

LETTER OF OFFER
THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This letter of offer (“**Letter of Offer**”) is sent to you as Eligible Public Shareholder of LKP Finance Limited (the “**Target Company**”). If you require any clarifications about the action to be taken, you may consult your stock broker or investment adviser or consultant or the Manager to the Offer or the Registrar to the Offer. In case you have recently sold your equity shares of the Target Company, please hand over the Letter of Offer and the accompanying Form of Acceptance-cum-Acknowledgement and transfer deed to the member of the stock exchange through whom the said sale was effected.

Open Offer (“**Offer**”)

by

DAKSHIN MERCANTILE PRIVATE LIMITED (“Acquirer”)

Registered office: 18th Floor, A Wing, Marathon Futurex, N. M. Joshi Marg, Lower Parel, Mumbai - 400013;

Tel: +91 22 7106 1234; **Fax:** NA

To acquire upto 32,67,842 (thirty two lakhs sixty seven thousand eight hundred and forty two only) fully paid-up equity shares of face value of ₹ 10 (Rupees ten) each (“Equity Shares”) representing 26.00% (twenty six percent) of the Voting Share Capital (defined below) from the Eligible Public Shareholders (defined below) of

LKP FINANCE LIMITED

A public limited company incorporated under the Companies Act, 1956

Registered office: 203 Embassy Centre, Nariman Point, Mumbai, Maharashtra - 400 021; **Tel:** +91 22 4002 4785 / 4786

Fax: +91 22 2287 4787; **Email Id:** lkpfininvestor.relations@lkpsec.com; **Website:** www.lkpsec.com

at a price of ₹ 198 (Rupees one hundred and ninety eight only) (“Offer Price”) per Equity Share payable in cash pursuant to the provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time (“SEBI (SAST) Regulations”)

Note:

1. This Offer is being made pursuant to and in compliance with Regulations 3(1), 4 and other applicable provisions of the SEBI (SAST) Regulations.
2. There is no person(s) acting in concert with the Acquirer for the purpose of this Offer.
3. This Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of the SEBI (SAST) Regulations.
4. This Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
5. Non-Resident Indians (“**NRI**”), Overseas Corporate Bodies (“**OCB**”) or any other non-resident holders of Equity Shares, if any, must obtain all requisite approvals required to tender the Equity Shares held by them pursuant to this Offer (including without limitation, the approval from the Reserve Bank of India (“**RBI**”) and submit such approvals, along with the other documents required in terms of the Letter of Offer. Further, if holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs, and Foreign Portfolio Investors (“**FPIs**”) had required any approvals (including from the RBI or any other regulatory authority) in respect of the Equity Shares held by them, they will be required to submit the previous approvals that they would have obtained for holding the Equity Shares, to tender the Equity Shares held by them pursuant to this Offer, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves its right to reject such Equity Shares tendered in this Offer.
6. To the best of the knowledge of the Acquirer, except for the approval from the Reserve Bank of India received by the Target Company vide letter dated August 23, 2018 *inter alia* for change in control and management of the Target Company pursuant to the Offer and purchase of Equity Shares pursuant to the SPA (defined below), there are no statutory approval(s) required by the Acquirer to complete this Offer. However, in case of any statutory approval(s) being required at a later date, this Offer will be subject to such approval(s) and the necessary applications for such approvals will be made. For more details regarding the statutory and other approvals for the Offer, please see paragraph 8 (*Statutory and other approvals*) at page 33 of this Letter of Offer.
7. The Acquirer can revise the Offer Price or the size of the Offer at any date prior to the commencement of the last three working days prior to the opening of the Tendering Period being September 19, 2018 (as defined hereinafter), i.e. up to September 12, 2018. If there is any such upward revision to the Offer Price or the size of the Offer, then the Acquirer shall (a) announce such increase by way of a public announcement in the Newspapers; (b)

simultaneously with the issue of such announcement, inform SEBI, the BSE and the Target Company at its registered office of such upward revision; and (c) make corresponding increase to the escrow amount, as more particularly set out in paragraph 6 (*Offer Price and Financial Arrangements*) below. Such revised Offer Price would be payable for all the Equity Shares validly tendered anytime during the Tendering Period. The last date for revision of the Offer Price is September 12, 2018.

8. **As per the information available with the Acquirer and the Target Company, there has been no competing offer as of the date of this Letter of Offer.**
9. A copy of the Public Announcement (as defined below), the Detailed Public Statement (as defined below) , the Draft Letter of Offer (including the Form of Acceptance-cum-Acknowledgment) and this Letter of Offer (including the Form of Acceptance-cum-Acknowledgement) are also available on the website of the Securities and Exchange Board of India (“SEBI”) at www.sebi.gov.in.

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
 <p>ICICI Securities Limited ICICI Centre, H.T. Parekh Marg, Churchgate, Mumbai - 400 020 Tel: +91 22 2288 2460 Fax: +91 22 2282 6580 E-mail: lkp.openoffer@icicisecurities.com Website: www.icicisecurities.com Contact Person: Rupesh Khant/ Arjun Mehrotra SEBI Registration Number: INM000011179</p>	 <p>Adroit Corporate Services Private Limited 17-20, Jafarbhoj Industrial Estate, 1st Floor, Makawana Road, Marol Naka, Andheri (East), Mumbai - 400 059 Tel: +91 22 4227 0400 Fax: +91 22 2850 3748 Investor grievance e-mail: info@adroitcorporate.com Website: www.adroitcorporate.com Contact Person: N. Surreash SEBI Registration Number: INR000002227</p>

SCHEDULE OF MAJOR ACTIVITIES RELATING TO THIS OFFER

Activity	Schedule	Revised Schedule #
	Day and Date	
Date of Public Announcement	Monday, May 14, 2018	Monday, May 14, 2018
Publication of Detailed Public Statement in Newspapers	Monday, May 21, 2018	Monday, May 21, 2018
Last date of filing Draft Letter of Offer with SEBI	Monday, May 28, 2018	Monday, May 28, 2018
Last date for public announcement of a competing offer(s)*	Monday, June 11, 2018	Monday, June 11, 2018
Last date for receipt of comments from SEBI on the Draft Letter of Offer (in the event SEBI has not sought clarification or additional information from the Manager to the Offer)	Monday, June 18, 2018	Friday, August 31, 2018
Identified Date**	Wednesday, June 20, 2018	Tuesday, September 4, 2018
Last date by which the Letter of Offer will be dispatched to the shareholders	Wednesday, June 27, 2018	Tuesday, September 11, 2018
Last date of upward revision of Offer Price and/ or the Offer Size	Thursday, June 28, 2018	Wednesday, September 12, 2018
Last date by which a committee of independent directors of the Target Company shall give its recommendation to the shareholders of the Target Company***	Friday, June 29, 2018	Friday, September 14, 2018
Publication of advertisement containing announcement of the schedule of activities of this Offer, status of statutory and other approvals, if any, and procedure for tendering acceptances, in the newspapers where the DPS was published and notified to the SEBI, the BSE and the Target Company at its registered office	Tuesday, July 3, 2018	Tuesday, September 18, 2018
Date of commencement of Tendering Period (Offer opening date)	Wednesday, July 4, 2018	Wednesday, September 19, 2018
Date of closure of Tendering Period (Offer closing date)	Tuesday, July 17, 2018	Thursday, October 4, 2018
Last date of communicating of rejection/ acceptance and payment of consideration for accepted tenders/ return of unaccepted shares	Tuesday, July 31, 2018	Friday, October 19, 2018
Last date for publication of post Offer advertisement	Tuesday, August 7, 2018	Friday, October 26, 2018
Last date for filing of final report with SEBI	Tuesday, August 7, 2018	Friday, October 26, 2018

The comments on the Draft Letter of Offer from SEBI were received on August 31, 2018. Accordingly, the revised dates for the above-mentioned activities, are set out in the revised schedule.

*There has been no competing offer as of the date of this Letter of Offer.

**Identified Date is the 10th (tenth) Working Day prior to the commencement of the Tendering Period, for the purpose of determining the Eligible Public Shareholders to whom this Letter of Offer shall be sent. The Identified Date is only for the purpose of determining the shareholders of the Target Company as on such date to whom this Letter of Offer would be

dispatched. It is clarified that all Eligible Public Shareholders, whether registered or unregistered, are eligible to participate in this Offer at any time during the Tendering Period.

**** The recommendations of the committee of the independent directors of the Target Company were published in the Newspapers on September 1, 2018.*

RISK FACTORS

Set forth below are the risk factors relating to the underlying transaction, the Offer and the probable risks involved in associating with the Acquirer and are not in relation to the present or future business operations of the Target Company or any other related matters. These risk factors are neither exhaustive nor intended to constitute a complete analysis of the risks involved in the participation or otherwise by the Eligible Public Shareholders in this Offer, but are merely indicative. The Eligible Public Shareholders are advised to consult their stock broker or legal, financial, tax or investment advisors/consultants, if any, for analysing and understanding all the risks with respect to their participation in this Offer and related sale and transfer of Equity Shares. For capitalized terms used herein please refer to the Definitions set out on page 9 of this Letter of Offer.

A. Risks relating to the underlying transaction

1. In accordance with the terms and conditions of the SPA, the completion of the underlying transaction is subject to the satisfaction or waiver of the conditions precedent as set out in the SPA. Some of these conditions precedent are outlined in paragraph 3.1.9(i) of this Letter of Offer.
2. The underlying transaction is subject to completion risks as would be applicable to similar transactions.

B. Risks relating to this Offer

1. Subject to the provisions of the SEBI (SAST) Regulations, the acquisition of Equity Shares pursuant to the SPA and the Equity Shares pursuant to this Offer are subject to the satisfaction of the conditions precedent, unless waived in writing by the Acquirer, as set forth in Clause 3.2 of the SPA including receipt of approval from the Reserve Bank of India (**RBI**) *inter alia* for change in control and management of the Target Company pursuant to the Offer and purchase of Equity Shares pursuant to the SPA. In the event of a withdrawal of the Offer, the Acquirer (through the Manager) shall, within 2 (two) Working Days of such withdrawal, make a public announcement of such withdrawal, in the same newspapers in which the Detailed Public Statement was published, stating the grounds for the withdrawal in accordance with Regulation 23(2) of the SEBI SAST Regulations.
2. The Acquirer will not proceed with the Offer in the event statutory or other approvals, if any are required, are refused in terms of Regulation 23(1) of SEBI (SAST) Regulations, 2011.
3. As of date of this Letter of Offer, to the best of the knowledge of the Acquirer, except for the approval from the Reserve Bank of India received by the Target Company vide letter dated August 23, 2018 *inter alia* for change in control and management of the Target Company pursuant to the Offer and purchase of Equity Shares pursuant to the SPA, there are no statutory approvals required by the Acquirer to complete this Offer. In the event that:
 - i. any other statutory approvals are required by the Acquirer at a later date, this Offer shall be subject to such approvals and the Acquirer shall make necessary applications for such approvals regulatory or statutory approvals are not received in time;
 - ii. there is any order of a governmental authority or litigation leading to a stay or injunction on the Offer or that restricts or restrains the Acquirer from performing its obligations hereunder; or
 - iii. SEBI instructing the Acquirer not to proceed with the Offer,

then the Offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the Eligible Public Shareholders whose Equity Shares have been accepted in this Offer as well as return of the Equity Shares not accepted by the Acquirer may be delayed.

In case the delay is due to non-receipt of statutory approval(s), then in accordance with regulation 18(11) of the SEBI (SAST) Regulations, SEBI may, if satisfied that non-receipt of approvals was not due to any wilful default or negligence on the part of the Acquirer, grant an extension for the purpose of completion of the Offer subject to the Acquirer agreeing to pay interest to the validly tendering Eligible Public Shareholders at such rate as may be specified by SEBI. Provided where the statutory approvals extend to some but not all the Eligible Public Shareholders, the Acquirer will have the option to make payment of the consideration to such Eligible Public Shareholders in respect of whom no statutory approvals are required in order to complete this Offer. The Acquirer will have the right not to proceed with this Offer in the event any statutory approval, as may be required, is refused.

4. All Eligible Public Shareholders, including non-residents holders of Equity Shares, must obtain all requisite approvals required, if any, to tender the Equity Shares in the Offer (including without limitation, the approval from the RBI) and submit such approvals, along with the other documents required to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered in this Offer. Further, if the holders of the Equity Shares who are not persons resident in India had required any approvals (including from the RBI, or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender the Equity Shares in the Offer, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered in the Offer. If the Equity Shares are held under general permission of the RBI, then the non-resident Eligible Public Shareholder must state that the Equity Shares are held under general permission and clarify whether the Equity Shares are held on repatriable or non-repatriable basis.
5. In the event of any litigation leading to a stay on this Offer by a court of competent jurisdiction, or SEBI instructing that this Offer should not proceed, then this Offer may be withdrawn or the Offer process may be delayed beyond the schedule of activities indicated on page 3 of this Letter of Offer. Consequently, the payment of consideration to the Shareholders whose Equity Shares are validly accepted in this Offer as well as the return of the Equity Shares not validly accepted in this Offer by the Acquirer, may be delayed.
6. The Equity Shares, once tendered through the Form of Acceptance-cum-Acknowledgement in the Offer, cannot be withdrawn by the Eligible Public Shareholder during the Tendering Period, even if the acceptance of the Equity Shares in this Offer and, or dispatch of consideration are delayed.
7. The Eligible Public Shareholders may tender their Equity Shares in this Offer at any time from the commencement of the Tendering Period but prior to the closure of the Tendering Period. The Acquirer have up to 10 Working Days, or such extended period as may be permitted by SEBI, from the date of closure of the Tendering Period to pay the consideration to the Eligible Public Shareholders whose Equity Shares are accepted in this Offer.
8. In the case of over-subscription of this Offer i.e. the number of Equity Shares validly tendered by the Eligible Public Shareholders is more than the Offer Size, acceptance will be determined on a proportionate basis (as detailed in paragraph 9.17.2 of this Letter of Offer) and hence, there is no certainty that all the Equity Shares tendered by the Eligible Public Shareholders in this Offer will be accepted. The unaccepted Equity Shares will be returned to the respective Eligible Public Shareholders in accordance with the schedule of activities for the Offer.
9. The Equity Shares tendered in the Offer will be held in trust by the Registrar to the Offer / Clearing Corporation (as defined below), on behalf of the Eligible Public Shareholders who have tendered their Equity Shares, till the completion of the formalities of this Offer, and the Eligible Public Shareholders who have tendered their Equity Shares will not be able to trade in such Equity Shares held in trust by the Registrar to the Offer / Clearing Corporation during such period, even if the acceptance of the Equity Shares in this Offer and, or dispatch of payment consideration are delayed. During such period, there may be fluctuations in the market price of the Equity Shares and the Eligible Public Shareholder will not be able to trade in such Equity Shares which are in the custody of the Registrar to the Offer, thereby restricting the ability of such Eligible Public Shareholders to take advantage of any favourable price movements. Accordingly, the Acquirer makes no assurance with respect to the market price of the Equity Shares before, during or upon completion of this Offer and each of them expressly disclaims any responsibility or obligation of any kind (except as required by applicable law) with respect to any decision by the Eligible Public Shareholders on whether or not to participate in this Offer.
10. The Acquirer and the Manager to the Offer accept no responsibility for statements made otherwise than in the Public Announcement (“PA”), the Detailed Public Statement (“DPS”), the Draft Letter of Offer or this Letter of Offer or in any advertisement or any materials issued by or at the instance of the Acquirer. Any persons placing reliance on any other source of information will be doing so at their own risk. Further, the Acquirer and the Manager to the Offer does not accept responsibility with respect to the information contained in the PA, the DPS, or the Draft Letter of Offer or the Letter of Offer that pertains to the Target Company and, or, the Sellers which has been provided by the Target Company, the Sellers or taken from publicly available sources.
11. This Letter of Offer has not been filed, registered or approved in any jurisdiction outside India. The recipients of this Letter of Offer resident in jurisdictions outside India should inform themselves of and observe the applicable legal requirements. This Offer is not directed towards any person or entity in any jurisdiction or country where the same would be contrary to the applicable laws or regulations or would subject the Acquirer or the Manager to the Offer to any new or additional registration requirements. This is not an offer for sale, or a solicitation of an offer to buy, in the United States of America and cannot be accepted by any means or instrumentality from within the United States of America.

