordance with the requirements of the Stock Exchanges and SEBI.

Off Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only.

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date to enable Renounees to subscribe to the Equity Shares in the Issue.

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN INE480C20020, the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the CDSL and NSDL from time to time.

11. If the Rights Entitlements are credited in the demat account of shareholders or if Investor had purchased Rights Entitlements from the secondary market, does he need to apply separately for the Rights Equity Shares through ASBA

Yes, even though Rights Entitlements are credited in the demat account of shareholders or if Investor had purchased Rights Entitlements from the secondary market, Investors need to make application for the Rights Equity Shares separately through ASBA.

Please note that if no Application is made by the Eligible Equity Shareholders of Rights Equity Shares on or before Issue Closing Date, the Rights Entitlements of such Eligible Equity Shareholders shall get lapsed and shall be extinguished after the Issue Closing Date. No Rights Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the amount paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for Equity Shares offered under Rights Issue for subscribing to the Equity Shares offered under the Issue.

12. If the Investor purchased Rights Entitlements from the secondary market, does he need to pay once again for the Rights Equity Shares applied for through ASBA

Yes, even though the Investor purchased the Rights Entitlements from the secondary market, they need to block the issue price amount with designated SCSBs for the Rights Equity Shares.

13. Whether any persons who are not existing shareholders of the issuer company as on record date, can apply to the Rights Issue?

Persons who are not existing shareholders of the Issuer Company as on the record date can buy the Rights Entitlements (REs) through on-market or off-market renunciation and apply in the Rights Equity Shares in the Rights Issue up to REs bought and as well as additional Rights Equity Shares.

14. What will happen if Rights Entitlements (REs) are purchased through On market renunciation / Off market renunciation, and no application is made for subscribing the shares / other securities offered under Rights Issue?

In case REs are purchased through On market renunciation / Off market renunciation, and no corresponding application is made for subscribing the shares / other securities offered under Rights Issue, the REs purchased will lapse.

Please note that if no Application is made by the Eligible Equity Shareholders of Rights Equity Shares on or before Issue Closing Date, the Rights Entitlements of such Eligible Equity Shareholders shall get lapsed and shall be extinguished after the Issue Closing Date. No Rights Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the amount paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for Equity Shares offered under Rights Issue for subscribing to the Equity Shares offered under the Issue.

15. What are the options available to the Eligible Equity Shareholders in the Rights Issue?

The Rights Entitlement Letter will clearly indicate the number of Rights Equity Shares that the Eligible Equity Shareholder is entitled to.

If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:

- (i) apply for its Rights Equity Shares to the full extent of its Rights Entitlements; or
- (ii) apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
- (iii) apply for Rights Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
- (iv) apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for additional Rights Equity Shares; or
- (v) renounce its Rights Entitlements in full.

16. Can an application in the rights Issue be made using third party bank account?

Investors can make payment only using bank account held in their own name. Please note that Applications made with payment using third party bank accounts are liable to be rejected.

17. Can a joint bank account be used to make applications on behalf of shareholders?

In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.

18. Can an application be made by cash / cheque?

No.

19. Can an application be made by visiting the Company, Registrar and / or the Lead Manager office?

No.

20. Can the broker collect the application form and submit the application?

No.

21. Does purchase of Rights Entitlement means the purchaser will automatically get Equity Shares?

The purchaser/investor acquiring Rights Entitlement on the floor of stock exchange or in the off-market transaction will not automatically get Equity Shares. They will be required to make an application in accordance with the provision of the Letter of Offer for acquiring Equity Shares to the extent of the Rights Entitlement acquired and/or additional Equity Shares.

Please note that if no Application is made by the Eligible Equity Shareholders of Rights Equity Shares on or before Issue Closing Date, the Rights Entitlements of such Eligible Equity Shareholders shall get lapsed and shall be extinguished after the Issue Closing Date. No Rights Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the amount paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for Equity Shares offered under Rights Issue for subscribing to the Equity Shares offered under the Issue.

22. How can an Investor understand that the Application has been successfully made?

Investors will be provided acknowledgment / confirmation email upon successful completion of Application.

23. How can an Investor understand if the Equity Shares have been allocated?

The Company and/or the Registrar will send Email Intimation (Allotment / Refund advice) to all the applicants who have been Allotted Equity Shares.

24. What is the process of updating the email ID, phone number and Indian address?

To update respective email addresses / mobile numbers in the records maintained by the Registrar or the Company, Eligible Equity Shareholders should www.masserv.com.

The non-resident Eligible Equity Shareholders can update their Indian address in the records maintained by the Registrar and our Company by submitting their respective copies of self-attested proof of address, passport, etc. by email to investor@masserv.com.

25. How can an investor apply in the Issue?

In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.

For details, see “*Terms of the Issue – Procedure for Application through the ASBA process*” on page 128 of the Letter of Offer.

26. What is the procedure for making plain paper application and where can the plain paper application be submitted?

An Eligible Equity Shareholder in India who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper in case of non-receipt of Application Form as detailed above. In such cases of non-receipt of the Application Form through e-mail or physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source may make an Application to subscribe to this Issue on plain paper with the same details as per the Application Form that is available on the websites of the Registrar, Stock Exchanges or the Lead Manager. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB authorizing such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any address outside India.

