

PUBLIC ANNOUNCEMENT UNDER REGULATIONS 3(1) AND 4 READ WITH REGULATIONS 13(1), 14 AND 15(1) OF SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011, AS AMENDED (“SEBI (SAST) REGULATIONS”)

PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF THE PUBLIC SHAREHOLDERS OF LKP FINANCE LIMITED

OPEN OFFER FOR ACQUISITION OF UPTO 32,67,842 FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (“EQUITY SHARES”) REPRESENTING 26.00% (TWENTY SIX PERCENT) OF THE FULLY DILUTED VOTING EQUITY SHARE CAPITAL (“VOTING SHARE CAPITAL”) OF LKP FINANCE LIMITED, A COMPANY INCORPORATED UNDER THE COMPANIES ACT, 1956 AND HAVING ITS REGISTERED OFFICE AT 203 EMBASSY CENTRE, NARIMAN POINT, MUMBAI, MAHARASHTRA - 400 021 (THE “TARGET COMPANY”), FROM THE PUBLIC SHAREHOLDERS (AS DEFINED BELOW) OF THE TARGET COMPANY BY DAKSHIN MERCANTILE PRIVATE LIMITED (“ACQUIRER”) (“OPEN OFFER” OR “OFFER”). NO PERSON IS ACTING IN CONCERT WITH THE ACQUIRER FOR THE PURPOSES OF THIS OPEN OFFER.

THIS PUBLIC ANNOUNCEMENT (“PA” OR “PUBLIC ANNOUNCEMENT”) IS BEING ISSUED BY ICICI SECURITIES LIMITED (“MANAGER TO THE OFFER”) FOR AND ON BEHALF OF THE ACQUIRER, TO THE PUBLIC SHAREHOLDERS (AS DEFINED BELOW) OF THE TARGET COMPANY PURSUANT TO AND IN COMPLIANCE WITH, AMONG OTHERS, REGULATIONS 3(1) AND 4 READ WITH REGULATIONS 13(1), 14 AND 15(1) OF THE SEBI (SAST) REGULATIONS.

For the purpose of this Public Announcement, “**Public Shareholders**” shall mean all the equity shareholders of the Target Company excluding (i) the shareholders forming a part of the promoter/ promoter group of the Target Company; (ii) parties to the the share purchase agreement dated May 14, 2018 (“SPA”); and (iii) any persons acting in concert or deemed to be acting in concert with the persons set out in (i) and (ii).

1. Offer Details

- a. **Offer Size:** The Acquirer hereby makes this Open Offer to the Public Shareholders of the Target Company to acquire upto 32,67,842 (Thirty two lakh sixty seven thousand eight hundred and forty two) Equity Shares, constituting 26.00% of the Voting Share Capital of the Target Company (the “**Offer Size**”), as of the tenth working day from the closure of the tendering period, subject to the terms and conditions mentioned in this Public Announcement, the detailed public statement (“**DPS**”) and the letter of offer (“**LoF**”) proposed to be issued for the Open Offer in accordance with the SEBI (SAST) Regulations Assuming full acceptance under the Open Offer, necessary steps shall be taken following acquisition of the Equity Shares to ensure compliance with minimum public shareholding requirements (if breached as a result of the Open Offer), within prescribed timeline as per applicable laws.