12. The Eligible Public Shareholders are advised to consult their respective tax advisers for assessing the tax liability pursuant to this Offer, or in respect of other aspects such as the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. The Acquirer and the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in this Letter of Offer.
13. The Acquirer and the Manager to the Offer make no assurance with respect to the financial performance of the Target Company and disclaim any responsibility with respect to any decision by the Eligible Public Shareholders on whether or not to participate in this Offer.

C. Risks relating to the Acquirer

1. The Acquirer makes no assurances with respect to their investment or divestment decisions relating to their proposed shareholding in the Target Company.
2. The Acquirer makes no assurances with respect to the continuation of the past trend in the financial performance or of the future performance of the Target Company.
3. The Acquirer makes no assurances with respect to the market price of the Equity Shares before, during or after this Offer and expressly disclaims any responsibility or obligation of any kind (except as required under applicable law) with respect to any decision by any Eligible Public Shareholder on whether to participate or not to participate in this Offer.
4. The acquisition of Equity Shares pursuant to this Offer, together with the Equity Shares acquired pursuant to the SPA, may result in public shareholding in the Target Company falling below the level required for continued listing as prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**SEBI Listing Regulations**). While the Target Company is required to decrease the non-public shareholding to the level specified and within the time stipulated under the Securities Contract (Regulation) Rules, 1957, as amended (**SCRR**), as per the requirements of Regulation 7(4) of the SEBI (SAST) Regulations and, or, the SEBI Listing Regulations, any failure to comply with the aforesaid regulations could have an adverse effect on the price and tradability of the Equity Shares.

CURRENCY OF PRESENTATION

In this Letter of Offer, all references to Rupees' or '₹' or 'INR' or 'Rs.' are references to Indian Rupee, the currency of the Republic of India. Throughout this Letter of Offer, all figures have been expressed in 'Lakhs' unless otherwise specifically stated. In this Letter of Offer, any discrepancy in any table between the total and sums of the amounts listed are due to rounding off and/ or regrouping.

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1. DEFINITIONS

Term	Definition
Acquirer	Dakshin Mercantile Private Limited having its registered office at 18 th Floor, A Wing, Marathon Futurex, N. M. Joshi Marg, Lower Parel, Mumbai, Maharashtra, India - 400 013.
Board	The board of directors of the Target Company.
BSE	BSE Limited
Business Day	Any day other than a Saturday, Sunday or any day on which banks in India or SEBI are permitted to be closed.
Buying Broker	ICICI Securities Limited, the broker appointed by the Acquirer for the Offer through whom the purchases and settlement of the Offer Shares tendered under the Offer shall be made.
CA/ Chartered Accountant	Chartered accountant as defined under the Chartered Accountants Act, 1949.
CDSL	Central Depository Services (India) Limited
Closure of the Tendering Period	The last day by which the Eligible Public Shareholders may tender their Equity Shares in acceptance of the Offer
Companies Act, 1956	The Companies Act, 1956 as amended.
Companies Act, 2013	The Companies Act, 2013, as applicable.
Depositories	NSDL and CDSL
DP	Depository Participant
DPS/ Detailed Public Statement	Detailed Public Statement, dated May 20, 2018 issued by the Manager to the Offer, on behalf of the Acquirer in relation to the Offer and published in Newspapers on May 21, 2018 in accordance with Regulations 3(1) and 4 read with Regulations 13(4) and 15(2) of the SEBI (SAST) Regulations.
Draft Letter of Offer	The draft letter of offer dated May 28, 2018
Eligible Public Shareholders	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 SPA (defined below); and (iii) any persons acting in concert or deemed to be acting in concert with the persons set out in (i) and (ii).
Escrow Agreement	The escrow agreement dated May 17, 2018 entered into among the Acquirer, the Manager to the Offer and the Escrow Bank.
Escrow Bank	ICICI Bank Limited
Equity Shares	Fully paid-up equity share of Target Company having face value of ₹10 each.
Equity Share Capital	Fully paid-up equity share capital of Target Company as on date of PA having face value of ₹10 each.
FII(s)	Erstwhile SEBI registered foreign institutional investor(s), as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended.
FIPB	Foreign Investment Promotion Board.
Form of Acceptance-cum-Acknowledgement	Form of Acceptance-cum-Acknowledgement attached to the Letter of Offer.
FPI	Foreign Portfolio Investor, as defined under Regulation 2(h) of the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended.

Term	Definition
Identified Date	September 4, 2018, i.e. the date falling on the 10 th (tenth) Working Day prior to the commencement of the Tendering Period, for the purposes of determining the shareholders of the Target Company to whom the Letter of Offer shall be sent.
Income Tax Act	Income Tax Act, 1961, as amended.
Letter of Offer	This Letter of Offer dated September 4, 2018, duly incorporating SEBI's comments on the Draft Letter of Offer, including the Form of Acceptance-cum-Acknowledgement
Listing Agreement	The equity listing agreement entered into by the Target Company with the BSE Limited, as amended from time to time.
Manager to the Offer	ICICI Securities Limited having its office at ICICI Centre, H.T. Parekh Marg, Churchgate, Mumbai - 400 020
NECS	National Electronic Clearance Service.
NEFT	National Electronic Funds Transfer.
Newspapers	Financial Express (English - all editions), Jansatta (Hindi - all editions) and Navshakti (Marathi - Mumbai edition), being the newspapers wherein the DPS was published on behalf of the Acquirer on May 21, 2018.
NRI	Non-Resident Indian, as defined under Foreign Exchange Management (Deposit) Regulations, 2000 as amended from time to time.
NSDL	National Securities Depository Limited.
OCB	Overseas corporate body, as defined under Foreign Exchange Management (Deposit) Regulations, 2000 as amended from time to time.
Offer	Open offer being made by the Acquirer to the Eligible Public Shareholders of the Target Company to acquire up to upto 32,67,842 Equity Shares, representing 26% of the Voting Share Capital, at a price of ₹198 (Rupees one hundred and ninety eight only) per Equity Share.
Offer Period	The period between the date on which the PA was made (i.e. on May 14, 2018) and the date on which the payment of consideration to the Eligible Public Shareholder whose Equity Shares are validly accepted in this Offer, is made, or the date on which this Offer is withdrawn, as the case may be.
Offer Price	₹ 198 (Rupees one hundred and ninety eight only) per Equity Share.
Offer Size	Up to 32,67,842 Equity Shares representing 26% of the Voting Share Capital.
PA/ Announcement	Public The public announcement in connection with the Offer dated May 14, 2018 issued by the Manager to the Offer on behalf of the Acquirer, in relation to this Offer and filed with BSE, SEBI and the Target Company on May 14, 2018.
PAN	Permanent Account Number.
Purchase Consideration	Bears the meaning as ascribed at paragraph 3.1.6 of this Letter of Offer.
RBI	Reserve Bank of India.
Registrar to the Offer	Adroit Corporate Services Private Limited having its office at 17-20, Jafarbhoy Industrial Estate, 1 st Floor, Makawana Road, Marol Naka, Andheri (East), Mumbai - 400 059.
₹ / Rs. / INR / Rupees	Indian Rupees.
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended.
SEBI	Securities and Exchange Board of India.
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended.
SEBI Regulations	Listing Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

Term	Definition
SEBI (SAST) Regulations, 1997	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as amended.
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.
Seller 1	Sea Glimpse Investments Private Limited having its registered office at 112-A Embassy Centre, Nariman Point, Mumbai, Maharashtra – 400021
Seller 2	Partnership firm M/s L.K. Panday comprising of 2 partners viz. M. V. Doshi and Pratik M. Doshi
Seller 3	M.V. Doshi, residing at 11 Sea Glimpse, Worli Hill Road, Worli, Mumbai, 400 018
Seller 4	Bhavana Holdings Private Limited having its registered office at is situated at C/o Gayatri Cement and Chemical Industries Private Limited at 112A, Embassy Centre, Nariman Point, Mumbai Maharashtra – 400021
Seller 5	Pratik M. Doshi, residing at 11 Sea Glimpse, Worli Hill Road, Worli, Mumbai 400 018
Seller 6	Samaya P. Doshi, residing at Flat No. 11, 6th Floor New Sea Glimpse CHSL, 69 Worli Hill Road, Worli, Mumbai 400 018
Seller 7	Ira P. Doshi, residing at Flat No. 11, 6th Floor New Sea Glimpse CHSL, 69 Worli Hill Road, Worli, Mumbai 400 018
Seller 8	Shital A. Sonpal, residing at 54-B, Miramar CHS, next to St. Stephen Church, L J. Marg, 3 Napean Sea Road, Mumbai, 400026
Sellers	Collectively Seller 1, Seller 2, Seller 3, Seller 4, Seller 5, Seller 6, Seller 7 and Seller 8
SPA	Share purchase agreement between the Acquirer, Target Company and the Sellers dated May 14, 2018.
Selling Broker	The respective stock brokers of the Eligible Public Shareholders through whom Equity Shares shall be tendered under this Offer.
Settlement Application	Settlement application bears the meaning assigned to it at clause 5.12 of this Letter of Offer.
Show Cause Notice	Show cause notice bears the meaning assigned to it at clause 5.12 of this Letter of Offer.
Target Company	LKP Finance Limited having its registered office at 203 Embassy Centre, Nariman Point, Mumbai, Maharashtra - 400 021.
Tendering Period	Period commencing from September 19, 2018 to October 4, 2018 (both days inclusive).
TRS	Transaction registration slip generated by the Designated Stock Exchange bidding system.
UBHL	UBHL bears the meaning assigned to it at clause 5.12 of this Letter of Offer.
Voting Share Capital	The fully diluted equity voting share capital of the Target Company as of the 10 th working day from the closure of the tendering period of the Offer.
Working Day	Any working day of SEBI.

2. DISCLAIMERS

2.1 SEBI Disclaimer

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE ELIGIBLE PUBLIC SHAREHOLDERS OF LKP FINANCE LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER OR THE TARGET COMPANY WHOSE EQUITY SHARES/ CONTROL ARE PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER i.e. ‘ICICI SECURITIES LIMITED’ HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED MAY 28, 2018 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAYBE REQUIRED FOR THE PURPOSE OF THE OFFER.”

2.2 General disclaimers

2.2.1 This Letter of Offer, the Draft Letter of Offer, the DPS that was published on May 21, 2018 and the PA dated May 14, 2018, in connection with the Offer, have been prepared for the purposes of compliance with the SEBI (SAST) Regulations. Accordingly, the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws and regulations of any jurisdiction outside of India. The PA, the DPS, the Draft Letter of Offer, this Letter of Offer and, or, any other advertisement or publication made or delivered in connection with the Offer, under any circumstances, do not create any implication that there has been no change in the affairs of the Target Company and the Acquirer since the date thereof or that the information contained therein is correct as at any time subsequent to the date thereof. Further, it is not implied that the Acquirer are under any obligation to update the information contained therein at any time after the date thereof.

2.2.2 No action has been or will be taken to permit this Offer in any jurisdiction where registration, qualification or other action would be required for that purpose. This Letter of Offer shall be dispatched to all Eligible Public Shareholders whose names appear on the register of members of the Target Company, at their stated address, as of the Identified Date. However, receipt of the PA, the DPS, the Draft Letter of Offer, this Letter of Offer or any other advertisement / publications made in connection with the Offer by any Eligible Public Shareholder in a jurisdiction in which it would be illegal to make this Offer, or where making this Offer would require any action to be taken (including, but not restricted to, registration of the PA, the DPS, the Draft Letter of Offer, this Letter of Offer or any other advertisement / publications made in connection with the Offer under any local securities laws), shall not be treated by such Eligible Public Shareholder as an offer being made to them and shall be construed by them as being sent for information purposes only. Accordingly, no Eligible Public Shareholder in such a jurisdiction may tender his / her / its Equity Shares in this Offer.

2.2.3 Persons in possession of the PA, the DPS, the Draft Letter of Offer, this Letter of Offer or any other advertisement / publications made in connection with the Offer are required to inform themselves of any relevant legal restrictions. Any Eligible Public Shareholder that tenders its Equity Shares in this Offer shall be deemed to have declared, represented, warranted and agreed that it is authorised under the provisions of any applicable local laws, rules, regulations and statutes to participate in this Offer.

3. DETAILS OF THIS OFFER

3.1 Background of this Offer

3.1.1 This Offer is a mandatory offer being made by the Acquirer to the Eligible Public Shareholders in accordance with

Regulations 3(1) and 4 of the SEBI (SAST) Regulations, pursuant to the execution of a share purchase agreement dated May 14, 2018 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 to acquire a minimum of 69,82,434 Equity Shares representing 55.55% of the fully paid-up equity share capital of the Target Company and upto a maximum of 77,92,546 Equity Shares representing 62.00% of the fully paid-up equity share capital of the Target Company, depending upon the Equity Shares validly tendered and accepted in the Offer (“**SPA**”).

- 3.1.2 There are no person(s) acting in concert with the Acquirer in this Offer within the meaning of Regulation 2(1)(q) of the SEBI (SAST) Regulations.
- 3.1.3 This is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
- 3.1.4 This Offer is not pursuant to any global acquisition resulting in an indirect acquisition of the Equity Shares.
- 3.1.5 The Acquirer has agreed to purchase the Equity Shares from the Sellers at a price of ₹ 198 (Rupees one hundred and ninety eight only) per Equity Share, payable in cash, subject to the terms and conditions as contained in the SPA and provisions of the SEBI (SAST) Regulations.
- 3.1.6 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. Depending on the acquisition size, the total consideration for Equity Shares under the SPA, will be for a minimum of ₹ 138,25,21,932 and upto a maximum of ₹ 154,29,24,108 (“**Purchase Consideration**”).
- 3.1.7 Details of the transaction which has triggered the Offer obligations (underlying transaction) are set out below:

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 fully paid-up equity share capital of the Target Company and upto a maximum of 77,92,546 Equity Shares representing 62.00% of the fully paid-up equity share capital of the Target Company, depending upon the Equity Shares validly tendered and accepted in the Offer.	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 Shares validly tendered and	The acquisition is proposed to be in the range of a minimum of 55.55% of the fully paid-up equity share capital of the Target Company and upto 62.00% fully paid-up equity share capital of the Target Company, depending upon the	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.	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			
		accepted in the Offer.	Equity Shares validly tendered and accepted in the Offer.			

3.1.8 In terms of the SPA and subject to the terms contained therein:

- i. In case no Equity Share is validly tendered and accepted in the Offer, the Acquirer will acquire 77,92,546 Equity Shares representing 62.00% of the fully paid-up equity share capital of the Target Company from the Sellers.
- ii. In case of full acceptance in the Offer, the Acquirer will acquire 69,82,434 Equity Shares representing 55.55% of the fully paid-up equity 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, 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.
- iii. 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 fully paid-up equity share capital of the Target Company and pursuant to the Offer, is less than 77,92,546 Equity Shares representing 62.00% of the fully paid-up equity 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 fully paid-up equity share capital of the Target Company, at the time of consummation of the underlying transaction.
- iv. 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.

