DETAILED PUBLIC STATEMENT
For the attention of the Equity Shareholders of
CHAMPION FINSEC LIMITED
(EARLIER KNOWN AS MONOTONA SECURITIES LIMITED)

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OPEN OFFER FOR ACQUISITION OF 33,83,432 EQUITY SHARES FROM SHAREHOLDERS OF CHAMPION FINSEC LIMITED AT A PRICE OF ₹ 20/- PER EQUITY SHARE BY MR. DHIRAJLAL G. HIRPARA AND MR. JITENDRA G. HIRPARA ("ACQUIRERS")

This Detailed Public Statement ("**DPS**") is being issued by **Arihant Capital Markets Limited**, the Manager to the Offer ("**Manager**") on behalf of **Mr. Dhirajlal G. Hirpara and Mr. Jitendra G. Hirpara** ("**Acquirers**"), in compliance with Regulation 13(4) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ("**SEBI SAST Regulations**") pursuant to the Public Announcement made on April 27, 2013 and filed with the Stock Exchanges / Securities and Exchange Board of India (SEBI) / Champion Finsec Limited ("**Target Company**") in terms of Regulation 3(1) and 4 of the SEBI SAST Regulations.

I. DETAILS OF ACQUIRERS, TARGET COMPANY AND THE OFFER

(A) Acquirers

(a) The Offer is being made by Mr. Dhirajlal G. Hirpara and Mr. Jitendra G. Hirpara.

(b) Mr. Dhirajlal G. Hirpara, aged 49 years, is residing at Gauri Villa, 5 Ananta Park Society, Kalawad Road, Rajkot - 360 007. Mr. D G Hirpara is commerce graduate from the Mumbai University and has done his Masters in Business Administration (MBA). He has varied experience in marketing and manufacture of pumps and since last 8 years, he is in the business of trading of agricultural products, pulses, spices, crops etc.

(c) Mr. Jitendra G. Hirpara, aged 40 years, is residing at Gauri Villa, 5 Ananta Park Society, Kalawad Road, Rajkot - 360 007. Mr. J G Hirpara, an under-graduate, is involved in the business as dealers, traders, buyers, sellers etc. in all kinds of agricultural materials, fertilisers, equipments etc.

(d) The Acquirers do not belong to any group.

(e) There is no Person Acting in Concert (hereinafter referred to as "**PAC**") with the Acquirers for this Open Offer.

(f) The Acquirers collectively hold 18,00,000 equity shares in the Target Company (19.32% of the present paid up and voting equity share capital of the Target Company).

(g) The Target Company had issued 37,00,000 Convertible Warrants on December 24, 2012 to the Acquirers. The said warrants were to be converted into 1 Equity Share of ₹ 10/- each at a premium of ₹ 10/- per share at the option of the Acquirers. In terms of the issue of warrants, the Acquirers have made full payment of the amounts due on the said warrants and exercised their option for conversion of these warrants into 37,00,000 Equity Shares in aggregate at a price of ₹ 20/- per Equity Share which would amount to 28.43% of the fully diluted post-warrant conversion paid-up capital of the target Company. The exercise of option, which has been taken on record by the Board of Directors of the Target Company on April 27, 2013, has triggered this Open Offer in terms of Regulation 13(2)(b) of SEBI SAST Regulations. The allotment of Equity Shares pursuant to the aforesaid exercise of option would be done by the Target Company in compliance of SEBI SAST Regulations and SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009 (SEBI ICDR Regulations).

(h) Besides the holdings mentioned above, the Acquirers do not have any other interest in the Target Company.

(i) The Acquirers have not been prohibited by the SEBI from dealing in securities, in terms of directions issued under Section 11B of the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**") or under any of the Regulations made under the SEBI Act.