- b. **Offer Price/ Consideration:** ₹198/- (Indian rupees one hundred and ninety eight only) per Offer Share (“**Offer Price**”) has been calculated in accordance with Regulations 8(1) and 8(2) of the SEBI (SAST) Regulations. Assuming full acceptance of the Open Offer, the total consideration payable by the Acquirer under the Open Offer at the Offer Price will be ₹ 64,70,32,716 (Indian rupees sixty four crores seventy lakhs thirty two thousand seven hundred and sixteen only). The Equity Shares of the Target Company are frequently traded as per Regulation 2(1)(j) of the SEBI (SAST) Regulations.
- c. **Mode of payment:** The Offer Price will be paid in cash, in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations.
- d. **Type of offer:** The Open Offer is a mandatory offer pursuant to Regulations 3(1) and 4 of the SEBI (SAST) Regulations pursuant to the execution of a SPA entered into by and between M.V. Doshi, M.V. Doshi (through partnership firm M/s L.K. Panday), Pratik M. Doshi, Ira P. Doshi, Shital A. Sonpal, Samaya P. Doshi, Sea Glimpse Investments Private Limited and Bhavana Holdings Private Limited (each a ‘**Seller**’ and collectively hereinafter referred to as the ‘**Sellers**’), the Acquirer and the Target Company. The Open Offer is not a conditional offer subject to minimum level of acceptances.

2. Transaction which has triggered the Open Offer obligations (underlying transaction)

Details of underlying transaction						
Type of Transaction (Direct/Indirect)	Mode of Transaction (Agreement/Allotment/Market Purchase)	Equity Shares/ Voting rights acquired/ proposed to be acquired		Total Consideration for Equity Shares/voting rights acquired (in ₹)	Mode of payment (Cash/ securities)	Regulations which have been triggered
		Number of Equity Shares	% vis-à-vis Equity Share / voting capital			
Direct Acquisition	Direct acquisition of Equity Shares pursuant to execution of the SPA entered into between the Acquirer, the Sellers and the Target Company to acquire a minimum of 69,82,434 Equity Shares representing 55.55% of the Voting Share Capital of the Target Company and upto a maximum of 77,92,546 Equity Shares representing 62.00% of the Voting Share Capital of the Target Company, depending	The acquisition is proposed to be in the range of a minimum of 69,82,434 Equity Shares and upto a maximum of 77,92,546 Equity Shares of the Target Company, depending upon the Equity	The acquisition is proposed to be in the range of a minimum of 55.55% of the Voting Share Capital of the Target Company and upto 62.00% Voting Share Capital of the Target Company,	Depending on the acquisition size, the total consideration will be for a minimum of ₹ 138,25,21,932 and upto a maximum of ₹ 154,29,24,108 at the Offer Price. ⁽¹⁾	Cash	Regulations 3(1) and 4 of the SEBI (SAST) Regulations

Details of underlying transaction						
Type of Transaction (Direct/Indirect)	Mode of Transaction (Agreement/Allotment/Market Purchase)	Equity Shares/ Voting rights acquired/ proposed to be acquired		Total Consideration for Equity Shares/voting rights acquired (in ₹)	Mode of payment (Cash/ securities)	Regulations which have been triggered
		Number of Equity Shares	% vis-à-vis Equity Share / voting capital			
	upon the Equity Shares validly tendered and accepted in the Open Offer. ⁽¹⁾	Shares validly tendered and accepted in the Open Offer. ⁽¹⁾	depending upon the Equity Shares validly tendered and accepted in the Open Offer. ⁽¹⁾			

(1) In terms of the SPA and subject to the conditions therein, if the number of Equity Shares held by the Acquirer, after taking into account the minimum acquisition by the Acquirer under the SPA of 69,82,434 Equity Shares representing 55.55% of the Voting Share Capital of the Target Company and pursuant to the Open Offer, is less than 77,92,546 Equity Shares representing 62.00% of the Voting Share Capital of the Target Company then the Acquirer will acquire such additional Equity Shares from the Sellers which would result in the Acquirer's shareholding to be 77,92,546 Equity Shares representing 62.00% of the Voting Share Capital of the Target Company, at the time of consummation of the underlying transaction.