3.1.9 The key terms and conditions of the SPA are as follows:

- i. The completion of the underlying transaction as envisaged under the SPA is subject to satisfaction of certain conditions precedent such as (a) receipt of approval of the Reserve Bank of India *inter alia* for change in control and management of the Target Company pursuant to acquisition of Equity Shares under the SPA and the Offer; (b) receipt of various lenders consents; and (c) compliance with provisions of applicable laws.
- ii. The SPA also imposes certain obligations on the Target Company and the Sellers vis-à-vis the conduct of the business of the Target Company upto the completion of the transaction under the SPA, without the prior written consent of the Acquirer. An indicative list of such obligations is given below:
 - a. Amendment or modification of constitutional documents of the Target Company other than required under Applicable Laws;
 - b. Enter into any merger, amalgamation, or any corporate restructuring or into any scheme or arrangement with respect to such matters;
 - c. Enter into any new business which is not being undertaken as on the date of the SPA;
 - d. Declare, pay or make any dividend or distribution (whether in cash, securities, property or other assets) on any class of securities, other than the payment of dividend already declared by the Target

Company in the Board meeting held on April 16, 2018; and

- e. The Sellers will create a pledge on the residual shares of the Target Company (i.e. up to 10,00,000 Equity Shares) in favor of the Acquirer, subject to the number of equity shares being validly tendered and accepted in the Offer.
- iii. Appointing Mr. Mahendra Doshi, one of the Sellers, as an additional non-executive director of the Company for a period of 1 (one) year from the completion date (as defined in the SPA) and to be paid a remuneration in the range of ₹ 36 lakhs to ₹ 40 lakhs per annum all inclusive, which may be renewed for a further period of 1 (one) year as per mutual agreed terms and conditions and remuneration.
- iv. Pursuant to the acquisition of the Equity Shares in the Offer and the SPA, the Acquirer shall hold the majority of the Equity Shares by virtue of which the Acquirer shall control the Target Company and shall consequently 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.
- 3.1.10 As on the date of this Letter of Offer, the Acquirer and its directors do not hold any Equity Shares.
- 3.1.11 The Acquirer undertakes that it will not sell the Equity shares held by it, if any, during the Offer Period in terms of Regulation 25(4) of the SEBI (SAST) Regulations.
- 3.1.12 Neither the Acquirer nor any of its directors have been prohibited by 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 other regulations made there under.
- 3.1.13 The Acquirer does not have any nominee directors or representatives on the Board as on the date of this Letter of Offer. As a result of the execution of the SPA, the Acquirer has the right to re-constitute the Board during the Offer Period, subject to compliance with the provisions of Regulation 24 of the SEBI (SAST) Regulations and Companies Act, 2013. As on the date of this Letter of Offer, except for (i) resignation of M.V. Doshi as the managing director of the Target Company on the completion date (as defined in the SPA) and subsequent appointment as additional non-executive director on the Board on the completion date (as defined in the SPA) for a period of 1 year, subject to renewal of the term for another 1 year in accordance with the terms and conditions of the SPA; and (ii) appointment of Amitabh Chaturvedi and Navyata Goenka as the directors of the Target Company, after completion of the Offer and subject to applicable law and regulatory approvals including that of the Reserve Bank of India, the Acquirer has not determined: (i) the directors it proposes to appoint on the Board; (ii) the directors it proposes to remove from the Board; and, or, (iii) any other manner in which it proposes to re-constitute the Board.
- 3.1.14 Based on the shareholding pattern of the Target Company as per the latest available data of the beneficiary position as on August 31, 2018, the Sellers are a part of the promoter group of the Target Company.
- 3.1.15 As on the date of this Letter of Offer, the Sellers hold 79,82,434 Equity Shares constituting 63.51% of the fully paid-up equity share capital of the Target Company.
- 3.1.16 The shareholding/voting rights of the Sellers in the Target Company before and after the execution of the SPA are as follows:

Sr. No.	Name of the Sellers	Details of Equity Shares/Voting Rights held by the Sellers			
		Pre Transaction		Post Transaction ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾	
		Number of Equity Shares	% of fully paid up equity share capital	Number of Equity Shares	% of fully paid-up equity share capital
1.	Sea Glimpse Investments Private Limited	25,47,515	20.27	Upto 10,00,000	Upto 7.96%
2.	M.V. Doshi (through partnership firm M/s L.K. Panday)	20,59,204	16.38		

Sr. No.	Name of the Sellers	Details of Equity Shares/Voting Rights held by the Sellers			
		Pre Transaction		Post Transaction ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾	
		Number of Equity Shares	% of fully paid up equity share capital	Number of Equity Shares	% of fully paid-up equity share capital
3.	M.V. Doshi	16,48,763	13.12		
4.	Bhavana Holdings Private Limited	14,09,505	11.21		
5.	Pratik M. Doshi	1,00,722	0.80		
6.	Samaya P. Doshi	1,00,000	0.80		
7.	Ira P. Doshi	1,00,000	0.80		
8.	Shital A. Sonpal	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 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 fully paid-up equity share capital of the Target Company from the Sellers.

(2) In case of full acceptance in the Offer, the Acquirer will acquire 69,82,434 Equity Shares representing 55.55% of the fully paid-up equity 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 Eligible Public Shareholders constituting 26.00% of the fully paid-up equity 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, 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 fully paid-up equity share capital of the Target Company and pursuant to the Offer, is less than 77,92,546 Equity Shares representing 62.00% of the fully paid-up equity 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 fully paid-up equity 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.

3.1.17 As per Regulation 26(6) of the SEBI (SAST) Regulations, the Board is required to constitute a committee of independent directors to provide their reasoned recommendations on this Offer. These reasoned recommendations are required to be published at least 2 (two) Working Days before the commencement of the Tendering Period in the same Newspapers where the DPS was published in compliance with Regulation 26(7) of the SEBI (SAST) Regulations and a copy of same shall also be sent to SEBI, BSE and the Manager to the Offer and in case of a competing offer, to the manager(s) of such competing offer(s).

3.2 Details of this Offer

3.2.1 The public announcement in connection with the Offer was issued by the Manager to the Offer on behalf of the Acquirer on May 14, 2018 to the BSE and a copy thereof was filed with the SEBI and sent to the registered office of the Target Company on the same date.

3.2.2 In terms of the proviso to Regulation 13(4) of the SEBI (SAST) Regulations, the DPS was published on May 21, 2018 i.e. within 5 (five) Working Days of the date of PA, viz. May 14, 2018 in the following newspapers:

Newspaper	Language	Edition
Financial Express	English	All editions
Jansatta	Hindi	All editions
Navshakti	Marathi	Mumbai

Simultaneously, in accordance with the provisions of Regulation 14(3) of the SEBI (SAST) Regulations, a copy of the DPS was sent through the Manager to the Offer to: (i) SEBI; (ii) BSE; and (c) the registered office of the Target Company on May 21, 2018.

- 3.2.3 In terms of Regulation 16(1) of the of the SEBI (SAST) Regulations, the Draft Letter of Offer was filed with the SEBI on May 28, 2018. Simultaneously, in terms of Regulation 18(1) of the SEBI (SAST) Regulations, a copy of the Draft Letter of Offer was sent to the BSE and the registered office of the Target Company on May 28, 2018.
- 3.2.4 A copy of the PA, DPS and Draft Letter of Offer is available on the website of SEBI (www.sebi.gov.in).
- 3.2.5 The Offer is being made under Regulations 3(1) and 4 of the SEBI (SAST) Regulations by the Acquirer to the Eligible Public Shareholders for the acquisition of up to 32,67,842 Equity Shares representing 26.00% of the Voting Share Capital (“**Offer Size**”) accompanied with change in control of the Target Company in accordance with the provisions of the SEBI (SAST) Regulations and subject to the terms and conditions set out in the DPS, the Draft Letter of Offer and this Letter of Offer which is proposed to be sent to all the Eligible Public Shareholders in accordance with the provisions of the SEBI (SAST) Regulations. The Voting Share Capital has been calculated on the basis of publically available data.
- 3.2.6 The Offer is being made at a price of ₹ 198/- (Rupees one hundred and ninety eight only) (“**Offer Price**”) per Equity Share and will be paid in cash in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations.
- 3.2.7 As of the date of this Letter of Offer, there are no partly paid-up Equity Shares in the share capital of the Target Company.
- 3.2.8 As on the date of this Letter of Offer, there are no outstanding convertible securities, depository receipts, warrants or instruments issued by the Target Company convertible into Equity Shares issued by the Target Company which are convertible into Equity Shares.
- 3.2.9 This Offer is being made to the Eligible Public Shareholder in terms of Regulation 7(6) of the SEBI (SAST) Regulations.
- 3.2.10 This Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations and there has been no competing offer as of the date of this Letter of Offer.
- 3.2.11 This Offer is not conditional on any minimum level of acceptance by the Eligible Public Shareholder. Further, there is no differential pricing for this Offer.
- 3.2.12 The Acquirer has made the required escrow arrangement for this Offer in accordance with Regulation 17 of the SEBI (SAST) Regulations. In accordance with Regulation 25(1) of the SEBI (SAST) Regulations, the Acquirer has made firm financial arrangements in order to fulfil the payment obligations under this Offer. Please see paragraph 6 (*Offer Price and Financial Arrangements*) below for details.
- 3.2.13 All Equity Shares validly tendered by the Eligible Public Shareholder pursuant to this Offer will be accepted at the Offer Price by the Acquirer, in accordance with the terms and conditions contained in the PA, the DPS, the Draft Letter of Offer and this Letter of Offer. In the event that the Equity Shares tendered in this Offer by the Eligible Public Shareholder are more than the Offer Size, the acquisition of Equity Shares from the Eligible Public Shareholder will be on a proportionate basis, as detailed in paragraph 9.17.2 of this Letter of Offer.
- 3.2.14 The Eligible Public Shareholders of the Target Company who tender their Equity Shares in this Offer shall ensure that the Equity Shares are clear from all liens, charges and encumbrances and will be acquired by the Acquirer, in accordance with the terms and conditions set forth in the DPS, the Draft Letter of Offer and this Letter of Offer to be sent to all the Eligible Public Shareholders in relation to this Offer, the relevant provisions of the SEBI (SAST) Regulations, and applicable law. The Acquirer, shall acquire the Equity Shares of the Public Shareholders of the Target Company who validly tender their Equity Shares in this Offer, together with all rights attached thereto, including all rights to dividends, bonuses and rights offers declared thereof.
- 3.2.15 All Eligible Public Shareholders, including non-residents holders of Equity Shares, must obtain all requisite approvals required, if any, to tender the Equity Shares in the Offer (including without limitation, the approval from the RBI) and submit such approvals, along with the other documents required to accept this Offer. In the event such approvals are

not submitted, the Acquirer reserves the right to reject such Equity Shares tendered in this Offer. Further, if the holders of the Equity Shares who are not persons resident in India had required any approvals (including from the RBI, or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender the Equity Shares in the Offer, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered in the Offer. If the Equity Shares are held under general permission of the RBI, then the non-resident Eligible Public Shareholder must state that the Equity Shares are held under general permission and clarify whether the Equity Shares are held on repatriable or non-repatriable basis.

- 3.2.16 To the best of the knowledge of the Acquirer, except for the approval from the Reserve Bank of India received by the Target Company vide letter dated August 23, 2018 *inter alia* for change in control and management of the Target Company pursuant to the Offer and purchase of Equity Shares pursuant to the SPA (defined below), there are no statutory approval(s) required by the Acquirer to complete this Offer. However, in case of any statutory approval(s) being required at a later date, this Offer will be subject to such approval(s) and the necessary applications for such approvals will be made. For more details regarding the statutory and other approvals for the Offer, please see paragraph 8 (*Statutory and other approvals*) at page 33 of this Letter of Offer.
- 3.2.17 The Acquirer undertakes that it shall not tender any Equity Shares in this Offer.
- 3.2.18 As on the date of the Letter of Offer, the Acquirer has not acquired any Equity Shares after the date of PA.
- 3.2.19 The Manager to the Offer does not hold any Equity Shares as on the date of the Letter of Offer. The Manager to the Offer further declares and undertakes that they will not deal on their own account in the Equity Shares during the Offer Period.
- 3.2.20 After the acquisition of the Offer Shares (assuming full acceptance of the Offer), the public shareholding in the Target Company may fall below the minimum level required for continued listing under Regulation 38 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Rule 19A of the Securities Contracts (Regulation) Rules, 1957. In the event the public shareholding in the Target Company falls below 25% of the fully paid-up equity share capital pursuant to this Offer, the Acquirer shall bring down the non-public shareholding in the Target Company to the level specified within the time prescribed in the Securities Contracts (Regulation) Rules, 1957, SEBI (SAST) Regulations and as per applicable law.

3.3 **Object of the acquisition/ Offer**

- 3.3.1 The object and purpose of acquisition of Equity Shares of the Target Company is to enable the Acquirer to expand its subsidiary's existing business as a non-banking financial company. Further, the acquisition also aligns with the objective of acquiring a listed company which will help with the Acquirer's long term expansion and growth plans.
- 3.3.2 In terms of Regulation 25(2) of SEBI (SAST) Regulations, other than as stated in this Letter of Offer, as at the date of this Letter of Offer, the Acquirer does not have any intention to dispose or otherwise encumber any material assets of the Target Company or any of its subsidiaries for the succeeding 2 (two) years from the date of closure of this Offer, except (i) in the ordinary course of business (including for the disposal of assets and creating encumbrances in accordance with business or financing requirements); or (ii) with the prior approval of the shareholders; or (iii) to the extent required for the purpose of restructuring and/or rationalization of assets, investments, liabilities or business of the Target Company and in compliance with all the applicable laws; or (iv) for alienation of assets of the Target Company that are determined by the board of directors of the Target Company as being surplus and/or non-core, or on account of any approval of or conditions specified by any regulatory or statutory authorities, Indian or foreign, or for the purpose of compliance with any law that is binding on or applicable to the operations of the Target Company. It will be the responsibility of the board of directors of the Target Company to make appropriate decisions in these matters in accordance with the requirements of the business of the Target Company. Such approvals and decisions will be governed by the provisions of the relevant regulations or any other applicable laws and legislation at the relevant time.
- 3.3.3 The Acquirer reserves the right to streamline/ restructure, pledge/ encumber its holding in the Target Company and/ or the operations, assets, liabilities and/ or businesses of the Target Company and/ or its subsidiary through arrangements, reconstructions, restructurings, mergers (including but not limited to merger with or between its subsidiary), demergers, sale of assets or undertakings and/ or re-negotiation or termination of existing contractual/ operating arrangements, at a later date in accordance with applicable laws. Such decisions will be taken in accordance with procedures set out under applicable law, pursuant to business requirements and in line with opportunities or

changes in economic circumstances, from time to time.

4. BACKGROUND OF THE ACQUIRER

- 4.1 The Acquirer was incorporated as Dakshin Mercantile Limited on July 17, 2013 as a private limited company under the provisions of Companies Act, 1956. There has been no other change in the name of the Acquirer since its incorporation.
- 4.2 The corporate identification number of the Acquirer is U74120MH2013PTC245822.
- 4.3 The registered office of the Acquirer is situated at 18th Floor, A Wing, Marathon Futurex, N. M. Joshi Marg, Lower Parel, Mumbai - 400013.
- 4.4 The Acquirer is engaged in the business of providing management consultancy services.
- 4.5 The Acquirer is part of the Essel Group.
- 4.6 The shares of the Acquirer are not listed on any stock exchange in India or abroad.
- 4.7 Sushila Devi Goenka is the promoter and the person in control of the Acquirer.
- 4.8 The Acquirer is neither a promoter nor a part of the promoter group of the Target Company. Further, none of the directors or key managerial employees of the Acquirer hold any ownership or interest or relationship or shares in the Target Company.
- 4.9 As on the date of this Letter of Offer, the Acquirer does not hold any Equity Shares in the Target Company.
- 4.10 The Acquirer has never held any Equity Shares, and therefore the relevant provisions of Chapter II of the SEBI (SAST) Regulations, 1997 and Chapter V of the SEBI (SAST) Regulations are not applicable.
- 4.11 The equity shares of the Acquirer are not listed on any of the stock exchange in India or abroad.
- 4.12 The shareholding pattern of the Acquirer is as follows:

Sr. No.	Shareholder's category	Number of shares held	Percentage (%) of shares held
1.	Promoter and promoter group	1,00,000	100.00
2.	FII's/ Mutual Funds / FI's / Banks	Nil	Nil
3.	Public	Nil	Nil
	Total paid up capital	1,00,000	100.00

- 4.13 The names, details of experience, qualifications, and date of appointment of the board of directors of the Acquirer, as on date of this Letter of Offer, are as follows:

Sr. No.	Name & designation*	DIN	Qualification & experience	Date of appointment
1.	Dinesh Shyamsunder Kanodia, Non-executive director	01563828	Dinesh Kanodia is a non-executive director of the Acquirer and holds a degree of Masters of Business Administration in finance from Mumbai Education Trust's Asian Management Development Centre. He has also been associated with the Essel Group for over a decade. He has varied experience in the field of accounts, audit, taxation, corporate finance and strategy.	February 14, 2014
2.	Pankaj Purshottam Suroliya, Non-executive director	03442312	Pankaj Suroliya is a non-executive director of the Acquirer and holds a degree of bachelors of commerce from Shri Chinai College of Commerce and Economics (Mumbai University). Earlier he has worked with companies namely Essel Corporate Resources Private Limited (an Essel Group Company) and Reliance Big Broadcasting Private Limited. From 1 November 2016 he has also	February 14, 2014

Sr. No.	Name & designation*	DIN	Qualification & experience	Date of appointment
			been associated with Zee Entertainment Enterprises Limited as their Head Commercial - non-domestic broadcast business and is currently responsible for managing their non-domestic broadcast business covering businesses like digital, marketing, theatre and live.	
3.	Amitabh Chaturvedi, Additional Non-Executive Director	00057441	Amitabh Chaturvedi is a non-executive director of the Acquirer and is a Chartered Accountant with over 26 years of experience in the areas of banking, asset management, investment banking, and insurance. In the past he was part of several banking and finance companies in India such as Reliance Capital Limited, ICICI Bank Limited, Lloyds Finance Limited and Dhanlaxmi Bank Limited in various capacities. Since, December 2013, he has been associated as a director of Essel Finance group companies and is responsible for the financial services strategy of all Essel Finance businesses viz. private equity, mutual fund, non-banking finance, home loans, distribution, investment banking and forex services.	April 9, 2018

* None of the directors of the Acquirer is a director of the Target Company or hold any Equity Shares as of the date of the Letter of Offer.