(j) The Net Worth of Mr. Dhirajlal G. Hirpara as on April 27, 2013 is ₹ 11,19,12,000/- (Rupees Eleven Crore Nineteen Lakhs Twelve Thousand only) as per certificate dated April 27, 2013 issued by M/s Bakul V. Ganatra & Co., Chartered Accountants (Firm Registration No. - 100915W; Membership No: 31813), having their office at F-14 Neptune Towers, Opp Jalaram Petrol Pump, Kalawad Road, Rajkot - 360 007; Tel no. 0281-2475670; email: bvganatra@gmail.com.

(k) The Net Worth of Mr. Jitendra G. Hirpara as on April 27, 2013 is ₹ 7,13,26,000/- (Rupees Seven Crore Thirteen Lakhs Twenty Six Thousand only) as per certificate dated April 27, 2013 issued by M/s Bakul V. Ganatra & Co., Chartered Accountants (Firm Registration No. - 100915W; Membership No: 31813), having their office at F-14 Neptune Towers, Opp Jalaram Petrol Pump, Kalawad Road, Rajkot - 360 007; Tel no. 0281-2475670; email: bvganatra@gmail.com.

(l) There are no pending litigations against the Acquirers.

(B) Target Company

(a) The Target Company is a public limited company and was incorporated as Palladium Trading and Agencies Limited, under the provisions of Companies Act, 1956 on August 28, 1981 vide Certificate of Incorporation issued by Registrar of Companies, Maharashtra, Mumbai and obtained the Certificate of Commencement of Business on September 14, 1981.

(b) On May 6, 1994 the Target Company changed its name from Palladium Trading and Agencies Limited to Monotona Securities Limited and obtained a fresh certificate of incorporation consequent to change of name. The name of the Target Company was again changed to Champion Finsec Limited and a fresh Certificate of Incorporation consequent to change of name was obtained on January 4, 2013.

(c) The Equity Shares of the Target Company are listed at BSE Limited (**BSE**). The shares of the Target Company are not suspended from trading at any of the stock exchanges where the shares are listed. The Equity Shares of Target Company are not frequently traded. The total traded turnover during the past 12 months is below 10% of the total number of Equity Shares.

(d) The brief audited financial data for the year ended March 2010 to March 2012 are given below :

(₹ in lacs)

Particulars	31/03/2012	31/03/2011	31/03/2010
Total Income	1.74	1.08	0.11
Net Profit / (loss)	(1.00)	(2.39)	(2.61)
EPS	-	-	-
Net Worth	1,139.81	1,140.81	1,143.19

(e) The Directors of the target Company are Mr. Sachin Champaklal Valani, Mr. Hasmukhbhai Parshottambhai Thumar and Mr. Vipul Shantilal Trivedi. None of the Directors of the target Company represent the Acquirers.

(C) Details of the Offer

(a) This open offer is being made pursuant to Regulation 3(1) and 4 of the SEBI SAST Regulations as aforesaid, to the public equity shareholders of the Target Company by **Mr. Dhirajlal G. Hirpara** and **Mr. Jitendra G. Hirpara** to acquire up to 33,83,432 Equity Shares of ₹ 10 each representing 26% of the fully diluted post-warrant conversion paid up equity voting share capital of the Target Company, at a price of ₹ 20 per Share ("**Offer Price**") payable in cash subject to the terms and conditions mentioned hereinafter (the "**Open Offer**" or "**Offer**"). There are no other individuals or other entities / persons who are acting in concert with the Acquirers for the purpose of the Open Offer.

(b) This Offer is being made by the Acquirers to all public shareholders of the Target Company, other than the promoters and the persons deemed to be acting in concert with the Promoter.

(c) No approval from any bank or financial institutions is required for the purpose of this Open Offer. As on the date of DPS, no other statutory approvals are required to be obtained for the purpose of this Open Offer. The Open Offer would be subject to all the statutory approvals that may become applicable at a later date before the completion of the Open Offer.

