SRI AMARNATH FINANCE LIMITED

Registered Office: - 4883-84, Main Road, Second Floor, Kucha Ustad Dag, Chandni Chowk, Delhi-110006

Advertisement under Regulation 18(7) in terms of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

This Advertisement is being issued by D & A Financial Services (P) Limited (the "**Manager to the Offer**"), for and on behalf of Mr. Manish Kapoor, son of Shri Baldev Raj Kapoor resident of 302-303, Part-III, Gujranwal Town, Delhi-110009 and Mr. Rakesh Kapoor son of Shri Baldev Raj Kapoor resident of 302-303, Part-III, Gujranwal Town, Delhi-110009 (Hereinafter collectively referred to as "Acquirers") alongwith Person Acting in Concert namely Mr. Rishabh Kapoor, Mr. Raghav Kapoor, Mr. Karan Kapoor, Ms. Archana Kapoor, Mr. Uday Kapoor and Ms. Meenu Kapoor resident's of 302-303, Part-III, Gujranwal Town, Delhi-110009 (Hereinafter collectively referred to as "PACs") pursuant to Regulation 18 (7) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 2011, in respect of the open offer to acquire shares of Sri Amarnath Finance Limited ("**SAFL**"/ "**Target Company**"). The Detailed Public Statement ("**DPS**") with respect to the aforementioned offer was published on Friday, October 23, 2015, in Business Standard (English-All Editions), Business Standard (Hindi-All Editions), Lakshdeep (Marathi) Mumbai edition.

1. The Offer Price of Rupees 29/- alongwith interest amount of Rupees 6.25/- per share aggregating to 35.25/- (Rupees Thirty Five and Paise Twenty Five Only).
2. Committee of Independent Directors (hereinafter referred to as "IDC") of the Target Company recommends that the open offer price of Rupees 29/- alongwith interest amount of Rupees 6.25/- per share aggregating to 35.25/- (Rupees Thirty Five and Paise Twenty Five Only) per fully paid up equity shares is fair and reasonable based on the following reasons:
   a. The Offer Price of Rupees 29/- along-with interest amount of Rupees 6.25/- per share aggregating to 35.25/- (Rupees Thirty Five and Paise Twenty Five Only) per fully paid up equity share offered by Acquirers is more than the price paid by the acquirer to the sellers under share purchase agreement, which is Rs 7.05/- per share.
   b. The Offer Price is higher than the price as arrived after taking into consideration Net Asset Value Per Share, PECV Value per share and Market Value per share as calculated by the valuer, which comes to Rupees 28.70 per share.
   c. The Offer Price is higher than the price paid by the acquirers during 52 weeks and 6 months preceding the date of public announcement for the acquisition of shares of Sri Amarnath Finance Limited, which is Rupees 7.05 per share.

   The IDC's recommendation was published on February 01, 2018 (Thursday) in the same newspapers where Detailed Public Statement was published.
3. This Offer is not a Competing Offer.
4. The Letter of Offer dated January 24, 2018 has been dispatched to the shareholders on Monday, January 29, 2018.
5. A Copy of the Letter of Offer (including Form of Acceptance cum acknowledgement) will also be available on SEBI's website (**www.sebi.gov.in**) during the offer period and shareholders can also apply by downloading such forms from the website. Further, in case of non-receipt/ non-availability of the form of acceptance, the application can be made on plain paper along with the following details:

   Name(s) & Address(es) of Joint Holder(s) (if any), Number of Shares held, Number of Shares tendered, Distinctive Numbers, Folio Number, Original share Certificate(s) and duly signed share transfer form(s).
6. In terms of Regulation 16(1) of the SEBI (SAST) Regulations, 2011, the Draft Letter of Offer was submitted to SEBI on October 30, 2015. All the observations made by SEBI vide letter no. dated February 12, 2016 bearing reference number CFD/DCR2/OW/2016 and approval for extension of time for making payment to the shareholders given by SEBI vide its letter no. CFD/DCR2/OW/4299/2016 dated February 17, 2016 has been incorporated in the Letter of Offer dated January 24, 2018.
7. There have been no material changes in relation to the Open Offer since the date of the PA, save as otherwise disclosed in the DPS, Corrigendum to DPS and the Letter of Offer except the following.