Please note that in terms of Regulation 78 of the SEBI ICDR Regulations, the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

For further details, see “*Terms of the Issue - Application on Plain Paper under ASBA process*” on page 131 of the Letter of Offer.

27. Is there any restriction on total investment amount / Equity Shares?

Investors are required to ensure that the number of Equity Shares applied for by them do not exceed the investment limits or maximum number of Equity Shares that can be held by them prescribed under the applicable law. Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction. Any person who makes an application to acquire Rights Entitlements and the Equity Shares offered in the Issue will be deemed to have declared, represented, warranted and agreed that such person is authorized to acquire the Rights Entitlements and the Equity Shares in accordance with the legal requirements applicable in such person’s jurisdiction and India, without requirement for the Company or its affiliates and the Lead Manager or their respective affiliates to make any filing or registration (other than in India).

28. What will be the treatment of Multiple Applications?

The Investors shall submit only one Application Form for the Rights Entitlements available in a particular demat account.

In case where multiple Applications are made using same demat account, such Applications shall be liable to be rejected. A separate Application can be made in respect of Rights Entitlements in each demat account of the Investors and such Applications shall not be treated as multiple applications. Similarly, a separate Application can be made against Equity Shares held in dematerialized form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, see “*Procedure for Applications by Mutual Funds*” on page **Error! Bookmark not defined.** of the Letter of Offer.

In cases where multiple Common Application Forms are submitted, including cases where an Investor submits Common Application Forms along with a plain paper Application or multiple plain paper Applications, such Applications shall be treated as multiple applications and are liable to be rejected, other than multiple applications submitted by any of our Promoters or members of Promoter Group to meet the minimum subscription requirements applicable to this Issue as described in “*Capital Structure – Intention and extent of participation by our Promoters and Promoter Group*” on page **Error! Bookmark not defined.** of the Letter of Offer.

29. How to withdraw an Application made through ASBA?

An Investor who has applied in this Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor, applying through ASBA facility, may withdraw their Application post the Issue Closing Date.

30. When will the Equity Shares be credited to the demat account?

On or about Tuesday, May 23, 2023.

31. When will the Rights Equity Shares get listed on the exchanges?

On or about Monday, May 29, 2023.

B. FAQs for Eligible Shareholders holding shares in physical form

1. What is the process of Application by the Physical Shareholders?

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Rights Equity Shares in this Issue are advised to furnish details of their demat account to the Registrar or our Company at least 2 (Two) Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least 1 day before the Issue Closing Date. If demat account details are not provided by the Eligible Equity Shareholders holding Equity Shares in physical form to the Registrar or our Company by the date mentioned above, such shareholders will not be allotted any Rights Equity Shares, nor such Rights Equity Shares be kept in suspense account on behalf of such shareholder. For further details, see “*Terms of the Issue – Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form*” on page 133 of the Letter of Offer.

ELIGIBLE EQUITY SHAREHOLDERS HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE, CAN MAKE AN APPLICATION ONLY AFTER THE RIGHTS ENTITLEMENTS IS CREDITED TO THEIR RESPECTIVE DEMAT ACCOUNTS.

2. Can shareholders holding Equity Shares in a physical form renounce their Rights Entitlement?

In accordance with the circular SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, the credit of Rights Entitlement and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, the Rights Entitlements of the Physical Shareholders shall be credited in a suspense escrow demat account opened by our Company during the Issue Period. The Physical Shareholders are requested to furnish the details of their demat account to the Registrar not later than two Working Days prior to the Issue Closing Date, i.e., on or before Tuesday, May 9, 2023 to enable the credit of their Rights Entitlements in their demat accounts at least one day before the Issue Closing Date, i.e., Wednesday, May 10, 2023. The Rights Entitlements of the Physical Shareholders who do not furnish the details of their demat account to the Registrar not later than two Working Days prior to the Issue Closing Date, shall lapse.

In accordance with SEBI Rights Issue Circulars, the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to Issue Closing Date, will not be able to renounce their Right Entitlements.

3. Will share certificates be provided to shareholder holding Equity Shares in a physical form if demat account is not provided?

No. Share certificates will not be provided to shareholder holding Equity Shares in a physical form.

4. Why will physical share certificates not be issued to successful Allottees in Rights Issue?

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialised form only.

5. Will the shareholders holding shares in physical form, who have not been provided demat account details be allotted shares in the rights Issue?

In case of Allotment to resident Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date, have paid the Application Money and have not provided the details of their demat account to the Registrar or the Company at least two Working Days prior to the Issue Closing Date, then the application will not be considered for allotment of shares, as the allotment of Rights shares can be made in demat form only.

6. How much time will it take to get the Rights Equity Shares credited in demat account for those investors who have provided their demat account details post Record Date or during issue period?

The Company (with the assistance of the Registrar) shall, after verification of the details of demat account by the Registrar, within reasonable time initiate the process of transfer of the Rights Entitlement from the demat suspense account to the demat accounts of such Eligible Equity Shareholders. Such Eligible Equity Shareholders hold Rights Equity Shares in physical form as on Record Date, can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

7. What is the last date for providing the demat account details for getting the Rights Entitlements in demat account of Investor?