(d) The Offer is not subject to any minimum level of acceptances from the shareholders i.e. it is not a conditional offer and the Acquirers will be obliged to acquire all the equity shares validly tendered in response to the Offer, subject to a maximum of 33,83,432 Equity Shares that are tendered in terms of the Offer subject to the terms and conditions mentioned in this DPS and the Letter of Offer ("**LOF**") to be sent to the shareholders of the Target Company.

(e) This is not a competitive offer.

(D) The Acquirers currently do not plan to dispose off or otherwise encumber any asset of the Target Company in the next 2 years except in the ordinary course of business of the target Company. The Acquirers undertake not to sell / dispose off or otherwise encumber any substantial asset of the Target Company for a period of 2 years except with the prior approval of the shareholders of the Target Company through Special Resolution in terms of Regulation 25(2) of the SEBI SAST Regulations. The Target Company does not have any subsidiary.

(E) Consequent to this Offer, the public shareholding of Equity Shares in the Target Company will not fall below 25% of its outstanding equity share capital, being the minimum level stipulated in the Listing Agreement for continued listing, thereby complying with continued listing eligibility norms.

II. BACKGROUND OF THE OFFER

(a) The Acquirers presently hold 18,00,000 equity shares in the Target Company as under:

Acquirer	No. of Shares	% of existing paid-up capital
Dhirajlal G. Hirpara	7,50,000	8.05%
Jitendra G. Hirpara	10,50,000	11.27%
	18,00,000	**19.32%**

(b) The Acquirers had been allotted 37,00,000 warrants on December 24, 2012 in the Target Company on preferential basis each of which is convertible into 1 Equity Share of ₹ 10/- each at a premium of ₹ 10/- per Equity Share at the option of the Acquirers. In terms of the allotment of the warrants, the Acquirers have made full payment of amounts due on the warrants and exercised their option for conversion of the said warrants into Equity Shares, which has been taken on record by the Board of Directors of the Target Company on April 27, 2013. The proposed allotment of Equity Shares consequent to exercise of option as stated above, would result in increase of the Acquirers' collective holding from 19.32% of the existing capital to 42.26% of fully diluted capital (post warrant conversion and allotment). The proposed allotment would be done in compliance with SEBI SAST Regulations and SEBI ICDR Regulations

(c) Apart from the consideration of ₹ 20 per Equity Share, no other compensation, directly or indirectly, is payable to the Target Company or otherwise. The total consideration is payable in cash and the amount payable on exercise of the option for conversion of the warrants has already been paid to the Target Company by the Acquirers.

(d) The Acquirers intend to gain control over the Target Company and make changes in the Board of Directors of the Target Company subsequent to the completion of this Open Offer in accordance with the provisions of SEBI SAST Regulations.

(e) The Acquirers propose to continue the existing line of business in the Target Company and may undertake other business activities in future, subject to the approval of members of the company and other necessary approvals.

III. SHAREHOLDING AND ACQUISITION DETAILS

The current and the proposed shareholding of the Acquirers are as under:

Details	No. of Shares	% to paid-up Equity
Shareholding as on the Public Announcement (PA) date	18,00,000	19.32
Equity Shares arising on proposed allotment consequent to conversion of the warrants	37,00,000	28.43*
Shares acquired between the PA date and the DPS date	NIL	N.A.
Acquisition under Open offer	33,83,432	26.00*
Post offer shareholding (#)	88,83,432	68.26

* *On Diluted basis post warrant conversion paid-up capital*

\# *On Diluted basis, as on 10th working day after closing of tendering period. Actual post-offer shareholding would depend on the response and acceptance of the shareholders in the Open Offer.*

IV. OFFER PRICE

(a) The shares of the Target Company are listed on BSE.

(b) As per the information available, there is no trading in the equity shares of the Target Company at the stock exchange i.e BSE where the shares of Target Company are listed. The Equity Shares of the Target Company are not frequently traded shares within the meaning of Regulation 2(j) of SEBI SAST Regulations during the 12 calendar months preceding the month in which Public Announcement is made at BSE. As the Equity Shares were infrequently traded, the Offer price has been determined taking into account the parameters as set out under Regulations 8(2)(e) viz. Book Value, EPS, Return on Net Worth, price paid by the Acquirers for acquisition etc.

