

Certificate on Dividend Declaration and Dividend Paid

Date: December 10, 2024

To:

Kotak Mahindra Capital Company Limited

1st Floor, 27 BKC
Plot No. C-27, 'G' Block
Bandra Kurla Complex
Bandra (East), Mumbai 400 051
Maharashtra, India

Batlivala & Karani Securities India Private Limited

11th Floor, Hallmark Business Plaza,
Bandra (E), Mumbai - 400 051
Maharashtra, India

HSBC Securities and Capital Markets (India) Private Limited

52/60, Mahatma Gandhi Road
Fort, Mumbai – 400 001
Maharashtra, India

ICICI Securities Limited

ICICI Venture House
Appasaheb Marathe Marg, Prabhadevi
Mumbai – 400 025
Maharashtra, India

(Kotak Mahindra Capital Company Limited, Batlivala & Karani Securities India Private Limited, HSBC Securities and Capital Markets (India) Private Limited and ICICI Securities Limited and any other book running lead managers appointed by the Company are collectively referred to as the "Book Running Lead Managers" or the "BRLMs")

and

**The Board of Directors
Travel Food Services Limited**

Block-A, South Wing
1st Floor, Shiv Sagar Estate
Dr. Annie Besant Road
Worli, Mumbai – 400 018
Maharashtra, India



Dear Sir/Madam,

Re: Proposed initial public offering of equity shares (the “Equity Shares”) of Travel Food Services Limited (the “Company” and such offering, the “Offer”)

In relation to the Company and its affiliates, we, **Shambhu Gupta & Co.**, Chartered Accountants, are an independent firm of chartered accountants. We have received a request from the Company to verify and certify information in relation to the dividend paid and declared by the Company.

We have reviewed the restated consolidated financial information of the Company as of and for the three months period ended June 30, 2024 and the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 and the examination report thereon prepared in accordance with the Indian Accounting Standard (“**Ind AS**”), the Guidance Note on Reports in Company’s Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India and the Companies Act, 2013, as amended, and restated by the statutory auditors of the Company, in accordance with the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the “**SEBI ICDR Regulations**”) (the “**Restated Consolidated Financial Information**”) and books of accounts, ledgers, annual reports, bank statements of the Company, statutory records and registers maintained by the Company, minutes of the meetings of the board of directors of the Company, minutes of annual general meeting and extra-ordinary general meetings of the Company and other relevant documents as provided by the management of the Company.

We have also reviewed the audited standalone and consolidated financial statements of the Company as of and for the three months period ended June 30, 2024 and the financial years ended March 31, 2024 and March 31, 2023, and audited standalone and consolidated financial statements of each of its subsidiaries as of and for the three months period ended June 30, 2024 and the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 (collectively, the “**Audited Financial Information**”).

We confirm the following:

- (i) The details of the dividends declared and paid by the Company on Equity Shares, as at the end of and for Fiscals 2024, 2023 and 2022 and for the three months period ended June 30, 2024 are set out at **Annexure A**.
- (ii) The details of the dividends declared and/or paid by the Company on Equity Shares from June 30, 2024, being the last date in the Restated Consolidated Financial information, until the date of this certificate, are set out at **Annexure A**.
- (iii) The Company has a formal dividend policy, adopted at the meeting of the Board of Directors on December 7, 2024. A copy of the dividend policy is attached as **Annexure B**. We confirm that the dividend paid by the Company during the periods mentioned in points (i) and (ii) above, are consistent and in accordance with the approved dividend policy.
- (iv) There are no dividends that have been declared but are yet to be paid out by the Company. We further confirm that all dividends paid out by the Company during the periods mentioned in points (i) and (ii) above are from the approved reserves, as per the Companies Act, 2013.

We confirm that the information in this certificate is true, fair, correct, accurate and there is no untrue statement or omission which would render the contents of this certificate misleading in its form or context.

and will enable investors to make a well-informed decision.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (the “**Guidance Note**”) in accordance with the generally accepted auditing standards in India and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. These standards require that we plan and perform the examination to obtain reasonable assurance about the “Reporting Criteria”. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. We hereby confirm that while providing this certificate we have complied with the Code of Ethics and the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements, issued by the Institute of Chartered Accountants of India.

This certificate is issued for the purpose of the Offer, and can be used, in full or part, for inclusion in the draft red herring prospectus, updated draft red herring prospectus, red herring prospectus, prospectus and any other material used in connection with the Offer (together, the “**Offer Documents**”) which may be filed by the Company with Securities and Exchange Board of India (“**SEBI**”), BSE Limited and National Stock Exchange of India Limited (collectively, the “**Stock Exchanges**”), Registrar of Companies, Maharashtra at Mumbai (the “**RoC**”) and / or any other regulatory or statutory authority.