In accordance with the circular SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, the credit of Rights Entitlement and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, the Rights Entitlements of the Physical Shareholders shall be credited in a suspense escrow demat account opened by our Company during the Issue Period. The Physical Shareholders are requested to furnish the details of their demat account to the Registrar not later than two Working Days prior to the Issue Closing Date, i.e., on or before Tuesday, May 9, 2023 to enable the credit of their Rights Entitlements in their demat accounts at least one day before the Issue Closing Date, i.e., Wednesday, May 10, 2023. The Rights Entitlements of the Physical Shareholders who do not furnish the details of their demat account to the Registrar not later than two Working Days prior to the Issue Closing Date, shall lapse.

PLEASE NOTE THAT ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.

Please note that if no Application is made by the Eligible Equity Shareholders of Rights Equity Shares on or before Issue Closing Date, the Rights Entitlements of such Eligible Equity Shareholders shall get lapsed and shall be extinguished after the Issue Closing Date. No Rights Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the amount paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for Equity Shares offered under Rights Issue for subscribing to the Equity Shares offered under Issue.

8. Can shareholders holding Equity Shares in physical form apply through ASBA?

No, shareholders holding Equity Shares in physical form, cannot apply through ASBA, unless such shareholders provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar (i.e., www.masserv.com). Such Eligible Equity Shareholders hold Rights Equity Shares in physical form as on Record Date, can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

9. Can shareholders holding Equity Shares in physical form apply through plain paper application through ASBA?

Yes, shareholders holding Equity Shares in physical form are required to submit their Applications only through the ASBA platform.

10. What is the process of making an application by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date?

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

1. The Eligible Equity Shareholders shall send form ISR-1, SH-13 (which can be download from website i.e., www.masserv.com) and ISR-2 (if signature does not matched with RTA record) the Registrar

either by e-mail(with digital sign), post, speed post, courier, or hand delivery so as to reach to the Registrar no later than 2 (Two) Working Days prior to the Issue Closing Date;

2. The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least 1 (One) day before the Issue Closing Date; and
3. The remaining procedure for Application shall be same as set out in “*Procedure for Application through the ASBA process*” on page 128 of the Letter of Offer.

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date will not be allowed renounce their Rights Entitlements in the Issue. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Equity Shares while submitting the Application through ASBA process.

PLEASE NOTE THAT NON-RESIDENT ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE, i.e., FRIDAY, APRIL 14, 2023 AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.

C. FAQs for Eligible Shareholders holding shares in demat form

1. **What is the process to be followed by a shareholder holding Equity Shares in demat form to make an application in rights Issue?**

In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA. For details, please refer to the paragraph titled “*Procedure for Application through the ASBA process*” on page **Error! Bookmark not defined.** of the Letter of Offer.

D. FAQs for Non-Resident Investors

1. **Whether Overseas Investors can participate in rights Issue?**

THE RIGHTS ENTITLEMENTS AND THE RIGHTS EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), OR ANY U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD, RESOLD OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES, EXCEPT IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THE RIGHTS ENTITLEMENTS AND EQUITY SHARES REFERRED TO IN THE LETTER OF OFFER ARE BEING OFFERED IN INDIA, BUT NOT IN THE UNITED STATES. THE OFFERING TO WHICH THE LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY EQUITY SHARES OR RIGHTS ENTITLEMENTS FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO THE UNITED STATES AT ANY TIME.

Accordingly, this Letter of Offer, Abridged Letter of Offer, Rights Entitlement Letter and Application Form should not be forwarded to or transmitted in or into the United States at any time.

Neither our Company nor any person acting on behalf of our Company will accept subscriptions or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on behalf of our Company has reason to believe, is in the United States when the buy order is made. No payments for subscribing for the Rights Equity Shares shall be made from US bank accounts and all persons subscribing for the Rights Equity Shares and wishing to hold such Rights Equity Shares in registered form must provide an address for registration of the Rights Equity Shares in India.

For the details of Application by Mutual Funds, NRIs, Systemically Important Non-Banking Financial Companies, AIFs, FVCIs and VCFs, FPIs, see the chapter titled “Terms of the Issue” on page 117 of the Letter of Offer.

DISCLAIMER

SOM DISTILLERIES AND BREWERIES LIMITED is proposing, subject to receipt of requisite approvals, market conditions and other considerations, to issue Equity Shares on a rights basis and has filed a Letter of Offer with the Securities and Exchange Board of India and Stock Exchanges. The Letter of Offer is available on the website of SEBI at www.sebi.gov.in, the website of Stock Exchanges where the Equity Shares are listed i.e., BSE at www.bseindia.com and NSE at www.nseindia.com and the website of the Lead Manager at www.vivro.net and at the website of Registrar at www.somindia.com. Investors should note that investment in equity shares involves a high degree of risk and are requested to refer to the Letter of Offer, including the section “Risk Factors” beginning on page 18 of the Letter of Offer.