(c) Justification of offer price

The offer price of ₹ 20/- per Equity Share of the Target Company has been determined after considering the following in terms of Regulations 8(1) and 8(2) of the SEBI SAST Regulations:

	PARTICULARS	Price (₹)
1.	Negotiated price	20.00
2.	Volume weighted average price paid / payable for acquisitions during the 52 weeks preceding the date of public announcement	10.00
3.	Highest price paid/payable for acquisition during the 26 weeks preceding the date of public announcement	N.A.
4.	Volume weighted average market price of shares for a period of 60 trading days immediately preceding the date of public announcement	N.A.
5.	Fair Value determined in accordance with parameters of Regulation 8(2)(e)*	13.27
6.	Highest of the above	20.00
7.	Offer price	20.00

* As certified by M/s Bakul V. Ganatra & Co., Chartered Accountants (Firm Registration No. - 100915W; Membership No: 31813), vide Certificate dated May 2, 2013, having their office at F-14, Neptune Towers, Opp Jalaram Petrol Pump, Kalawad Road, Rajkot - 360 007; Tel: 0281-2475670; e-mail: bvganatra@gmail.com

(d) There is no revision in offer price since the date of Public Announcement made on April 27, 2013. The offer price does not warrant any adjustment for corporate actions.

(e) In the opinion of the Acquirers and Manager to the Offer, the Offer price of ₹ 20/- per fully paid Equity Share is justified.

(f) In case the Acquirers acquire or agree to acquire whether by themselves or through or with persons acting in concert with them any shares or voting rights in the Target Company during the offer period, whether by subscription or purchase, at a price higher than the Offer Price, the Offer Price shall stand revised to the highest price paid or payable for any such acquisition. Provided that no such acquisition shall be made after the third working day prior to the commencement of the tendering period and until the expiry of the tendering period and would be notified to the shareholders.

(g) Subject to other Regulations, the Acquirers may, in terms of Regulation 18(4) of the SEBI SAST Regulations, make upward revision of the offer price at any time prior to the commencement of the last three working days before the commencement of the tendering period. Announcement of such revision would also be made in all the newspapers in which this DPS is made.

V. FINANCIAL ARRANGEMENTS

(a) Assuming full acceptance, the total fund requirements to meet this Offer is ₹ 6,76,68,640/- (Rupees Six Crore Seventy Six Lacs Sixty Eight Thousand Six Hundred Forty only).

(b) The Acquirers have adequate resources to meet the financial requirements of the Offer. The fund requirements will be met from own sources / Net Worth and no borrowings from Banks / FIs or Foreign sources such as NRIs or otherwise is envisaged by the Acquirers. The Acquirers hereby declare and confirm that they have adequate and firm financial resources to fulfill the total financial obligation under the Offer.

(c) In accordance with Regulation 17 of the SEBI SAST Regulations, the Acquirers have deposited ₹ 1,69,19,000/- (Rupees One Crore Sixty Nine Lakhs Nineteen Thousand only) being more than 25% of the entire amount of consideration assuming full acceptance by the shareholders, in an Escrow Account with ICICI Bank, Nariman Point, Mumbai, with exclusive authority to operate the account in favour of Arihant Capital Markets Ltd., the Manager to the Offer. The Acquirers have duly empowered the Manager to the Offer to realise the value of the Escrow Account in terms of SEBI SAST Regulations.