4.14 Brief financial details of the Acquirer, based on the audited consolidated financial statements for the financial years ended March 31, 2016, March 31, 2017 and March 31, 2018 are as follows:

(Amount in ₹ lakhs except earnings per share)

Particulars	For the Financial Year ending		
	March 31, 2018 (Audited - Consolidated)	March 31, 2017 (Audited - Consolidated)	March 31, 2016 (Audited - Consolidated)
Profit & Loss Statement			
Income from Operations	4,591.81	3,765.01	1,836.31
Other Income	335.61	23.81	5.82
Total Income	4,927.41	3,788.83	1,842.13
Total Expenditure	2,202.92	1,720.80	1,046.23
Profit Before Depreciation Interest and Tax	2,724.49	2,068.03	795.90
Depreciation	35.19	32.37	30.98
Interest/ Finance costs	2,532.21	1,738.12	565.06
Profit Before Tax	157.09	297.55	199.86
Exceptional Items	-	-	-
Current Tax	89.48	133.00	80.00
Deferred Tax	(35.86)	-	-
Profit After Tax	103.47	164.55	119.86
Balance Sheet Statement			
Sources of funds			
Paid up share capital	1.00	1.00	1.00

Particulars	For the Financial Year ending		
	March 31, 2018 (Audited - Consolidated)	March 31, 2017 (Audited - Consolidated)	March 31, 2016 (Audited - Consolidated)
Reserves and Surplus (excluding revaluation reserves)	850.05	335.96	133.36
Net worth /Shareholder's fund	851.05	336.96	134.36
Minority interest	2,255.49	1,250.73	338.78
Non-current liabilities	17,869.24	11,772.08	7,519.06
Current liabilities	19,732.70	30,729.32	9,632.45
Total	40,708.48	44,089.09	17,624.65
Non-current Assets			
Fixed assets	535.36	115.83	94.85
Non-current investments	0.07	0.07	0.07
Other non-current assets	26,404.97	20,325.71	15,684.61
Current assets	13,768.08	23,647.48	1,845.12
Total	40,708.48	44,089.09	17,624.65
Other Financial Data			
Dividend (%)	-	-	-
Earnings Per Share (in ₹) (Basic)	1,034.68	1,645.46	1,198.61
Earnings Per Share (in ₹) (Diluted)	1,034.68	1,645.46	1,198.61

Source: The financial information as set forth above has been extracted from Acquirer's audited consolidated financial statements as on and for the financial years ended March 31, 2018, March 31, 2017 and March 31, 2016.

- 4.15 As of March 31, 2018, there are no other contingent liabilities of the Acquirer.
- 4.16 The Acquirer has not been prohibited by the SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act or any other regulations made under the SEBI Act.
- 4.17 The Acquirer, its promoter and directors have confirmed that they are not categorized as a "wilful defaulter" in terms of Regulation 2(1)(ze) of the SEBI (SAST) Regulations.

5. BACKGROUND OF THE TARGET COMPANY

- 5.1 The Target Company, a public limited company, was incorporated as 'Elkaypee Merchant Financing Private Limited' on May 5, 1984 under the provisions of Companies Act, 1956. Subsequently, the name of the Target Company was changed to 'LKP Merchant Financing Private Limited' and a fresh certificate of incorporation was issued on February 13, 1986. Pursuant to conversion of status of the Company, the Company's name was changed to LKP Merchant Financing Limited on February 13, 1986. Subsequently, Company's name was further changed to LKP Finance Limited and a fresh certificate of incorporation issued on August 27, 2008. There has been no other change in the name of the Target Company since its incorporation.
- 5.2 The Equity Shares are currently listed on BSE (Scrip Code: 507912) and are not suspended from trading on BSE. The ISIN of the Target Company is INE724A01017.
- 5.3 The Corporate Identification Number ("CIN") of the Target Company is L65990MH1984PLC032831 and the registered office of the Target Company is situated at 203 Embassy Centre, Nariman Point, Mumbai, Maharashtra - 400 021.
- 5.4 Target Company is a non-banking financial company (NBFC) registered with the Reserve Bank of India and is engaged in the business of finance and trading in shares, securities and derivatives.
- 5.5 The Target Company is promoted by M. V. Doshi.

- 5.6 As at the date of this Letter of Offer, the total authorized Equity Share capital of the Target Company is ₹ 30,00,00,000 consisting of 10,00,000 redeemable cumulative preference shares of ₹100/- each and 2,00,00,000 Equity Shares of ₹ 10/- each and the paid up share capital of the Target Company is as follows:

Paid up Equity Shares	No. of Equity Shares/ voting rights	Percentage (%) of Equity Shares/ voting rights
Fully paid up Equity Shares	1,25,68,623	100%
Partly paid up Equity Shares	Nil	Nil
Total paid up Equity Shares	1,25,68,623	100%
Total voting rights in Target Company	1,25,68,623	100%

- 5.7 As of the date of this Letter of Offer, there are no (i) partly paid-up shares; (ii) outstanding convertible securities, depository receipts, warrants or instruments issued by the Target Company convertible into Equity Shares.

- 5.8 As on date of this Letter of Offer, the following are the directors in the Target Company:

Sr. No.	Name	Designation	DIN	Date of appointment
1.	Mahendra Vasantrai Doshi	Executive Chairman	00123243	July 26, 2001
2.	Pratik Mahendra Doshi	Director	00131122	October 26, 2009
3.	Sayanta Basu	Nominee Director	02128110	October 26, 2009
4.	Anjali Suresh	Independent and Non-Executive Director	02545317	January 29, 2015
5.	Sajid Mohamed	Independent and Non-Executive Director	06878433	August 3, 2015
6.	Vineet Suchanti	Independent and Non-Executive Director	00004031	July 26, 2001

- 5.9 The details about the qualification and experience of the Board of Directors are set forth below:

Sr. No.	Name of Directors	Qualification and experience
1.	Mahendra Vasantrai Doshi	Mahendra V. Doshi is the promoter and the executive chairman of the Target Company and has been associated with the Target Company since its inception. He was appointed as executive chairman with effect from July 26, 2001 and reappointed thereafter from time to time. He has over 40 years of experience in the field of finance, capital market and business administration.*
2.	Pratik Mahendra Doshi	Pratik Doshi is a Managing Director of the Target Company. He did his B.A in Business and Financial Economics from the University of Leeds, U.K. He has over 15 years of experience in capital markets and has made contribution in the Target Company and its affiliates in various areas of distribution of financial products, wealth management service, investment advisory, strategic financial partners for third party products.*
3.	Sayanta Basu	Sayanta Basu is a nominee director of Agrud Capital Pte. Ltd, Singapore, a strategic investor in the Target Company.* He holds a degree of master's in business administration from IIM Bangalore and a degree of bachelors of technology in electronics and electrical communication engineering from IIT Kharagpur and has experience in financial services.
4.	Anjali Suresh	Anjali Suresh, an independent director of the Target Company, is a Chartered Accountant and has 23 years of experience in the field of finance*. She is presently a director of Quartet Financial Services Private Limited.

Sr. No.	Name of Directors	Qualification and experience
5.	Sajid Mohamed	Sajid Mohamed, an independent director of the Target Company, is also a Managing Partner of Agrud Partners, Advocates & Solicitors (erstwhile PDS & Associates). As a lawyer, he represents publicly and privately held companies, promoters and managements on growth, expansion and consolidation strategies through legal structuring of private equity, mergers and acquisitions, corporate and finance transactions.*
6.	Vineet Suchanti	Vineet N. Suchanti is an independent director of the Target Company. He holds a degree of bachelors of commerce from Sydhenam College of Commerce and Economics, Mumbai University and a degree of masters of business administration from University of Rochester, USA. He has experience and expertise in the field of finance, capital markets and business.* He is also the Director of Keynote Corporate Services Limited.

* **Source** - The website of the Target Company (www.lkpsec.com) and the annual report of the Target Company for the financial year ended March 31, 2018, March 31, 2015 and March 31, 2011.

- 5.10 There has been no merger / de-merger/ spin-off involving the Target Company in the last 3 years, preceding the date of this Letter of Offer.
- 5.11 The Target Company has no Equity Shares that are locked-in as of the date of this Letter of Offer.
- 5.12 The SEBI has issued a show cause notice dated March 9, 2016 (“**Show Cause Notice**”) under Rule 4(1) of SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudication Officer) Rules, 1995 read with Section 15I of the SEBI Act to the Target Company alleging violation of Regulation 29(1) and 29(3) of the SEBI (SAST) Regulations read with Regulation 13(3) and 13(5) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (Insider Trading Regulations) in respect of acquisition of equity shares of United Breweries (Holding) Limited (“**UBHL**”) and why a penalty should not be levied against the Target Company under Section 15A(b) the SEBI Act. The Target Company vide its letter April 20, 2016 filed its reply to the Show Cause Notice. Thereafter, on 31 August 2016, the Target Company submitted an application under the SEBI (Settlement of Administrative and Civil Proceedings) Regulations, 2014 (“**Settlement Application**”) for settlement of the aforementioned proceedings initiated vide the Show Cause Notice. The last correspondence in the said matter was on June 15, 2018, wherein the Target Company, subsequent to the meeting with the internal committee of the SEBI, filed a letter with the SEBI proposing an amount of INR 14,44,122/- towards the settlement terms. The matter is currently pending.
- 5.13 The details of the financials of the Target Company, based on the audited consolidated financial statements for the financial year ended on March 31, 2018, March 31, 2017 and March 31, 2016 are as follows:

(Amount in ₹ lakhs except EPS)

Particulars	For the Financial Year ending		
	March 31, 2018 (Audited)	March 31, 2017 (Audited)	March 31, 2016 (Audited)
Profit & Loss Statement			
Income from Operations	7,631.92	4,172.28	10,179.64
Other Income	238.09	237.60	388.19
Total Income	7,870.01	4,409.88	10,567.83
Total Expenditure	5,233.96	1,742.20	7,331.80
Profit Before Interest, Depreciation, Tax and exceptional items	2,636.06	2,667.68	3,236.03
Depreciation	23.34	15.10	146.09
Finance costs	513.91	1,422.72	2,022.80
Profit Before Tax	2,098.80	1,229.85	1,067.13
Exceptional Items	-	-	-
Tax expense (Net)	132.14	228.44	328.19

Particulars	For the Financial Year ending		
	March 31, 2018 (Audited)	March 31, 2017 (Audited)	March 31, 2016 (Audited)
Profit After Tax	1,966.66	1,001.41	738.94
Balance Sheet Statement			
Sources of funds			
Paid up share capital	1,242.15	1,219.80	1,219.80
Reserves and Surplus (excluding revaluation reserves)	13,133.44	11,016.10	13,813.00
Net worth/ Shareholder's Fund	14,375.59	12,235.90	15,032.80
Non-Current Liabilities	16.50	35.01	378.41
Current Liabilities	5,795.15	11,358.71	19,953.07
Total	20,187.24	23,629.62	35,364.28
Non-current assets			
Fixed assets	327.22	269.81	1,257.47
Non-current investments	4,977.00	6,571.48	3,721.49
Other non-current assets	1,987.84	2,147.79	1,293.56
Current assets	12,895.18	14,640.54	29,091.76
Total	20,187.24	23,629.62	35,364.28
Other Financial Data			
Dividend (%)	20	20	70
Earnings Per Share (in ₹) (Basic)	16.08	8.21	6.06
Earnings Per Share (in ₹) (Diluted)	16.01	7.89	5.39

Source: The financial information as set forth above has been extracted from Target Company's audited consolidated financial statements as on and for the financial years ended March 31, 2018, March 31, 2017 and March 31, 2016.

- 5.14 The details of the financials of the Target Company, based on the audited standalone financial statements for the financial year ended on March 31, 2018, March 31, 2017 and March 31, 2016 are as follows:

(Amount in ₹ lakhs except EPS)

Particulars	For the Financial Year ending		
	March 31, 2018 (Audited)	March 31, 2017 (Audited)	March 31, 2016 (Audited)
Profit & Loss Statement			
Income from Operations	7,631.53	4,172.19	4,538.44
Other Income	238.09	237.60	193.37
Total Income	7,869.62	4,409.79	4,731.81
Total Expenditure	5,233.40	1,741.28	1,861.84
Profit Before Interest, Depreciation, Tax and exceptional items	2,636.22	2,668.51	2,869.97
Depreciation	22.65	14.34	9.31
Finance Costs	509.95	1,418.76	1,673.12
Profit Before Tax	2,103.62	1,235.41	1,187.54
Exceptional Items	-	-	-
Tax expense (Net)	132.14	228.09	300.29
Profit After Tax	1,971.48	1,007.32	887.25
Balance Sheet Statement			
Sources of funds			
Paid up share capital	1,242.15	1,219.80	1,219.80
Reserves and Surplus (excluding revaluation reserves)	13,319.60	11,197.44	14,469.48
Net worth/ Shareholder's Fund	14,561.75	12,417.24	15,689.28
Non-current liabilities	-	18.52	38.62
Current liabilities	5,786.53	11,353.34	10,358.38

Particulars	For the Financial Year ending		
	March 31, 2018 (Audited)	March 31, 2017 (Audited)	March 31, 2016 (Audited)
Total	20,348.28	23,789.10	26,086.28
Non-current assets			
Fixed assets	178.04	119.94	50.55
Non-current investments	5,137.39	6,731.87	7,681.69
Other non-current assets	2,138.08	2,298.03	157.68
Current assets	12,894.77	14,639.27	18,196.36
Total	20,348.28	23,789.10	26,086.28
Other Financial Data			
Dividend (%)	20	20	70
Earnings Per Share (in ₹) (Basic)	16.12	8.26	7.27
Earnings Per Share (in ₹) (Diluted)	16.05	7.93	6.47

Source: The financial information as set forth above has been extracted from Target Company's audited standalone financial statements as on and for the financial years ended March 31, 2018, March 31, 2017 and March 31, 2016.

5.15 Pre-Offer and post-Offer shareholding pattern of the Target Company based on the latest available data of the beneficiary position as on August 31, 2018:

Shareholders' Category	Equity Shares/voting rights prior to the SPA and this Offer		Equity Shares/voting rights agreed to be acquired under the SPA which triggered the SEBI (SAST) Regulations, 2011 (Assuming full acceptances)		Equity Shares/voting rights to be acquired in this Offer (Assuming full acceptances)		Shareholding/ voting rights after the acquisition under the SPA and this Offer (Assuming full acceptances)	
	(A)		(B)		(C)		(A)+(B)+(C) = (D)	
	Number of Equity Shares	% of Equity Share Capital	Number of Equity Shares	% of Equity Share Capital	Number of Equity Shares	% of Voting Share Capital	Number of Equity Shares	% of Voting Share Capital
1. Promoter Group								
a. Parties to agreement, if any	79,82,434	63.51	-	-	-	-	10,00,000 ^{(1) (2)} _{(3) (4)}	7.96 ^{(1) (2) (3) (4)}
b. Promoters other than (a) above	-	-	-	-	-	-	-	-
Total 1(a+b)	79,82,434	63.51	-	-	-	-	10,00,000	7.96
2. Acquirer								
a. Acquirer	-	-	69,82,434 ^{(1) (2) (3) (4)}	55.55 ^{(1) (2) (3) (4)}	32,67,842	26.00	1,02,50,276 ⁽¹⁾ _{(2) (3) (4)}	81.55 ^{(1) (2) (3) (4)}
b. Person(s) acting in concert #	-	-	-	-	-	-	-	-
Total 2(a+b)	-	-	-	-	-	-	-	-
3. Parties to the agreement other than 1(a) & 2	-	-	69,82,434	55.55	32,67,842	26.00	1,02,50,276	81.55
Public (other than parties to agreement, Acquirer)								
a. Institutions(FIs/MFs/FIIs/Banks/SFIs/UTIs/CG/SGs)	1,96,149	1.56	-	-	-	-	13,18,347	10.49
b. Others	43,90,040	34.93	-	-	-	-		
Total 4 (a+b)	45,86,189	36.49	-	-	-	-	-	-
GRAND TOTAL (1 + 2+ 3+4)	125,68,623	100.00	69,82,434	55.55	32,67,842	26.00	125,68,623	100.00

There are no person(s) acting in concert with the Acquirer in this Offer.