3. Details of the Acquirer

Details		Acquirer
Name of the Acquirer		Dakshin Mercantile Private Limited
Address		18th Floor, A Wing, Marathon Futurex, N. M. Joshi Marg, Lower Parel, Mumbai
Name(s) of persons in control/ promoters of Acquirer		Sushila Devi Goenka
Name of the Group, if any to which the Acquirer belongs to		Essel Group
Pre underlying transaction shareholding	Number of Equity Shares	Nil
	% of total Voting Share Capital	Nil
Proposed shareholding after acquisition of shares which triggered the Open Offer	Number of Equity Shares	May range between 69,82,434 Equity Shares to 77,92,546 Equity Shares of the Target Company ⁽¹⁾⁽²⁾⁽³⁾
	% of total Voting Share Capital	May range between 55.55% to 62.00% of the Equity Share capital of the Target Company ⁽¹⁾⁽²⁾⁽³⁾
Any other interest in the Target Company		None

(1) In case no Equity Share is validly tendered and accepted in the Open Offer, in terms of the SPA and subject to the terms contained therein, the Acquirer shall acquire 77,92,546 Equity Shares representing 62.00% of the Voting Share Capital from the Sellers.

(2) In case of full acceptance in the Open Offer, the Acquirer will acquire 69,82,434 Equity Shares representing 55.55% of the Voting Share Capital from the Sellers pursuant to the SPA and 32,67,842 Equity Shares of the Target Company from the Public Shareholders constituting 26.00% of the Voting Share Capital of the Target Company pursuant to the Open Offer. Consequently, the shareholding of the Acquirer in the Target Company will exceed the maximum permissible non-public shareholding, and the Acquirer and the PACs, in terms of Regulation 7(4) of the SEBI (SAST) Regulations, shall be required to bring down the non-public shareholding to the level specified and within the time permitted under Securities Contracts (Regulation) Rules, 1957.

(3) In terms of the SPA and subject to the conditions therein, if the number of Equity Shares held by the Acquirer, after taking into account the minimum acquisition by the Acquirer under the SPA of 69,82,434 Equity Shares representing 55.55% of the Voting Share Capital of the Target Company and pursuant to the Open Offer, is less than 77,92,546 Equity Shares representing 62.00% of the Voting Share Capital of the Target Company then the Acquirer will acquire such additional Equity Shares from the Sellers which would result in the Acquirer's shareholding to be 77,92,546 Equity Shares representing 62.00% of the Voting Share Capital of the Target Company, at the time of consummation of the underlying transaction.

4. Details of selling shareholders

Sr. No.	Name of the selling shareholder	Part of Promoter Group	Details of Equity Shares/Voting Rights held by the selling shareholder			
			Pre Transaction		Post Transaction ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾	
			Number of Equity Shares	% vis-à-vis Voting Share Capital	Number of Equity Shares	% vis-à-vis Voting Share Capital
1.	Sea Glimpse Investments Private Limited	Yes	25,47,515	20.27	Upto 10,00,000	Upto 7.96%
2.	M.V. Doshi (through partnership firm M/s L.K. Panday)	Yes	20,59,204	16.38		
3.	M.V. Doshi	Yes	16,48,763	13.12		
4.	Bhavana Holdings Private Limited	Yes	14,09,505	11.21		
5.	Pratik M. Doshi	Yes	1,00,722	0.80		
6.	Samaya P. Doshi	Yes	1,00,000	0.80		
7.	Ira P. Doshi	Yes	1,00,000	0.80		
8.	Shital A. Sonpal	Yes	16,725	0.13		
Total			79,82,434	63.51	Upto 10,00,000	Upto 7.96%

(1) In case no Equity Share is validly tendered and accepted in the Open Offer, in terms of the SPA and subject to the terms contained therein, the Acquirer shall acquire 77,92,546 Equity Shares representing 62.00% of the Voting Share Capital of the Target Company from the Sellers.