Mr. Bakul V. Ganatra (Membership No: 31813), Proprietor of M/s Bakul V. Ganatra & Co., Chartered Accountants (Firm Registration No. - 100915W), having their office at F-14 Neptune Towers, Opp Jalaram Petrol Pump, Kalawad Road, Rajkot - 360 007, Tel No. 0281-2475670; email: bvganatra@gmail.com has certified vide certificates dated April 27, 2013 that the net worth of Mr. Dhirajlal G. Hirpara and Mr. Jitendra G. Hirpara as on April 27, 2013 is ₹ 1,119.12 lakhs and ₹ 713.26 lakhs, respectively, and that they have sufficient liquid resources to fulfil the obligation under this Open Offer.

(d) Based on the above and in the light of the escrow arrangement, the Manager to the Offer is satisfied that firm arrangements for funds for payment through verifiable means have been put in place by the Acquirers to fulfill their obligations in relation to the Offer in accordance with the SEBI SAST Regulations.

VI. STATUTORY AND OTHER APPROVALS

(a) Non-resident equity shareholder(s) who wish to tender their equity shares of the Target Company in this Offer will be required to submit all the previous RBI approvals (specific or general) that they would have obtained for acquiring, the equity shares of the Target Company. In case previous RBI approvals are not submitted, the Acquirers reserve the right to reject the equity shares tendered in the Offer.

(b) As on the date of this DPS, no other statutory approval is required to be obtained for the purpose of the Open Offer. The Open Offer would be subject to all other statutory approvals that may become applicable at a later date before the completion of the Open Offer.

(c) In case of delay in receipt of any statutory approval, Regulation 18(11) of SEBI SAST Regulations will be adhered to, i.e. SEBI has power to grant extension of the time to the Acquirers or payment of consideration to the shareholder(s) subject to Acquirers agreeing to pay interest as directed by SEBI.

VII. TENTATIVE SCHEDULE OF ACTIVITY

Activity	To be completed by	
	Date	Day
Public Announcement Date	27/04/2013	Saturday
Detailed Public Statement Date	06/05/2013	Monday
Last date for competing offer	27/05/2013	Monday
Last date for SEBI observations on draft LOF (in the event SEBI has not sought clarifications or additional information from the Manager to the Offer)	03/06/2013	Monday
Identified Date	05/06/2013	Wednesday
Date by which LOF will be despatched to the shareholders	12/06/2013	Wednesday
Last date by which the Board of Target Company shall give its recommendation	17/06/2013	Monday
Issue Opening Advertisement Date	18/06/2013	Tuesday
Date of commencement of tendering period (open date)	19/06/2013	Wednesday
Date of expiry of tendering period (closure date)	02/07/2013	Tuesday
Date by which all requirements including payment of consideration would be completed	16/07/2013	Tuesday

VIII. PROCEDURE FOR TENDERING THE SHARES IN CASE OF NON RECEIPT OF LOF

(a) Shareholders who are holding fully paid equity shares in physical form and wish to tender their equity shares will be required to send their Form of Acceptance-cum-Acknowledgement, original Share Certificate(s) and blank transfer deed(s) duly signed to Sharepro Services India Pvt Ltd, the Registrar to the Offer by Registered Post at the applicants sole risk so that the same are received on or before the Offer closing date, at the address given below, in accordance with the procedures as specified in the Letter of Offer and the Form of Acceptance cum Acknowledgement. The relevant documents should NOT be sent to the Acquirers, the Target Company or the Manager to the Offer.

(b) All eligible owners of fully paid equity shares of the Target Company, registered or unregistered including those holding shares in street names who wish to avail and accept the Offer can deliver the Form of Acceptance-cum-Acknowledgement alongwith all the relevant documents on weekdays between 10.00 am to 1.00 pm and 2.00 pm to 4.00 pm. The centre will be closed on Saturday, Sunday and on public holidays:

Name & Address	Contact Person & Contact Numbers	Mode of delivery
Sharepro Services India Pvt Ltd 13AB, Samhita Warehousing Complex, 2nd Floor, Sakinaka Tel. Exchange Lane, Off. Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai - 400 072	Mr. Anand Moolay / Ms. Janvi Tel: 022-61915402 / 5404 e-mail: offer@shareproservices.com	Registered Post / Courier / Hand Delivery

Note: The centre will be closed on Saturday, Sunday and on public holidays:

Shareholders are advised to ensure that the Form of Acceptance cum Acknowledgement and other documents are complete in all respects; otherwise the same are liable to be rejected. In the case of demat shares, the shareholders are advised to ensure that their shares are credited in favour of the Special Depository Account before the closure of the Offer. The Form of Acceptance cum Acknowledgement of such demat shares, not credited in favour of the special depository account before the closure of the Offer, will be rejected.