(1) In case no Equity Share is validly tendered and accepted in the Offer, the Acquirer will acquire 77,92,546 Equity Shares representing 62.00% of the fully paid-up equity share capital of the Target Company from the Sellers.

- (2) *In case of full acceptance in the Offer, the Acquirer will acquire 69,82,434 Equity Shares representing 55.55% of the fully paid-up equity 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, 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) *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 fully paid-up equity share capital of the Target Company and pursuant to the Offer, is less than 77,92,546 Equity Shares representing 62.00% of the fully paid-up equity 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 fully paid-up equity 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.*

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1 Justification of Offer Price

- 6.1.1 The Offer is made pursuant to the execution of the SPA for the acquisition of more than 25% of the Equity Shares and voting rights, accompanied with a change in control of the Target Company.
- 6.1.2 The Equity Shares of the Target Company are listed on the BSE (Scrip Code: 507912) and are not suspended from trading on BSE. The ISIN of Equity Shares of the Target Company is INE724A01017.
- 6.1.3 The annualised trading turnover in the Equity Shares on BSE based on trading volume during the 12 calendar months prior to the month in which PA is made (i.e. from May 1, 2017 to April 30, 2018, both days inclusive) is as given below:

Stock Exchange	Total number of Equity Shares traded during the twelve calendar months prior to the month of PA (A)	Total number of listed Equity Shares during this period (B)	Trading turnover (as a percentage of total listed equity Shares) (A/B)
BSE	43,07,580	1,25,68,623	34.27

(Source: www.bseindia.com)

Based on the above table, the Equity Shares are frequently traded on BSE within the meaning of Regulation 2(1)(j) of the SEBI (SAST) Regulations.

- 6.1.4 The Offer Price of ₹ 198 per Equity Share has been determined and justified in terms of Regulations 8(1) and 8(2) of the SEBI (SAST) Regulations, being the highest of the following:

Sr. No.	Particulars	Price (in ₹ per Equity Share)
1.	Highest negotiated price per Equity Share for any acquisition in terms of the SPA attracting the obligation to make the PA	198.00
2.	The volume-weighted average price paid or payable for acquisition by the Acquirer or by any person acting in concert with it, during 52 weeks immediately preceding the date of PA	Not Applicable
3.	The highest price paid or payable for any acquisition by the Acquirer or by any person acting in concert with it, during 26 weeks immediately preceding the date of the PA	Not Applicable
4.	The volume-weighted average market price of such shares for a period of 60 trading days immediately preceding the date of PA as traded on the stock exchange where the maximum volume of trading in the Equity Share are recorded during such period, i.e. BSE	147.48

- 6.1.5 As per Regulation 8(2)(d) of the SEBI (SAST) Regulations, the calculation of the volume-weighted average market price of the Equity Shares, for a period of sixty (60) trading days immediately preceding the date of PA i.e. May 14, 2018, as traded on BSE is as follows:

Sr. No.	Date of the trading day	Total traded Equity Shares	Total Turnover (in ₹)
1	Friday, May 11, 2018	44,771	7,399,023

Sr. No.	Date of the trading day	Total traded Equity Shares	Total Turnover (in ₹)
2	Thursday, May 10, 2018	65,621	11,090,904
3	Wednesday, May 09, 2018	3,780	616,140
4	Tuesday, May 08, 2018	2,378	369,157
5	Monday, May 07, 2018	25,815	3,811,276
6	Friday, May 04, 2018	15,910	2,218,588
7	Thursday, May 03, 2018	15,396	2,230,200
8	Wednesday, May 02, 2018	7,457	1,150,353
9	Monday, April 30, 2018	1,241	191,659
10	Friday, April 27, 2018	5,785	897,651
11	Thursday, April 26, 2018	2,510	393,992
12	Wednesday, April 25, 2018	4,350	695,598
13	Tuesday, April 24, 2018	5,049	815,493
14	Monday, April 23, 2018	12,809	2,043,915
15	Friday, April 20, 2018	6,889	1,114,516
16	Thursday, April 19, 2018	16,239	2,631,745
17	Wednesday, April 18, 2018	67,430	11,436,784
18	Tuesday, April 17, 2018	4,469	754,143
19	Monday, April 16, 2018	21,820	3,506,879
20	Friday, April 13, 2018	1,314	204,408
21	Thursday, April 12, 2018	4,763	762,920
22	Wednesday, April 11, 2018	28,925	4,531,142
23	Tuesday, April 10, 2018	17,571	2,662,828
24	Monday, April 09, 2018	21,173	3,368,706
25	Friday, April 06, 2018	15,898	2,698,450
26	Thursday, April 05, 2018	21,157	3,711,132
27	Wednesday, April 04, 2018	15,279	2,563,288
28	Tuesday, April 03, 2018	37,191	5,931,392
29	Monday, April 02, 2018	3,027	453,754
30	Wednesday, March 28, 2018	5,104	743,428
31	Tuesday, March 27, 2018	2,323	339,869
32	Monday, March 26, 2018	2,423	340,974
33	Friday, March 23, 2018	7,469	1,039,981
34	Thursday, March 22, 2018	12,232	1,768,222
35	Wednesday, March 21, 2018	2,992	450,829
36	Tuesday, March 20, 2018	12,740	1,943,401
37	Monday, March 19, 2018	8,061	1,246,925
38	Friday, March 16, 2018	14,289	2,312,485
39	Thursday, March 15, 2018	7,805	1,207,762
40	Wednesday, March 14, 2018	44,239	6,604,210
41	Tuesday, March 13, 2018	99,518	16,030,941
42	Monday, March 12, 2018	6,202	1,010,615
43	Friday, March 09, 2018	9,488	1,472,537
44	Thursday, March 08, 2018	63,918	9,442,664

Sr. No.	Date of the trading day	Total traded Equity Shares	Total Turnover (in ₹)
45	Wednesday, March 07, 2018	78,824	11,023,351
46	Tuesday, March 06, 2018	72,632	9,667,944
47	Monday, March 05, 2018	15,503	1,977,794
48	Thursday, March 01, 2018	24,860	3,170,408
49	Wednesday, February 28, 2018	21,438	2,647,573
50	Tuesday, February 27, 2018	16,268	1,969,887
51	Monday, February 26, 2018	4,620	545,813
52	Friday, February 23, 2018	8,041	921,540
53	Thursday, February 22, 2018	5,699	665,293
54	Wednesday, February 21, 2018	7,022	797,641
55	Tuesday, February 20, 2018	8,431	932,935
56	Monday, February 19, 2018	20,546	2,356,454
57	Friday, February 16, 2018	50,916	5,755,993
58	Thursday, February 15, 2018	12,321	1,320,442
59	Wednesday, February 14, 2018	20,462	2,072,022
60	Monday, February 12, 2018	12,006	1,167,190
Total		1,174,409	173,203,159
Volume Weighted Average Price (Total Turnover divided by Total traded Equity Shares)			147.48

6.1.6 There have been no corporate actions in the Target Company warranting adjustment of relevant price parameters under Regulation 8(9) of the SEBI (SAST) Regulations. (Source: Based on the filings available on website of BSE at www.bseindia.com). The Offer price may be revised in the event of corporate actions like bonus issue, rights issue, split etc. where the record date for effecting such corporate action falls within 3 Working Days prior to the commencement of the tendering period of the Offer.

6.1.7 As on date of this Letter of Offer, there has been no revision in the Offer Price or Offer Size. If there is any revision in the Offer Price on account of future purchases or competing offers, such revision will be done only up to the period prior to 3 working days before the commencement of the tendering period of this Offer in accordance with Regulation 18(4) and Regulation 18(5) of the SEBI (SAST) Regulations. In the event of such revision, the Acquirer shall:

- i. make corresponding increase to the escrow amount;
- ii. make a public announcement in the same newspapers in which DPS has been published; and
- iii. simultaneously with the issue of such public announcement, inform SEBI, BSE and the Target Company at its registered office of such revision.

The revised Offer Price would be paid to all the Eligible Public Shareholder whose Equity Shares are accepted under the Offer.

6.1.8 If the Acquirer acquires or agrees to acquire any Equity 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 in terms of Regulation 8(8) of SEBI (SAST) Regulations. However, no such acquisition shall be made by the Acquirer after the third working day prior to the commencement of the tendering period of this Offer and until the expiry of the tendering period of this Offer.

6.1.9 Other than the Equity Shares to be acquired pursuant to the SPA, if the Acquirer acquires Equity Shares during the period of twenty six weeks after the closure of the Tendering Period at a price higher than the Offer Price, then

the Acquirer shall pay the difference between the highest acquisition price and the Offer Price, to all the Eligible Public Shareholder whose Equity Shares have been accepted in this Offer within sixty days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another open offer under the SEBI (SAST) Regulations, or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2009 or open market purchases made in the ordinary course on BSE, not being negotiated acquisition of Equity Shares in any form.

6.2 Financial Arrangements

- 6.2.1 Assuming full acceptance of the Offer, the total funds required to meet this Offer is ₹ 64,70,32,716 (“**Maximum Consideration**”). In accordance with Regulation 17(1) of the SEBI (SAST) Regulations, the Acquirer has deposited ₹ 16,17,58,180 (Indian Rupees sixteen crores seventeen lakhs fifty eight thousand one hundred and eighty only) being the cash equivalent to 25% of the Maximum Consideration on May 17, 2018 and May 18, 2018 in the bank account no. 000405116628 designated as ‘*Dakshin Mercantile Private Limited-Escrow Account*’ (“**Escrow Account**”) opened with ICICI Bank Limited, acting through its branch at ICICI Bank Limited, Capital Markets Division, 1st Floor, 122, Mistry Bhavan, Dinshaw Vachha Road, Backbay Reclamation, Churchgate, Mumbai (“**Escrow Bank**”). The cash deposit has been confirmed vide confirmation letters dated May 17, 2018 and May 18, 2018 issued by the Escrow Bank.
- 6.2.2 This Offer is not subject to differential pricing.
- 6.2.3 The Acquirer has confirmed that it has adequate financial resources to meet the obligations under the Offer and have made firm financial arrangements for financing the acquisition of the Offer Shares, in terms of Regulation 25(1) of the SEBI (SAST) Regulations.
- 6.2.4 The Acquirer has made firm financial arrangements to meet the Offer obligations by way of availing an inter corporate deposit for an amount upto ₹ 22,500.00 lakhs as and when required, in order to meet the Offer obligations under SEBI (SAST) Regulations.
- 6.2.5 Shirish Desai & Co, Chartered Accountants (Membership no. 150207), having office at H.O. 26, Gayatri Chambers, R.C. Dutt Road, Alkapuri, Vadodara - 390 007 (Tel: +91 265 2330 630), vide certificate dated May 14, 2018, has certified on the basis of its scrutiny of the books of accounts, records and documents of the Acquirer, that the Acquirer has adequate and firm financial resources through verifiable means available for fulfilling the obligations under this Offer.
- 6.2.6 The Acquirer has confirmed that the funds lying in the Escrow Account will be utilized exclusively for the purposes of this Offer. Further, the Acquirer has solely authorized the Manager to the Offer to operate and realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations.
- 6.2.7 In case of any upward revision in the Offer Price or the Offer Size, the Acquirer shall make further deposit into the Escrow Account, prior to effecting such revision, to ensure compliance with Regulations 17(2), 22(2) and 24(1) of the SEBI (SAST) Regulations.
- 6.2.8 On the basis of the above and the certificate provided by Shirish Desai & Co., the Manager to the Offer is satisfied about the ability of the Acquirer to fulfill its obligation in respect of this Offer in accordance with the SEBI (SAST) Regulations.

7. TERMS AND CONDITIONS OF THE OFFER

7.1 Operational Terms and Conditions

- 7.1.1 In terms of the schedule of activities, the Tendering Period will commence on September 19, 2018 and will close on October 4, 2018 (both days inclusive).
- 7.1.2 The Eligible Public Shareholders of the Target Company who tender their Equity Shares in this Offer shall ensure that the Equity Shares are clear from all liens, charges and encumbrances and will be acquired by the Acquirer, in accordance with the terms and conditions set forth in the DPS, the Draft Letter of Offer and this Letter of Offer to be sent to all the Eligible Public Shareholders in relation to this Offer, the relevant provisions of the SEBI (SAST) Regulations, and applicable law. The Acquirer, shall acquire the Equity Shares of the Eligible Public Shareholders of the Target Company who validly tender their Equity Shares in this Offer, together with all rights attached thereto, including all rights to dividends, bonuses and rights offers declared thereof.
- 7.1.3 The Identified Date for this Offer as per the tentative schedule of activity is September 4, 2018.

- 7.1.4 The marketable lot for the Equity Shares for the purpose of this Offer shall be 1 Equity Share.
- 7.1.5 This is not a conditional Offer and there is no stipulation on any minimum level of acceptance.
- 7.1.6 In terms of Regulation 20(8) of the SEBI (SAST) Regulations, if there is a competing offer, the schedule of activities and the Tendering Period for all competing offers, shall be carried out with identical timelines and the last date for tendering shares in acceptance of every competing offer shall stand revised to the last date for tendering shares in acceptance of the competing offer last made.
- 7.1.7 In terms of Regulation 20(9) of the SEBI (SAST) Regulations, upon the public announcement of a competing offer, an acquirer who had made a preceding competing offer shall be entitled to revise the terms of its Offer provided the revised terms are more favorable to the Eligible Public Shareholder of the Target Company. However, the acquirer making the competing offers shall be entitled to make upward revisions of the offer price at any time up to 3 working days prior to the commencement of the Tendering Period.
- 7.1.8 In terms of Regulation 18(9) of the SEBI (SAST) Regulations, the Eligible Public Shareholder who have accepted this Offer by tendering their Equity Shares and requisite documents in terms of the PA, the DPS and this Letter of Offer are not entitled to withdraw such acceptance during the Tendering Period for this Offer.
- 7.1.9 Accidental omission to dispatch the Draft Letter of Offer or this Letter of Offer to any Eligible Public Shareholder to whom this Offer has been made or non-receipt of the Draft Letter of Offer or this Letter of Offer by any such Eligible Public Shareholder shall not invalidate this Offer in any way.
- 7.1.10 There has been no revision in the Offer Price or Offer Size as on the date of this Letter of Offer.
- 7.2 **Locked in Equity Shares**
- 7.2.1 To the best of the knowledge of the Acquirer, as on date of this Letter of Offer, the Target Company's Equity Shares are not locked-in.
- 7.3 **Eligibility for accepting the Offer**
- 7.3.1 This Offer is being made by the Acquirer to:
- i. all the Eligible Public Shareholder, whose name appear in the register of members of the Target Company as of the close of business on September 4, 2018, i.e. the Identified Date;
 - ii. the beneficial owners of the Equity Shares whose names appear as beneficiaries on the records of the respective Depositories, as of the close of business on September 4, 2018, i.e. the Identified Date; and
 - iii. those persons who acquire the Equity Shares any time prior to the date of the Closure of the Tendering Period for this Offer, i.e. October 4, 2018, but who are not the registered Eligible Public Shareholder.
- 7.3.2 This Letter of Offer shall be sent to the shareholders of the Target Company whose names appear in register of members of the Target Company as on the Identified Date.
- 7.3.3 This Offer is also open to persons who own Equity Shares but are not registered Eligible Public Shareholders as on the Identified Date.
- 7.3.4 Each Eligible Public Shareholder to whom this Offer is being made is free to offer the Equity Shares in whole or in part while accepting this Offer.
- 7.3.5 The PA, the DPS, the Draft Letter of Offer, this Letter of Offer and the Form of Acceptance cum Acknowledgment will also be available on the website of SEBI (www.sebi.gov.in). In case of non-receipt of this Letter of Offer, all Eligible Public Shareholder including those who have acquired Equity Shares of the Target Company after the identified date, if they so desire, may download the Letter of Offer and, or, the Form of Acceptance cum Acknowledgment from SEBI's website for applying in this Offer.
- 7.3.6 NRI, erstwhile OCBs or any other non-resident holders of Equity Shares, if any, must obtain all requisite approvals required to tender the Equity Shares held by them pursuant to this Offer (including without limitation, the approval

from the RBI) and submit such approvals, along with the other documents required in terms of this Letter of Offer. Further, if holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs, and FPIs) had required any approvals (including from the RBI or any other regulatory authority) in respect of the Equity Shares held by them, they will be required to submit the previous approvals that they would have obtained for holding the Equity Shares, to tender the Equity Shares held by them pursuant to this Offer, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves its right to reject such Equity Shares tendered in this Offer