(2) In case of full acceptance in the Open Offer, the Acquirer will acquire 69,82,434 Equity Shares representing 55.55% of the Voting Share Capital of the Target Company from the Sellers pursuant to the SPA and 32,67,842 Equity Shares of the Target Company from the Public Shareholders constituting 26.00% of the Voting Share Capital pursuant to the Offer. Consequently, the shareholding of the Acquirer in the Target Company will exceed the maximum permissible non-public shareholding, and the

Acquirer and the PACs, in terms of Regulation 7(4) of the SEBI (SAST) Regulations, shall be required to bring down the non-public shareholding to the level specified and within the time permitted under Securities Contracts (Regulation) Rules, 1957.

(3) In terms of the SPA and subject to the conditions therein, if the number of Equity Shares held by the Acquirer, after taking into account the minimum acquisition by the Acquirer under the SPA of 69,82,434 Equity Shares representing 55.55% of the Voting Share Capital of the Target Company and pursuant to the Open Offer, is less than 77,92,546 Equity Shares representing 62.00% of the Voting Share Capital of the Target Company then the Acquirer will acquire such additional Equity Shares from the Sellers which would result in the Acquirer's shareholding to be 77,92,546 Equity Shares representing 62.00% of the Voting Share Capital of the Target Company, at the time of consummation of the underlying transaction.

(4) The Sellers will determine the inter-se proportion in which the Sellers will sell the Equity Shares of the Target Company to the Acquirer in accordance with the provisions of the SPA.

Pursuant to the Open Offer and the transactions contemplated in the SPA, the Acquirer shall become the promoter of the Target Company and, the Sellers will cease to be the promoters of the Target Company in accordance with the provisions of Regulation 31A(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”). The re-classification of the Sellers is subject to approval of shareholders of the Target Company in the general meeting in terms of Regulation 31A(5) of the SEBI Listing Regulations and conditions prescribed therein.

5. Details of the Target Company

- a. **Name:** LKP Finance Limited;
- b. **Corporate Identity Number of the Target Company:** L65990MH1984PLC032831;
- c. **Registered Office:** 203 Embassy Centre, Nariman Point, Mumbai, Maharashtra - 400 021; and
- d. **Exchange(s) where listed:** The Equity Shares of the Target Company are presently listed on BSE Limited (Scrip Code: 507912) and the ISIN of Equity Shares of the Target Company is INE724A01017.

6. Other details

- a. A Detailed Public Statement in accordance with Regulations 13(4) and 14(3) of the SEBI (SAST) Regulations shall be published on or before May 21, 2018 (i.e., not later than 5 working days from this PA) in all editions of an English national daily with wide circulation, all editions of a Hindi national daily with wide circulation and a Marathi language daily with wide circulation at Mumbai, Maharashtra. The DPS will contain further information about the Open Offer, including the background to the Open Offer, detailed information on the Offer Price, details of the SPA, detailed information on the Acquirer and the Target Company and the statutory approvals, if any, required for the Open Offer.

- b. The Acquirer accepts full responsibility for the information contained in this Public Announcement. The Acquirer has given an undertaking that they are aware of, and will comply with, their obligations under the SEBI (SAST) Regulations and have adequate financial resources to meet the obligations under the SEBI (SAST) Regulations for the purpose of the Open Offer.
- c. The Acquirer undertakes that it is fully aware of and will comply with its obligations under the SEBI (SAST) Regulations.
- d. The Open Offer is not conditional upon any minimum level of acceptance pursuant to the terms of Regulation 19(1) of the SEBI (SAST) Regulations.
- e. This Public Announcement is not being issued pursuant to a competing offer under the terms of Regulation 20 of the SEBI (SAST) Regulations.
- f. This Open Offer is subject to the terms and conditions mentioned in this Public Announcement, the Detailed Public Statement and the Letter of Offer that are proposed to be issued in accordance with the SEBI (SAST) Regulations.
- g. All information in relation to the Target Company contained in the Public Announcement is based on publicly available information.

Issued by the Manager to the Open Offer



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SEBI Registration Number: INM000011179

**On Behalf of the Acquirer
Dakshin Mercantile Private Limited**

Sd/
Amitabh Chaturvedi
Place: Mumbai
Date: May 14, 2018