(c) The Registrar to the Offer, Sharepro Services India Pvt Ltd will be opening a special depository account with a registered Depository for receiving equity shares during the offer from eligible shareholders who hold equity shares in demat form.

(d) Shareholders holding equity shares in dematerialized form, will be required to send their Form of Acceptance cum Acknowledgement and other documents as may be specified in the Letter of Offer, to the Registrar to the Offer either by Registered Post / Speed Post or by hand delivery so as to reach on or before the date of closing of the business hours on the date of closure of the Offer along with a photocopy of the delivery instructions in "Off-market" mode or counterfoil of the delivery instructions in "Off-market" mode, duly acknowledged by the Depository Participant ("DP").

(e) In case of (a) shareholders who have not received the LOF, (b) unregistered shareholders, (c) owners of the shares holding in street names, (d) owner of the shares who have sent the shares to the Target Company for transfer; may send their consent to the Registrar to the Offer on plain paper, stating the name, address, number of shares held, distinctive numbers, folio numbers, number of shares offered along with the documents to prove their title to such shares such as broker note, succession certificate, original share certificate / original letter of allotment and valid share transfer deeds (one per folio), duly signed by such shareholders (in case of joint holdings in the same order as per the specimen signatures lodged with the Target Company), and witnessed (if possible) by the notary public or a bank manager or the member of the stock exchange with membership number, as the case may be, shall need to be provided so as to reach the Registrar to the Offer on or before the date of closing of the business hours on the date of closure of the Offer. Such shareholders can also obtain the LOF from the Registrar to the Offer by giving an application in writing to that effect.

(f) Unregistered Equity Shareholders and those who apply in plain paper will not be required to provide any indemnity.

IX. The detailed procedure for tendering the shares in the Open Offer will be available in the Letter of Offer that would be mailed to the shareholders of the Target Company as on the identified date.

X. OTHER INFORMATION

(a) The Acquirers accept full responsibility for the information contained in the Public Announcement / Detailed Public Statement and also undertake to discharge the obligations of the Acquirers as laid down in the SEBI SAST Regulations.

(b) Pursuant to Regulation 12 of the SEBI SAST Regulations, the Acquirers have appointed **Arihant Capital Markets Limited**, having office at 3rd Floor, Krishna Bhavan, Nehru Road, Vile Parle (East), Mumbai - 400057; Tel: 022-42254800; Fax: 022-42254880 Email: mbd@arihantcapital.com as **Manager to the Offer**. The contact person is Mr. Satish Kumar P. / Mr. Maqbool Kauchali.

(c) The Acquirers have appointed **Sharepro Services India Pvt Ltd** as Registrar to the Offer having office at 13AB, Samhita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exchange Lane, Off. Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai - 400 072; Tel: 022-61915402 / 5404; Fax: 022-61915444; Contact Persons: Mr. Anand Moolay / Ms. Janvi.

(d) This Detailed Public Statement will also be available on SEBI's website at www.sebi.gov.in.

On behalf of: Acquirers

Dhirajlal G. Hirpara
Jitendra G. Hirpara
Gauri Villa, 5 Ananta Park Society, Kalawad Road, Rajkot - 360 007

Issued by: MANAGER TO THE OFFER

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Website: www.arihantcapital.com
Contact Person: **Mr. Satish Kumar P. / Mr. Maqbool Kauchali**

Place: Mumbai
Date: May 06, 2013

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