- 7.3.7 The acceptance of this Offer is entirely at the discretion of the Eligible Public Shareholder. The Acquirer, the Manager to the Offer and the Registrar to the Offer shall not be responsible for any loss of share certificate(s), share transfer deeds and the Offer acceptance documents including Form of Acceptance-cum-Acknowledgement during transit and the Eligible Public Shareholders are advised to adequately safeguard their interests in this regard.
- 7.3.8 Those Eligible Public Shareholder who have not received this Letter of Offer and those who apply in plain paper will not be required to provide any indemnity. They must follow the same procedure mentioned above for registered Eligible Public Shareholders.
- 7.3.9 The Form of Acceptance-cum-Acknowledgement and other documents required to be submitted, herewith, will be accepted by Adroit Corporate Services Limited, the Registrar to the Offer, between 10:00 hours to 16:00 hours on Working Days during the period the Offer is open or should be received by the Registrar to the Offer at the address below on or before 17:00 hours on October 4, 2018, i.e. Closure of the Tendering Period.
- 7.3.10 The acceptance of this Offer must be unconditional, absolute and unqualified and should be sent with the attached Form of Acceptance-cum-Acknowledgement duly filled in, signed by the applicant Eligible Public Shareholder(s). In the event any change or modification is made to the Form of Acceptance cum-Acknowledgement or if any condition is inserted therein by the Eligible Public Shareholder, the Manager to the Offer and the Acquirer reserve the right to reject the acceptance of this Offer by such Eligible Public Shareholder.
- 7.3.11 The acceptance of Equity Shares tendered in the Offer will be made by the Acquirer in consultation with the Manager to the Offer.
- 7.3.12 The instructions, authorizations and provisions contained in the Form of Acceptance-cum-Acknowledgment constitute an integral part of the terms of this Offer. The Eligible Public Shareholders can write to the Registrar to the Offer / Manager to the Offer requesting for the Letter of Offer along with Form of Acceptance-cum-Acknowledgement and fill up the same in accordance with the instructions given therein, so as to reach the Registrar to the Offer, on or before the date of closing of Tendering Period.
- 7.3.13 There shall be no discrimination in the acceptance of lock-in and non-lock in Equity Shares in the Offer. Locked-in Equity Shares, if any, can be tendered in the Offer subject to applicable laws including the continuation of the lock-in in the hands of the Acquirer. The Equity Shares to be acquired under the Offer must be free from all liens, charges and encumbrances and will be acquired together with all rights attached thereto.
- 7.3.14 The Acquirer shall complete all procedures relating to payment of consideration under this Offer within ten working days from the date of closure of the Tendering Period to those Eligible Public Shareholders whose share certificates and/or other documents are found valid and in order and are accepted for acquisition.
- 7.3.15 Any Equity Shares that are subject matter of litigation or are held in abeyance, subject to pending court cases, attachment orders or restriction from other statutory authorities wherein the Eligible Public Shareholder may be precluded from transferring the Equity Shares during pendency of such proceedings, orders or restrictions, may be rejected if directions or orders are passed regarding the free transferability of such Equity Shares tendered under the Open Offer prior to the Closure of the Tendering Period.

8. STATUTORY AND OTHER APPROVALS

- 8.1.1 Unless waived in writing by the Acquirer, the acquisition of Equity Shares pursuant to the SPA and the Equity Shares pursuant to this Offer are also subject to the satisfaction of the conditions precedent as set forth in clause 3.2 of the SPA including receipt of approval from the Reserve Bank of India *inter alia* for change in control and management of the Target Company pursuant to the Offer and purchase of Equity Shares pursuant to the SPA.
- 8.1.2 As of the date of this Letter of Offer, to the best of the knowledge of the Acquirer, other than the approval required at paragraph 8.1.1 including the approval received from the Reserve Bank of India by the Target Company vide

letter dated August 23, 2018, there are no statutory approvals required by the Acquirer to complete this Offer. However, in case of any other statutory approvals being required by the Acquirer at a later date before the closure of the tendering period, this Offer shall be subject to such approvals and the Acquirer shall make the necessary applications for such approvals. In the event the statutory approvals set out in this paragraph (the grant or satisfaction of which are considered to be outside the reasonable control of the Acquirer) are not granted or satisfied, the Acquirer shall have the right to withdraw this Offer in terms of Regulation 23 of the SEBI (SAST) Regulations.

- 8.1.3 In case of delay in receipt or non-receipt of any statutory approvals disclosed in paragraph 8 of this Letter of Offer above or which may be required by the Acquirer at a later date, as per Regulation 18(11) of the SEBI (SAST) Regulations, SEBI may, if satisfied, that non-receipt of approvals was not attributable to any wilful default, failure or neglect on the part of the Acquirer to diligently pursue such approvals, grant an extension of time for the purpose of completion of this Offer subject to the Acquirer agreeing to pay interest to the Eligible Public Shareholders for the delay. However, where the statutory approvals extend to some but not all holders of the Equity Shares, the Acquirer has the option to make payment to such holders of the Equity Shares in respect of whom no statutory approvals are required in order to complete this Offer.
- 8.1.4 The Acquirer will have the right not to proceed with this Offer in accordance with Regulation 23 of the SEBI (SAST) Regulations, in the event the statutory approvals are refused.
- 8.1.5 In the event of withdrawal of this Offer, a public announcement will be made within 2 Working Days of such withdrawal, in the same newspapers in which the DPS is published and such public announcement will also be sent to BSE, the SEBI and the Target Company at its registered office.

9. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER

- 9.1 All Eligible Public Shareholders of the Target Company, whether holding Equity Shares in dematerialized form or physical form, registered or unregistered or holding locked-in Shares, regardless of whether such person has acquired Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date, or unregistered owners or those who have acquired Equity Shares after the Identified Date, or those who have not received the Letter of Offer, are eligible to participate in this Offer any time during the tendering period.
- 9.2 The Equity Shares to be acquired under the Offer must be free from all liens, charges and encumbrances and will be acquired together with all rights attached thereto.
- 9.3 This Letter of Offer specifying the detailed terms and conditions of this Offer will be mailed to all the Eligible Public Shareholders whose name appears in the register of members of the Target Company as at the close of business hours on the Identified Date. Eligible Public Shareholders holding Equity Shares in physical mode and Equity Shares under lock-in will be sent respective Form of Acceptance-cum-Acknowledgement (the "**Form of Acceptance**") along with the Letter of Offer. Detailed procedure for tendering such Equity Shares will be included in the Form of Acceptance. Form of Acceptance will not be sent to the Eligible Public Shareholders holding Equity Shares in demat mode
- 9.4 Persons who have acquired the Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date or unregistered owners or those who have not received this Letter of Offer, may participate in this Offer by submitting an application on a plain paper giving details regarding their shareholding and confirming their consent to participate in this Offer on the terms and conditions of this Offer as set out in PA, the DPS and this Letter of Offer. Alternatively, such holders of the Offer Shares may apply in the Form of Acceptance-cum-Acknowledgement in relation to this Offer that have been annexed to this Letter of Offer, which may also be obtained from the SEBI website (www.sebi.gov.in) or the Registrar to the Offer.
- 9.5 The Offer will be implemented by the Acquirer, subject to applicable laws, through a stock exchange mechanism as provided under the SEBI (SAST) Regulations and SEBI circular bearing number CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with the SEBI circular bearing number CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 as may be amended from time to time, issued by SEBI. A separate window on the stock exchange ("**Acquisition Window**") would be provided by the stock exchange for this purpose
- 9.6 BSE shall be the designated stock exchange ("**Designated Stock Exchange**") for the purpose of tendering equity shares in the Offer.

- 9.7 The Acquirer has appointed ICICI Securities Limited as the registered broker ("**Buying Broker**") through whom the purchases and settlements on account of the Offer Shares tendered under the Offer shall be made. The contact details of the Buying Broker are mentioned below:

Name: ICICI Securities Limited

Address: ICICI Centre, H.T. Parekh Marg, Churchgate, Mumbai 400 020

Contact person: Moncy Mathai

Tel No: +91 22 2288 2460

Fax No: +91 22 2282 6580

- 9.8 All Eligible Public Shareholders who desire to tender their Equity Shares under the Offer would have to approach their respective stock brokers ("**Selling Broker(s)**"), during the normal trading hours of the secondary market during the Tendering Period.
- 9.9 The facility for acquisition of shares through the stock exchange mechanism pursuant to the Offer shall be available on BSE in the form of a separate window.
- 9.10 Separate Acquisition Window will be provided by BSE to facilitate placing of sell orders. The Selling Brokers can enter orders for demat Equity Shares as well as physical Equity Shares.
- 9.11 The cumulative quantity tendered shall be displayed on the exchange website throughout the trading session at specific intervals by BSE during the Tendering Period
- 9.12 Modification/cancellation of orders will not be allowed during the tendering period of the Offer.
- 9.13 Eligible Public Shareholder can tender their Equity Shares only through a broker with whom the shareholder is registered as client (KYC Compliant). In the event Seller Broker(s) are not registered with BSE or if the Shareholder does not have any stock broker then that Shareholder can approach any BSE registered stock broker and can make a bid by using quick unique client code ("**UCC**") facility through that BSE registered stock broker after submitting the details as may be required by the stock broker to be in compliance with applicable law and regulations. In case the Eligible Public Shareholder is not able to bid using quick UCC facility through any other BSE registered stock broker then the Eligible Public Shareholder may approach Buying Broker viz. ICICI Securities Limited, to bid by using quick UCC facility. The Eligible Public Shareholder approaching BSE registered stock broker (with whom he does not have an account) may have to submit following details:

In case the Eligible Public Shareholder is an individual

If Eligible Public Shareholder is registered with KYC Registration Agency ("**KRA**"): Forms required:

- Central Know Your Client ("**CKYC**") form including FATCA, IPV, OSV if applicable;
- Know Your Client ("**KYC**") form documents required (all documents self-attested):
 - Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat Master /Latest Demat statement)

If Eligible Public Shareholder is not registered with KRA: Forms required:

- CKYC form including FATCA, IPV, OSV if applicable;
- KRA form;
- KYC form documents required (all documents self-attested):
 - PAN card copy
 - Address proof
 - Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat master /Latest Demat statement).

It may be noted that other than submission of above forms and documents, in person verification may be required.

In case the Eligible Public Shareholder is an HUF

If Eligible Public Shareholder is registered with KRA: Forms required:

- CKYC form of Karta including FATCA, IPV, OSV if applicable;
- KYC form documents required (all documents self-attested):
 - Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat Master /latest Demat statement).

If Eligible Public Shareholder is not registered with KRA: Forms required:

- CKYC form including FATCA, IPV, OSV if applicable;
- KRA form;
- KYC form Documents required (all documents self-attested):
 - PAN card copy of HUF and Karta
 - Address proof of HUF and Karta
 - Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat master /latest Demat statement).

It may be noted that other than submission of above forms and documents, in person verification may be required.

In case of Eligible Public Shareholder other than an individual or an HUF

If Eligible Public Shareholder is registered with KRA: Forms required:

- KYC form documents required (all documents certified true copy):
 - Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat Master /Latest Demat statement)
- FATCA, IPV, OSV if applicable;
- Latest list of directors/ authorised signatories/ partners / trustees;
- Latest shareholding pattern;
- Board resolution;
- Details of ultimate beneficial owner along with PAN card and address proof;
- Last 2 years financial statements.

If Eligible Public Shareholder is not registered with KRA: Forms required:

- KRA form
- KYC form Documents required (all documents self-attested):
 - PAN card copy of company / firm / trust
 - Address proof of company / firm / trust
 - Bank details (cancelled cheque).

- Demat details only if Equity Shares are in demat mode (Demat master /Latest Demat statement)
- FATCA, IPV, OSV if applicable;
- Latest list of directors/ authorised signatories/ partners / trustees;
- Latest shareholding pattern;
- Board resolution / partnership declaration;
- Details of ultimate beneficial owner along with PAN card and address proof;
- Last 2 years financial statements.
- Memorandum of Association / partnership deed / trust deed.

It may be noted that other than submission of above forms and documents, in person verification may be required.

Additionally, registered Eligible Public Shareholders holding Equity Shares in physical form must also provide the documents mentioned in paragraph 9.15 below.

It may be noted that above mentioned list of documents is an indicative list. The requirement of documents and procedures may vary from broker to broker.

9.14 **Procedure for tendering Equity Shares held in dematerialised form**

- 9.14.1 Eligible Public Shareholder who desire to tender their Equity Shares in the electronic/dematerialized form under the Offer would have to do so through their respective Selling Broker by giving the details of Equity Shares they intend to tender under the Offer.
- 9.14.2 The Selling Broker would be required to place an order/bid on behalf of the Eligible Public Shareholders who wish to tender Equity Shares in the Offer using the Acquisition Window of the BSE. Before placing the order/bid, the Eligible Public Shareholder would be required to transfer the tendered Equity Shares to the Clearing Corporation, by using the early pay in mechanism as prescribed by the BSE or the Clearing Corporation, prior to placing the order/bid by the Selling Broker.
- 9.14.3 Upon placing the order, the Selling Broker shall provide transaction registration slip (“**TRS**”) generated by the stock exchange bidding system to the Eligible Public Shareholder. TRS will contain details of order submitted like bid ID No., Depository Participant (“**DP**”) ID, Client ID, no. of Equity Shares tendered, etc.
- 9.14.4 Modification/cancellation of orders will not be allowed during the tendering period of the Offer.
- 9.14.5 The Eligible Public Shareholders will have to ensure that they update their bank account details with their correct account number used in core banking and IFSC code, keep their depository participant account active and unblocked to successfully facilitate the tendering of the Equity Shares and to receive credit in case of return of Equity Shares due to rejection.
- 9.14.6 The resident Eligible Public Shareholders (i.e. Eligible Public Shareholders residing in India) holding Equity Shares in demat mode, are not required to fill any Form of Acceptance-cum-Acknowledgement. The Eligible Public Shareholders are advised to retain the acknowledged copy of the delivery instructions slip and the TRS till the completion of Offer Period.
- 9.14.7 All non-resident Eligible Public Shareholders (i.e. Eligible Public Shareholders not residing in India including NRIs and OCBs) holding physical and, or, demat Equity Shares are mandatorily required to fill the Form of Acceptance-cum-Acknowledgement. The non-resident Eligible Public Shareholders holding Equity Shares in demat mode, directly or through their respective Selling Brokers, are required to send the Form of Acceptance-cum-Acknowledgement along with the required documents (including the documents and information identified in paragraphs 7 (*Terms and Conditions of this Offer*), 8 (*Statutory and Other Approvals*) and 10 (*Compliance with Tax Requirements*)) to the Registrar to the Offer at its address given on the cover page of the Letter of Offer. The envelope should be superscribed as "*LKP Finance Limited - Open Offer*". The detailed procedure for tendering Equity Shares will be included in the Form of Acceptance-cum-Acknowledgment.