- The Target Company has received a Notice dated 05.07.2017 bearing letter no. RD(NR)/INV/235/NKS(13)/2017/4234 from Ministry of Corporate Affairs under Section 272(4) of the Companies Act, 2013 in view of investigations against the current promoters Mr. Virendra Jain and Mr. Surendra Kumar Jain by Serious Fraud Investigation Office (SFIO) and the target company replied the above said show cause notice by its letter dated 02.09.2017 and the same is pending with Ministry of Corporate Affairs.
- BSE Limited have also carrying out investigations against target company and requires various clarifications from target company in view of investigations against some of its current promoters i.e Mr. Virendra Jain and Mr. Surendra Kumar Jain. The target company replies the same vide its letter/email dated 17.08.2017, 25.08.2017, 08.09.2017, 16.09.2017, 17.11.2017, 25.11.2017, 01.12.2017 and 03.01.2018. After going through the same BSE Limited vide its letter no. SURV/OFL/AB/2017-18/SHELL/COMP/538863/1 dated January 04, 2018 directed that the promoters and directors of the target company are permitted only to buy the securities of the company and they shall not sell their existing holding in the company in line with directions issued by SEBI vide its letter no. SEBI/HO/ISD/ISD/OW/P/2017/18183 dated August 07, 2017.
- Reserve Bank of India has vide its letter no. DNBS ND NO. 1158/NDSI/05.19.292/2017-18 dated January 15, 2018 given its approval for change in management and control of target company subject to fulfillment of certain conditions in terms of RBI Notification number DNBR.PD.007/03.10.119/2016-17 dated September 1, 2016 for transfer of management and control of the Non-Banking Finance Company ("NBFC").
- The two existing promoters of the company namely Mr. Surendra Kumar Jain and Mr. Virendra Jain were in judicial custody for more than 10 months and they have been granted bail by the Court vide its order dated January 25, 2018.

8. Schedule of Activities:

S. No	Activity	Original Schedule Days & Dates	Revised Schedule Days & Dates
1.	**Date of Public Announcement**	**Thursday, October 15, 2015**	**Thursday, October 15, 2015**
2.	Date of Publication of Detailed Public Statement	Friday, October 23, 2015	Friday, October 23, 2015
3.	Filing of the Draft letter of Offer to SEBI	Friday, October 30, 2015	Friday, October 30, 2015
4.	Last Date for a competitive offer(s)	Tuesday, November 17, 2015	Tuesday, November 17, 2015
5.	**Identified Date***	**Friday, November 27, 2015**	**Friday, January 19, 2018**
6.	Date by which Final Letter of Offer will be dispatched to the shareholders	Friday, December 04, 2015	Monday, January 29, 2018
7.	**Last Date for revising the Offer Price/ number of shares.**	**Tuesday, December 08, 2015**	**Wednesday, January 31, 2018**
8.	Date by which the committee of the independent directors of the Target Company shall give its recommendations.	Wednesday, December 09, 2015	Thursday, February 01, 2018
9.	**Date of Publication of Offer Opening Public Announcement**	**Thursday, December 10, 2015**	**Friday, February 02, 2018**
10.	**Date of commencement of Tendering Period (Offer Opening date)**	**Friday, December 11, 2015**	**Monday, February 05, 2018**
11.	**Date of Expiry of Tendering Period (Offer Closing date)**	**Monday, December 28, 2015**	**Tuesday, February 20, 2018**
12.	Last Date of communicating rejection/acceptance and payment of consideration for applications accepted/ return of unaccepted share certificates/ credit of unaccepted Equity Shares to Demat Account.	Monday, January 11, 2016	Wednesday, March 07, 2018

**The identified date is only for the purpose of determining the public shareholders as on such date to whom the Letter of Offer would be mailed. It is clarified that all the Public Shareholders (registered or unregistered) are eligible to participate in this offer at any time prior to the closure of tendering period.*

The Acquirers and PACs accept full responsibility for the information contained in this Pre Offer Advertisement and also shall be jointly or severally responsible for the fulfillment of the obligations under the Offer and as laid down in SEBI (SAST) Regulations, 2011 and subsequent amendments thereto.

This Pre Issue Advertisement will also be available on SEBI's website at **www.sebi.gov.in**

Issued by Manager to the Offer on behalf of the Acquirers and PAC's

D&A

D & A Financial Services (P) Limited

13, Community Centre, East of Kailash, New Delhi-110 065

Tel: (011) 26472557, 26419079, 26218274 Fax: (011) 26219491

Email:nvestors@dnafinserv.com

Contact Person: **Mr. Priyaranjan**

Date: 01.02.2018

Place: New Delhi