We hereby consent (i) to our name **Shambhu Gupta & Co.**, Chartered Accountants and the aforementioned details being included in the Offer Documents; and (ii) to the submission of this certificate to any regulatory / statutory/ governmental authority, stock exchanges, any other authority as may be required and/or for any other litigation purposes and/or for the records to be maintained by the BRLMs in connection with the Offer and in accordance with applicable law. We also consent to the inclusion of this certificate as a part of ‘*Material Contracts and Documents for Inspection*’ in connection with the Offer, which will be available for public for inspection from the date of filing of the red herring prospectus until the Bid/Offer Closing Date.

This certificate may be relied on by the BRLMs, their affiliates and legal counsels in relation to the Offer and to assist the BRLMs in conducting and documenting their investigation and due diligence of the affairs of the Company in connection with the Offer. We hereby consent to this certificate being disclosed by the BRLMs, if required (i) by reason of any law, regulation, order or request of a court or by any governmental or competent regulatory authority, or (ii) in seeking to establish a defence in connection with, or to avoid, any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation.

We undertake to immediately communicate, in writing, any changes to the above information/confirmations, as and when: (i) made available to us; or (ii) we become aware of any such changes, to the BRLMs and the Company until the equity shares allotted in the Offer commence trading on the relevant stock exchanges. In the absence of any such communication from us, the Company, the BRLMs and the legal advisors appointed with respect to Offer can assume that there is no change to the information/confirmations forming part of this certificate and accordingly, such information should be considered to be true and correct.

All capitalized terms used but not defined herein shall have the meaning assigned to them in the Offer Documents.



Shambhu Gupta & Co.

CHARTERED ACCOUNTANTS



Yours Sincerely,

For Shambhu Gupta & Co.
Chartered Accountants
ICAI Firm Registration No: 007234C



Partner: CA. Rajkumar Khatod
Membership No. 133612
UDIN: 24133612BKCADQ6948

Encl: Annexures A and B

CC:

Khaitan & Co

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9 Raffles Place
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Linklaters Singapore Pte. Ltd

One George Street, #17-01
Singapore – 049 145

Annexure A

THE DIVIDENDS DECLARED AND PAID BY THE COMPANY ON THE EQUITY SHARES

Particulars	July 1, 2024 till the date of this Draft Red Herring Prospectus	Three months ended June 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Face value per share (in ₹)	1*	10	10	10	10
Dividend (in ₹ million)	1,110.08	Nil	1,430.29	Nil	Nil
Dividend per equity share (in ₹)	8.43^	Nil	369.30	Nil	Nil
Rate of dividend (%)	843.02^	Nil	3,693.03	Nil	Nil
No. of Equity Shares^	131,679,484^	3,872,926	3,872,926	3,872,926	3,872,926
Mode of payment	Electronic Transfer	NA	Electronic Transfer	NA	NA

*The Board, at its meeting held on October 24, 2024 had approved the sub division of the existing authorised share capital of the Company from 70,160,000 equity shares of ₹10 each into 701,600,000 equity shares of ₹1 each and also approved the sub division of the existing paid up shares of the Company from 3,872,926 equity shares of ₹10 each into 38,729,260 equity shares of ₹1 each, which was approved by the shareholders in extra ordinary general meeting held on October 24, 2024. Subsequently, the Board of Directors at its meeting held on 05 November 2024 had approved the bonus issue of 2.4 (two point four) new Equity Shares for every one share held on record date which was approved by the shareholders by means of a special resolution dated 05 November 2024. Through a Board resolution dated 08 November 2024, the Company has allotted 92,950,224 equity shares of INR 1 each as bonus shares to the existing equity shareholders of the Company. The record date for the bonus share is 05 November 2024. Dividend was declared prior to the sub-division of equity shares and the bonus issuance.

^ Adjusted for the sub-division and bonus issuance of equity shares.



Annexure B

(Enclosed Separately)



POLICY FOR DIVIDEND DISTRIBUTION

OF

TRAVEL FOOD SERVICES LIMITED

1. Background

This Policy of Dividend Distribution (“**Policy**”) has been formulated as per the provisions of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, (“**SEBI Listing Regulations**”).

2. Objective

The objective of this Policy is to ensure the right balance between the quantum of Dividend paid and the amount of profits retained in the business for various purposes. Towards this end, the Policy lays down parameters to be considered by the Board of Directors of the Company for declaration of dividend from time to time.

3. Definitions

The terms referred to in this Policy formulated for Travel Food Services Limited (“**Company**”) approved by the Board of Directors (“**Board**”) will have the same meaning as defined under the Companies Act, 2013 and the rules made thereunder and any amendment(s) or modification(s) or circular(s) or notification(s) or order(s) thereof made (“**Act**”), and the SEBI Listing Regulations.

4. Disclosure

This Policy shall be disclosed on the website of the Company and a web link shall also be provided in the annual report of the Company.

This Policy sets out the parameters and circumstances that will be considered by the Board of Directors of the Company in determining the distribution of dividend to its shareholders and/or retaining profits earned by the Company.