- 9.14.8 In case any person has submitted Equity Shares in physical form for conversion to demat, such Eligible Public Shareholders should ensure that the process of getting the Equity Shares converted to demat mode is completed well in time so that they can participate in the Offer before the Closure of the Tendering Period.
- 9.14.9 For custodian participant, orders for demat equity shares early pay-in is mandatory prior to confirmation of order by the custodian. The custodians shall either confirm or reject orders not later than time provided by BSE on the last day of the offer period. Thereafter, all unconfirmed orders shall be deemed to be rejected.
- 9.14.10 The details of settlement number for early pay-in of equity shares shall be informed in the issue opening circular that will be issued by BSE / Clearing Corporation, before the opening of the Offer.
- 9.14.11 The Eligible Public Shareholders will have to ensure that they keep the DP account active and unblocked to receive credit in case of return of the Equity Shares due to rejection or due to prorated Offer.
- 9.14.12 The cumulative quantity tendered shall be made available on the website of the BSE (www.bseindia.com) throughout the trading sessions and will be updated at specific intervals during the Tendering Period.
- 9.15 **Procedure for tendering the Equity Shares held in physical form**
- 9.15.1 The Eligible Public Shareholders holding physical shares and who wish to tender their Equity Shares in this Offer shall approach the relevant Selling Broker and submit the following set of documents for verification as mentioned below:
- i. Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein, by sole/joint shareholders whose name(s) appears on the share certificate(s) and in the same order and as per the specimen signature lodged with the Target Company;
 - ii. Original share certificate(s);
 - iii. Valid share transfer deed(s) (Form SH-4) duly signed as transferor(s) by the sole/joint shareholder(s) in the same order and as per specimen signatures lodged with the Target and duly witnessed at the appropriate place. Form SH-4 may also be obtained from the Registrar to the Offer;
 - iv. Self-attested PAN Card copy (in case of joint holders, PAN card copy of all transferors);
 - v. Any other relevant document such as powers of attorney and/or corporate authorizations (including board resolution(s)/specimen signature(s));
 - vi. Self-attested copy of proof of address such as valid Aadhar card, voter ID, passport or driving license; and
 - vii. Documents and information identified in paragraphs 7 (*Terms and Conditions of this Offer*), 8 (*Statutory and Other Approvals*) and 10 (*Compliance with Tax Requirements*)
- 9.15.2 The Selling Broker(s) should place bids on the designated stock exchange platform including the relevant details as specified on the physical share certificate(s). The Selling Broker (s) shall print the TRS generated by the exchange bidding system. The TRS will contain the details of order submitted such as Folio No., Certificate No., Dist. Nos. and number of Equity Shares.
- 9.15.3 After placement of order, the Selling Broker(s)/Eligible Public Shareholder must deliver the share certificates relating to its Equity Shares and other documentation listed in paragraph 9.15.1 above along with the TRS to the Registrar to the Offer i.e. Adroit Corporate Services Private Limited at the address mentioned on the cover page. The envelope should be superscribed "*LKP Finance Limited Open Offer*". Share certificates for physical shares must reach the Registrar to the Offer within 2 days of bidding by the Selling Broker. One copy of the TRS will be retained by Registrar to the Offer and it will provide acknowledgement of the same to the Selling Broker.
- 9.15.4 The Eligible Public Shareholder holding physical shares should note that their Equity Shares will not be accepted unless the complete set of documents specified in paragraph 9.13 above is submitted. Acceptance of the physical shares in this Offer shall be subject to verification by the Registrar to the Offer. On receipt of the confirmation from the Registrar to the Offer, the bid will be accepted or rejected (as applicable) and accordingly depicted on

the exchange platform.

9.15.5 The Eligible Public Shareholders holding Equity Shares in physical mode will be required to fill the respective Form of Acceptance-cum-Acknowledgement. Eligible Public Shareholder holding Equity Shares in physical mode will be sent respective Form of Acceptance-cum-Acknowledgement along with the Letter of Offer. Detailed procedure for tendering such Equity Shares will be included in the Form of Acceptance.

9.16 **Procedure for tendering the shares in case of non-receipt of Letter of Offer**

9.16.1 Persons who have acquired the Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date, or unregistered owners or those who have acquired the Equity Shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Offer.

9.16.2 An Eligible Public Shareholder may participate in this Offer by approaching their Selling Broker and tender the Equity Shares in the Offer as per the procedure mentioned in the Letter of Offer or in the relevant Form of Acceptance-cum-Acknowledgement.

9.16.3 The Letter of Offer along with Form of Acceptance-cum-Acknowledgement will be dispatched to all the Eligible Public Shareholder whose names appear on the register of members of the Target Company, and the Letter of Offer will be dispatched to all the beneficial owners of the Equity Shares in dematerialized form whose names appear on the beneficial records of the respective depositories, in either case, at the close of business hours on the Identified Date.

9.16.4 In case of non-receipt of the Letter of Offer, such Eligible Public Shareholder of the Target Company may download the same from the website of SEBI (www.sebi.gov.in) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity Shares of the Target Company.

9.16.5 The Letter of Offer along with the Form of Acceptance-cum-Acknowledgement would also be available at SEBI's website (www.sebi.gov.in) and Eligible Public Shareholders can also apply by downloading such forms from the said website.

9.16.6 Alternatively, in case of non-receipt of the Letter of Offer, Eligible Public Shareholders holding the Equity Shares may participate in the Offer by providing their application in plain paper in writing signed by all Eligible Public Shareholder(s), stating name, address, number of shares held, client ID number, DP name, DP ID number, number of shares tendered and other relevant documents as mentioned in paragraphs 9.13 and 9.14 or 9.15 above along with Form SH 4 (in case of Equity Shares being held in physical form). Such Eligible Public Shareholders have to ensure that their order is entered in the electronic platform to be made available by BSE before the closure of the Offer.

9.17 **Acceptance of Shares**

9.17.1 Registrar to the Offer shall provide details of order acceptance to Clearing Corporation within specified timelines.

9.17.2 In the event that the number of Equity Shares (including demat Equity Shares or Physical Equity Shares) validly tendered by the Eligible Public Shareholders under this Offer is more than the number of Equity Shares, the Acquirer shall accept those Equity Shares validly tendered by the Eligible Public Shareholders on a proportionate basis in consultation with the Manager to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that acquisition of Equity Shares from a Eligible Public Shareholder shall not be less than the minimum marketable lot, or the entire holding if it is less than the marketable lot. The minimum marketable lot of the Target Company is 1 Equity Share.

9.18 **Settlement Process**

9.18.1 On closure of the Offer, reconciliation for acceptances shall be conducted by the Manager to the Offer and the Registrar to the Offer and the final list of accepted Equity Shares shall be provided to the Designated Stock Exchanges to facilitate settlement on the basis of the shares transferred to the Clearing Corporation.

9.18.2 The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.

9.18.3 The Buying Broker will make the funds pay-in in the settlement account of the Clearing Corporation. For Equity Shares accepted under the Offer, the Clearing Corporation will make direct funds payout to respective Eligible Public Shareholder. If the bank account details of the Eligible Public Shareholder(s) are not available or if the funds transfer instruction are rejected by RBI or bank, due to any reason, then such funds will be transferred to the concerned Selling Broker settlement bank account for onward transfer to their respective Eligible Public Shareholder.

- 9.18.4 The Eligible Public Shareholders who intend to participate in the Offer should consult their respective Selling Broker for any cost, applicable taxes charges and expenses (including brokerage) that may be levied by the Selling Broker upon the Eligible Public Shareholders for tendering Equity Shares in the Offer and the Eligible Public Shareholders will be required to independently settle such costs, applicable taxes charges and expenses or other charges (if any). The Acquirer and the Manager to the Offer accept no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) which are to be incurred solely by the Eligible Public Shareholders.
- 9.18.5 In case of certain client types viz. NRI, Foreign Clients etc. (where there are specific RBI and other regulatory requirements pertaining to funds pay-out) who do not opt to settle through custodians, the funds pay-out would be given to their respective Selling Broker's settlement accounts for releasing the same to their respective Eligible Public Shareholder's account onwards. For this purpose, the client type details would be collected from the Registrar to the Offer.
- 9.18.6 The Eligible Public Shareholders will have to ensure that they keep the DP account active and unblocked to receive credit in case of return of Equity Shares, due to rejection or due to non-acceptance of the shares under the Offer.
- 9.18.7 Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Eligible Public Shareholders would be returned to them by the Clearing Corporation. Any excess physical Equity Shares pursuant to proportionate acceptance/ rejection will be returned back to the Eligible Public Shareholders directly by the Registrar to the Offer. The Target Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Equity Shares, in case the Equity Shares accepted by the Target Company are less than the Equity Shares tendered in the Offer by the Eligible Public Shareholders holding Equity Shares in the physical form.
- 9.18.8 If Eligible Public Shareholders bank account details are not available or if the fund transfer instruction is rejected by RBI or bank, due to any reasons, then the amount payable to Eligible Public Shareholder will be transferred to the Selling Broker for onward transfer to the Eligible Public Shareholder.
- 9.18.9 The Eligible Public Shareholders who intend to participate in the Offer should consult their respective Selling Broker for any cost, applicable taxes, charges and expenses (including brokerage) that may be levied by the Selling Broker upon the selling shareholders for tendering Equity Shares in the Offer (secondary market transaction). The Offer consideration received by the Eligible Public Shareholders, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Eligible Public Shareholders.
- 9.18.10 Once the basis of acceptance is finalised, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of shares to the escrow account which will be opened by the Acquirer.
- 9.18.11 Any excess physical shares, to the extent tendered but not accepted, will be returned by registered post back to the Eligible Public Shareholder(s) directly by Registrar to the Offer.
- 9.18.12 It may be noted that the Eligible Public Shareholders who have tendered Equity Shares in acceptance of the Offer shall not be entitled to withdraw such acceptance during the Tendering Period even if the acceptance of Equity Shares under the Offer and dispatch of consideration gets delayed.
- 9.18.13 Any Equity Shares that are subject matter of litigation or are held in abeyance, subject to pending court cases, attachment orders or restriction from other statutory authorities wherein the Eligible Public Shareholder may be precluded from transferring the Equity Shares during pendency of such proceedings, orders or restrictions, may be rejected if directions or orders are passed regarding the free transferability of such Equity Shares tendered under the Open Offer prior to the Closure of the Tendering Period.
- 9.19 Settlement of Funds / Payment Consideration**
- 9.19.1 The Buying Broker will transfer the funds pertaining to the Offer to the Clearing Corporation's bank account as per the prescribed schedule.
- 9.19.2 For Equity Shares accepted under the Offer, Clearing Corporation will make direct funds payout to respective Eligible Public Shareholder. If bank account details of the Eligible Public Shareholder are not available or if the funds transfer instruction are rejected by RBI/Bank, due to any reason, then such funds will be transferred to the concerned Selling Broker settlement bank account for onward transfer to their respective shareholders.
- 9.19.3 The payment will be made to the Buying Broker for settlement. For Equity Shares accepted under the Offer, the

Eligible Public Shareholder / Selling Broker / custodian participant will receive funds payout in their settlement bank account.

- 9.19.4 The funds received from the Buyer Broker by the Clearing Corporation will be released to the Eligible Public Shareholder / Selling Broker (s) as per secondary market pay out mechanism.
- 9.19.5 Eligible Public Shareholders who intend to participate in the Offer should consult their respective Selling Broker for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Selling Broker upon the selling shareholders for tendering Equity Shares in the Offer (secondary market transaction). The consideration received by the selling shareholders from their respective Selling Broker, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Acquirer accept no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling shareholder.
- 9.19.6 In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirer for payment of consideration to the shareholders of the Target Company who have accepted the Offer within such period, subject to Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18 (11) of the SEBI Takeover Regulations, 2011.

10. COMPLIANCE WITH TAX REQUIREMENT

THE SUMMARY OF THE INCOME-TAX CONSIDERATIONS IN THIS SECTION ARE BASED ON THE CURRENT PROVISIONS OF THE INCOME-TAX ACT, 1961. THE LEGISLATIONS, THEIR JUDICIAL INTERPRETATION AND THE POLICIES OF THE REGULATORY AUTHORITIES ARE SUBJECT TO CHANGE FROM TIME TO TIME, AND THESE MAY HAVE A BEARING ON THE IMPLICATIONS LISTED BELOW. ACCORDINGLY, ANY CHANGE OR AMENDMENTS IN THE LAW OR RELEVANT REGULATIONS WOULD NECESSITATE A REVIEW OF THE BELOW.

THE JUDICIAL AND THE ADMINISTRATIVE INTERPRETATIONS THEREOF, ARE SUBJECT TO CHANGE OR MODIFICATION BY SUBSEQUENT LEGISLATIVE, REGULATORY, ADMINISTRATIVE OR JUDICIAL DECISIONS. ANY SUCH CHANGES COULD HAVE DIFFERENT INCOME-TAX IMPLICATIONS. THIS NOTE ON TAXATION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND IS NOT A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE DISPOSAL OF EQUITY SHARES.

THE IMPLICATIONS ARE ALSO DEPENDENT ON THE ELIGIBLE PUBLIC SHAREHOLDERS FULFILLING THE CONDITIONS PRESCRIBED UNDER THE PROVISIONS OF THE RELEVANT SECTIONS UNDER THE RELEVANT TAX LAWS. IN VIEW OF THE PARTICULARISED NATURE OF INCOME-TAX CONSEQUENCES, ELIGIBLE PUBLIC SHAREHOLDERS ARE REQUIRED TO CONSULT THEIR TAX ADVISORS FOR THE APPLICABLE TAX PROVISIONS INCLUDING THE TREATMENT THAT MAY BE GIVEN BY THEIR RESPECTIVE TAX OFFICERS IN THEIR CASE, AND THE APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE.

THE ACQUIRER DO NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR OTHERWISE OF SUCH ADVICE. THEREFORE, ELIGIBLE PUBLIC SHAREHOLDERS CANNOT RELY ON THIS ADVICE AND THE SUMMARY INCOME-TAX IMPLICATIONS RELATING TO THE TREATMENT OF INCOME-TAX IN THE CASE OF TENDERING OF LISTED EQUITY SHARES IN OPEN OFFER ON THE RECOGNISED STOCK EXCHANGE IN INDIA SET OUT BELOW SHOULD BE TREATED AS INDICATIVE AND FOR GUIDANCE PURPOSES ONLY.

General

- 10.1.1 The basis of charge of Indian income-tax depends upon the residential status of the taxpayer during a tax year. The Indian tax year runs from April 1 until March 31. A person who is an Indian tax resident is liable to income-tax in India on his worldwide income, subject to certain tax exemptions, which are provided under the Income Tax Act, 1961 ("**Income Tax Act**"). A person who is treated as a non-resident for Indian income-tax purposes is generally subject to tax in India only on such person's India-sourced income (i.e. income which accrues or arises or deemed to accrue or arise in India) and income received by such persons in India. In case of shares of a company, the source of income from shares would depend on the "situs" of such shares. As per judicial precedents, generally the "situs" of the shares is where a company is "incorporated" and where its shares can be transferred.
- 10.1.2 Accordingly, since the Target Company is incorporated in India, the Target Company's shares should be deemed to be "situated" in India and any gains arising to a non-resident on transfer of such shares should be taxable in

India under the Income Tax Act.

- 10.1.3 Further, the non-resident shareholder can avail benefits of the Double Taxation Avoidance Agreement between India and the respective country of which the said shareholder is tax resident subject to satisfying relevant conditions including non-applicability of General Anti-Avoidance Rule and providing and maintaining necessary information and documents as prescribed under the Income Tax Act.
- 10.1.4 The Income Tax Act also provides for different income-tax regimes/ rates applicable to the gains arising from the tendering of shares under the Open Offer, based on the period of holding, residential status, classification of the shareholder and nature of the income earned, etc.
- 10.1.5 The summary of income-tax implications on tendering of listed equity shares on the recognised stock exchange in India is set out below. All references to equity shares herein refer to listed equity shares unless stated otherwise.
- 10.1.6 Classification of shareholders: Shareholders can be classified under the following categories:
- i. Resident shareholders being:
 - Individuals, Hindu Undivided Family (“HUF”), Association of Persons (“AOP”) and Body of Individuals (“BOI”).
 - Others
 - ii. Non-Resident shareholders being:
 - Non-Resident Indians
 - Foreign Portfolio Investors
 - Others:
 - Company
 - Other than company
- 10.1.7 Classification of income from equity shares can be classified under the following two categories:
- i. Shares held as investment (income from transfer taxable under the heading "Capital Gains"); and
 - ii. Shares held as stock-in-trade (income from transfer taxable under the heading "Profits and Gains from Business or Profession")

As per the current provisions of the Income Tax Act unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India either as “capital gains” under Section 45 of the Income Tax Act or as “business profits/ income”, depending on the facts and circumstances of the case.

- 10.1.8 **Shares held as investment:** As per the provisions of the Income Tax Act, where the shares are held as investments (i.e. capital asset), income arising from the transfer of such shares is taxable under the head "Capital Gains". Capital gains in the hands of shareholders would be computed as per provisions of Section 48 of the Income Tax Act and the rate of income tax would depend on the period of holding.