The Board of Directors may in extraordinary circumstances, deviate from the parameters listed in this Policy.

5. Category of Dividends:

The Company may, subject to its articles of association, pay dividends in proportion to the amount paid-up on each share. The Act provides for two forms of dividend - final and interim. The Board shall have the power to recommend a final dividend to the shareholders for their approval in the general meeting of the Company. The Board shall have the absolute power to declare interim dividends during the financial year, as and when they consider it fit.

- Final Dividend

The final dividend is paid once for the financial year after the annual accounts are prepared. The Board of the Company has the power to recommend the payment of final dividend to the shareholders in a general meeting. The declaration of final dividend shall be included in the Board's report and the ordinary business items that are required to be transacted at the Annual General Meeting.

- Interim Dividend

This form of dividend can be declared by the Board one or more times in a financial year as may be deemed fit by it or at any time during the period from closure of financial year till holding of the annual general meeting out of the surplus in the profit and loss account or out of profits of the financial year for which such interim dividend is sought to be declared or out of profits generated in the financial year till the quarter preceding the date of declaration of the interim dividend. Further, such declaration of interim dividend shall be in line with this Policy. By way of guidance, the Board should usually declare an interim dividend after finalization of quarterly (or half yearly) financial accounts.

a) The circumstances under which the shareholders may or may not expect dividend;

The Company shall comply with the relevant statutory requirements that are applicable to the Company in declaring dividend or retained earnings. Generally, the Board shall determine the dividend for a particular period after taking into consideration the financial performance of the Company, the advice of executive management, and other parameters described in this policy. The shareholders of the Company may not expect dividend in the certain circumstances, including but not limited to, inadequacy of profits, proposal to undertake a significant expansion project or any acquisitions or joint arrangements, requiring higher allocation of capital, buy-back of securities, setting off previous losses of its subsidiary/ies, subject to the discretion of the Board and Applicable Laws.

The Board of Directors of the Company may not declare or recommend dividend for a particular period if it is of the view that it would be prudent to conserve capital for any proposed or ongoing or planned business expansion or other factors which may be considered by the Board. The statement of the Policy does not in any way restrict the right of the Board to use its discretion in the recommendation of the Dividend to be distributed in the financial year and the Board reserves the right to depart from the Policy as and when circumstances so warrant.

Given the aforementioned uncertainties, prospective or present investors are cautioned not to place undue reliance on any of the forward-looking statements in the Policy, if any.

b) The financial /internal parameters that shall be considered while declaring dividend;

The Board of Directors of the Company shall consider the following financial parameters while declaring dividend or recommending dividend to shareholders:

i) Capital allocation plans including:

- Expected cash requirements of the Company towards working capital, capital expenditure in technology and Infrastructure etc.;
- Investments required towards execution of the Company's strategy;
- Funds required for any acquisitions that the Board of Directors may approve; and

ii) Any share buy-back plans.

- Minimum cash required for contingencies or unforeseen events;
- Funds required to service any outstanding loans;
- Liquidity and return ratios;
- Any other significant developments that require cash investments.

c) External factors that shall be considered for declaration of dividend;

The Board of Directors of the Company shall consider the following external parameters while declaring dividend or recommending dividend to shareholders:

- i) Any significant changes in macro-economic environment affecting India or the geographies in which the Company operates, or the business of the Company or its clients;
- ii) Any political, tax and regulatory changes in the geographies in which the Company operates;
- iii) Any significant change in the business or technological environment resulting in the Company making significant investments to effect the necessary changes to its business model;
- iv) Any changes in the competitive environment requiring significant investment.

d) Policy as to how the retained earnings shall be utilized.

The profits earned by the Company can either be retained in the business and used for various purposes as outlined in clause (a) above or it can be distributed to the shareholders. The Company may declare dividend out of the profits of the Company for the year or out of the profits for any previous year or years or out of the free reserves available for distribution of Dividend, after having due regard to the parameters laid down in this Policy.

e) Provisions in regard to various classes of shares.

The provisions contained in this policy shall apply to all classes of Shares of the Company. It may be noted that currently the Company has only one class of shares, namely, Equity Shares.

6. Review

This Policy will be reviewed and amended as and when required by the Board.

7. Governance

Being part of SSP Group plc, the Company is committed to maintaining high standards of corporate governance. While striving to align its policies with group-wide policies wherever appropriate, the Company will ensure compliance with applicable laws and consider local circumstances and best practices of its Promoters.

8. Limitation and Amendment

In the event of any conflict between the provisions of this Policy and of the Act or SEBI Listing Regulations or any other statutory enactments, rules, the provisions of such Act or SEBI Listing Regulations or statutory enactments, rules shall prevail over this Policy. Any subsequent amendment / modification in the SEBI Listing Regulations, Act and/or applicable laws in this regard shall automatically apply to this Policy.

Document version	Approved By	Date of approval	Date of Amendment
[1.0]	Board of Directors		