Period of holding: Depending on the period for which the shares are held, the gains would be taxable as "short term capital gain" or "long-term capital gain". In respect of equity shares held for a period less than or equal to 12 (Twelve) months prior to the date of transfer, the same should be treated as a "short-term capital asset", and accordingly the gains arising therefrom should be taxable as "short term capital gains" ("STCG"). Similarly, where equity shares are held for a period more than 12 months prior to the date of transfer, the same should be treated as a "long-term capital asset", and accordingly the gains arising therefrom should be taxable as "long-term capital gains" ("LTCG").

Where a transaction for transfer of such equity shares (i.e. acceptance under the Open offer) is transacted through a Recognized Stock Exchange and is chargeable to Securities Transaction Tax ("STT"), then as per the provisions of the Income Tax Act, income tax will be levied on long-term capital gains on the sale or transfer of equity shares that are listed on a recognized stock exchange, which have been held for more than 1 year and have been subject

to STT upon acquisition and sale. Gains of this nature were, in the past (until the Finance Act, 2018 amended the Income Tax Act), exempt from capital gains taxation. The amendment provides that this tax of 10% (ten per cent) (exclusive of any tax surcharge and cess that would be applied) would be payable only if the capital gains exceed INR 100,000/- in the financial year. Gains that arise on shares purchased prior to February 1, 2018 shall be grandfathered for the notional gains earned on such shares till January 31, 2018. For computing capital gains under the grandfathered regime, the cost of acquisition of the asset will be the higher of (i) actual purchase price; and (ii) lower of (A) highest price of the equity share on the stock exchange as on January 31, 2018; and (B) sale consideration for the shares.

Accordingly, if Eligible Public Shareholders earn capital gains in excess of INR 100,000 (Indian Rupees one hundred thousand) in the fiscal year (April 1 to March 31), tax would be payable. In addition, the Finance Act has also enhanced the cess payable on tax and surcharge from 3% (three per cent) to 4% (four per cent) of the tax and surcharge amount.

Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less, which is sold, will be subject to short term capital gains tax and STT.

Taxability of capital gain arising to a non-resident in India from the sale of equity shares shall be determined basis the provisions of the Income Tax Act or the Double Taxation Avoidance Agreement entered between India and the country of which the non-resident seller is resident, subject to satisfaction of certain prescribed conditions.

10.1.9 **Shares held as stock-in trade:** If the shares are held as stock-in-trade by any of the shareholders of the Target Company, then the gains would be characterized as business income and taxable under the heading "Profits and Gains from Business or Profession".

10.1.10 **Rate of Surcharge and Cess:** As per the current provisions of the Income Tax Act, in addition to the basic tax rate, surcharge, health and education cess are leviable.

Tax Deduction at Source

10.1.11 **Resident shareholders:** In absence of any specific provision under the Income Tax Act, the Acquirer are not required to deduct tax on the consideration payable to the Eligible Public Shareholders pursuant to tendering of the Shares under the Open Offer.

10.1.12 **Non-Resident Shareholders:**

In case of FPIs: Section 196D of the Income Tax Act provides for specific exemption from withholding tax in case of capital gains arising in hands of FPIs. Thus, no withholding of tax is required in case of consideration payable to FPIs.

In case of non-resident Eligible Public Shareholder (other than FPIs): Section 195(1) of the Income Tax Act provides that any person responsible for paying to a non-resident, any sum chargeable to tax is required to deduct tax at source (including applicable surcharge and cess). Subject to regulations in this regard, wherever applicable and it is required to do so, tax at source (including applicable surcharge and cess) shall be deducted at appropriate rates as per the Income Tax Act. In doing this, the Acquirer will be guided by generally followed practices and make use of data available in the records of the Registrar to the Offer except in cases where the non-resident Eligible Public Shareholders provide a specific mandate in this regard.

Under Section 195 of the Income Tax Act, tax is required to be deducted on payments made to non-residents, at the rates prescribed in Part-II of the First Schedule to the Finance Act. In terms of the said provisions, tax at the rate of 10% (Ten percent) will be deducted from payment of long-term capital gains to a non-resident tax payer (other than a FPI). The capital gains will be required to be computed in accordance with 112A of the Income Tax Act. Since the tendering of shares under the Offer is through BSE, a recognised stock exchange, the responsibility of discharge of the tax due on the gains (if any) is primarily on the non-resident shareholder given that practically it is very difficult to withhold taxes. It is therefore important for the non-resident shareholders to suitably compute such gains (if any) on this transaction and immediately pay taxes in India in consultation with their custodians, authorized dealers and/or tax advisors, as appropriate.

Others

10.1.13 The tax implications are based on provisions of the Income Tax Act as amended up to Finance Act, 2018.

- i. Notwithstanding the details given above, all payments will be made to Eligible Public Shareholders subject to compliance with prevailing tax laws.
- ii. The tax deducted by the Acquirer while making payment to an Eligible Public Shareholder may not be the final tax liability of such Eligible Public Shareholder and shall in no way discharge the obligation of the Eligible Public Shareholder to appropriately disclose the amounts received by it, pursuant to this Open Offer, before the Income Tax Authorities.
- iii. Eligible Public Shareholders are advised to consult their respective tax advisors for assessing the tax liability, pursuant to this Open Offer, or in respect of other aspects such as the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take.
- iv. The Acquirer and the Manager do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth herein above.
- v. The Acquirer shall deduct tax (if required) as per the information provided and representation made by the Eligible Public Shareholders. In an event of any income-tax demand (including interest, penalty etc.) arising from any misrepresentation, inaccuracy or omission of information provided/to be provided by the Eligible Public Shareholders, such Eligible Public Shareholders will be responsible to pay such income-tax demand under the Income Tax Act and provide the Acquirer with all information/documents that may be necessary and co-operate in any proceedings before income tax / appellate authority in India.
- vi. The Acquirer shall issue a certificate in the prescribed form to the Eligible Public Shareholders (resident and non-resident) who have been paid the consideration and interest, if any, after deduction of tax, certifying the amount of tax deducted and other prescribed particulars in accordance with the provisions of Section 203 of the Income Tax Act read with the Income-tax Rules, 1962.

11. DOCUMENTS FOR INSPECTION

The following documents shall be available for inspection to the Eligible Public Shareholder at the office of the Manager to the Offer situated at ICICI Centre, H.T. Parekh Marg, Churchgate, Mumbai - 400 020. The documents can be inspected during normal business hours (11:00 hours to 17:00 hours) on all working days (except Saturdays, Sundays and bank holidays) during the period from the date of this Letter of Offer, till the closure of the Tendering Period, i.e. October 4, 2018:

- 11.1 Certified true copies of the certificate of incorporation, memorandum of association and articles of association of the Acquirer;
- 11.2 Copy of certificate from Shirish Desai & Co, Chartered Accountants (Membership no. 150207), having office at H.O. 26, Gayatri Chambers, R.C. Dutt Road, Alkapuri, Vadodara - 390 007 (Tel: +91 265 2330 630) dated May 14, 2018 certifying that the Acquirer has adequate financial resources for fulfilling the obligations under this Offer;
- 11.3 Copy of the annual reports/ audited financial statements of the Target Company for the financial year ended March 31, 2018, March 31, 2017 and March 31, 2016.
- 11.4 Copy of the annual reports of the Acquirer for the financial year ended March 31, 2018, March 31, 2017 and March 31, 2016.
- 11.5 Copy of Escrow Agreement between the Acquirer, ICICI Bank Limited and the Manager to the Offer, dated May 17, 2018;
- 11.6 Copy of the letters dated May 17, 2018 and May 18, 2018, from ICICI Bank Limited confirming the amount deposited in the Escrow Account;
- 11.7 Copy of the share purchase agreement dated May 14, 2018 executed by and between the Acquirer, Target Company and the Sellers;
- 11.8 A copy of the Public Announcement dated May 14, 2018;
- 11.9 Published copy of the DPS dated May 20, 2018, published on behalf of the Acquirer dated May 21, 2018;

- 11.10 Copy of the recommendation made by the committee of independent directors of Target Company, in relation to this Offer; and
- 11.11 Copy of the observation letter dated August 31, 2018 from SEBI containing its comments on the Draft Letter of Offer.

12. DECLARATION BY THE ACQUIRER

- 12.1 The Acquirer accepts full responsibility for the obligations of the Acquirer, as laid down in terms of the SEBI (SAST) Regulations and for the information contained in this Letter of Offer including the attached Form of Acceptance cum Acknowledgement other than such information as has been obtained from publicly available sources or provided or confirmed by the Target Company.
- 12.2 The Acquirer shall be responsible for fulfilment of its obligations under the Offer and ensuring compliance with the SEBI (SAST) Regulations in respect of the Offer.
- 12.3 The information contained in this Letter of Offer is as of the date of this Letter of Offer, unless expressly stated otherwise.
- 12.4 The person signing this Letter of Offer on behalf of the board of directors of the Acquirer has been duly and legally authorized by the Acquirer to sign the Letter of Offer.

ISSUED BY THE MANAGER TO THE OFFER

Signed for and on behalf of Dakshin Mercantile Private Limited

Sd/-

Amitabh Chaturvedi

Place: Mumbai

Date: September 4, 2018

FORM OF ACCEPTANCE CUM ACKNOWLEDGMENT - LKP FINANCE LIMITED

(Capitalised terms and expressions used herein but not defined shall have the same meaning as ascribed to them in the Letter of Offer.)

All non-resident Eligible Public Shareholder (holding physical and, or, demat Equity shares) and resident Eligible Public Shareholders holding physical Equity Shares are mandatorily required to fill this Form of Acceptance-cum-Acknowledgement ("**Form**"). Such Eligible Public Shareholders are required to send this Form with enclosures, directly or through their respective Selling Broker, to the Registrar to the Offer at the address given below.

(Please send this Form with TRS generated by broker/Seller Member and enclosures to the Registrar to the Offer - Adroit Corporate Services Private Limited, at their registered office address provided in the Letter of Offer)

From		
Name:		
Address:		
Tel. No.:	Fax No.:	E-mail:

TENDERING PERIOD FOR THIS
OFFER

Opens on: September 19, 2018

Closes on: October 4, 2018

To,
The Acquirer

SEBI Registration Number: INR000002227
Adroit Corporate Services Private Limited
 Investor grievance e-mail: info@adroitcorporate.com
 Contact Person: N. Surreash

Sub: Open offer for acquisition of up to 32,67,842 (thirty two lakhs sixty seven thousand eight hundred and forty two only) Equity Shares representing 26% of the Voting Share Capital of LKP Finance Limited (the "Target Company"), from the Eligible Public Shareholders of the Target Company by Dakshin Mercantile Private Limited ("Acquirer") ("Offer").

Dear Sir,

I / We refer to the Letter of Offer dated September 4, 2018 for acquiring Equity Shares held by me / us in LKP Finance Limited.

I / We, the undersigned, have read the Letter of Offer and understood its contents, including the terms and conditions mentioned therein and unconditionally agree to such terms and conditions.

I / We acknowledge and confirm that all the particulars / statements given herein are true and correct.

Name (in BLOCK LETTERS)	Holder	Name of the shareholder(s)	Permanent Account Number (PAN)
(Please write names of the joint holders in the same order as appearing in the Equity Share certificate(s) for physical shareholders)	Sole / First		
	Second		
	Third		
Contact Number(s) of the First Holder	Tel No. (with STD Code): Fax No. (with STD Code):		Mobile No.:
Full Address of the First Holder (with pin code)			
Email address of First Holder			
Date of incorporation (if applicable)			

For all Eligible Public Shareholders holding Equity Shares in physical form

I / We, confirm that our residential status under the Income Tax Act is (*whichever is applicable*):

- Resident
 Non-resident

I / We, holding the Equity Shares in physical form, accept the Offer and enclose the original share certificate(s) and duly signed transfer deed(s) in respect of my / our Equity Shares as detailed below:

Sr. No.	Ledger Folio No.	Certificate No.	Distinctive Nos.		No. of Equity Shares
			From	To	
1					
2					
3					
4					
Total					

(In case of insufficient space, please use an additional sheet and authenticate the same)

Enclosures *(please provide the following and whichever is applicable)*

- Original Equity Share certificates
- Valid share transfer deed(s) duly filled, stamped and signed by the transferor(s) (i.e. by all registered Eligible Public Shareholder(s) in the same order and as per specimen signatures registered with the Target Company), and duly witnessed at the appropriate place.
- Photocopy of Transaction Registration Slip (TRS)
- Self-attested copy of PAN card of all the transferor(s)
- Self-attested copy of the address proof consisting of any one of the following documents: valid Aadhar card, voter identity card, passport or driving license
- Any other relevant document (but not limited to) such as power of attorney (if any person apart from the Eligible Public Shareholder has signed the Form), corporate authorisation (including board resolution / specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder has deceased etc., as applicable.

Eligible Public Shareholders should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted.

For all Eligible Public Shareholders (demat and physical holders)

I / We confirm that the Equity Shares which are being tendered herewith by me / us under this Offer, are free from liens, charges, equitable interests and encumbrances and will be transferred together with the rights attached thereto, including all rights to dividend, bonus and rights offer, if any, declared hereafter and that I / we have obtained any necessary consents to sell the Equity Shares on the foregoing basis.

I / We declare that there are no restraints / injunctions or other order(s) of any nature which limits / restricts in any manner my/our right to tender Equity Shares for Offer and that I / we am / are legally entitled to tender the Equity Shares for the Offer. I / We declare that regulatory approvals, if applicable, for holding the Equity Shares and/or for tendering the Equity Shares in this Offer have been enclosed herewith.

I / We agree that the Acquirer will pay the consideration as per secondary market mechanism only after verification of the certificates, documents and signatures, as applicable submitted along with this Form. I / We undertake to return to Acquirer any Offer consideration that may be wrongfully received by me/us.

I/We declare that regulatory approvals, if applicable, for holding the Equity Shares and/or for tendering the Equity Shares in this Offer have been enclosed herewith.

I / We am / are not debarred from dealing in shares or securities.

In case of Eligible Public Shareholders holding Equity Shares in physical form, I/ we note and understand that the shares / original share certificate(s) and transfer deed(s) will be held by the Registrar to the Offer / Clearing Corporation in trust for me / us till the date Acquirer makes payment of consideration as mentioned in the Letter of Offer or the date by which original share certificate(s), transfer deed(s) and other documents are dispatched to me / us, as the case may be. *(Strikeout if not applicable).*

I / We also note and understand that the obligation on the Acquirer to pay the purchase consideration (i.e. the Offer Price) arises only after verification of the certification, documents and signatures submitted along with this Form. I / We undertake to return to the Acquirer any purchase consideration wrongfully received by me / us.

I / We authorise Acquirer to accept the Equity Shares so offered or such lesser number of Equity Shares which they may decide to accept in consultation with the Manager to the Offer and the Registrar to the Offer and in terms of the Letter of Offer, and I / we further authorise Acquirer to return to me / us the Equity Shares (including the share certificate(s)) in respect of which the Open Offer is not found valid / not accepted without specifying the reasons thereof.

In case of Eligible Public Shareholders holding Equity Shares in physical form, I / we further agree to receive a single share certificate for the unaccepted Equity Shares in physical form *(Strikeout if not applicable).*

In case of Eligible Public Shareholders holding Equity Shares in demat form, I / we note and understand that the Equity Shares would be kept in the pool account of my / our Selling Broker and the lien will be marked by Clearing Corporation until the settlement date whereby Acquirer makes payment of purchase consideration as mentioned in the Letter of Offer. *(Strikeout if not applicable)*

I / We confirm that there are no taxes or other claims pending against us which may affect the legality of the transfer of Equity Shares under the Income Tax Act.

I / We confirm that in the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided / to be provided by me / us, I / we will indemnify Acquirer for such income tax demand (including interest, penalty, etc.) and provide Acquirer with all information / documents that may be necessary and co-operate in any proceedings before any income tax / appellate authority.

I / We have enclosed all documents required under paragraph 10 *(Compliance with Tax Requirements)* of the Letter of Offer.

I / We confirm that I / we are in compliance with the terms of the Offer set out in the PA, the DPS and the Letter of Offer.

Status of shareholders:

<input type="checkbox"/> Individual	<input type="checkbox"/> Foreign Company	<input type="checkbox"/> FPI–Corporate	<input type="checkbox"/> FPI–Others	<input type="checkbox"/> Indian Company
<input type="checkbox"/> Foreign Trust	<input type="checkbox"/> Private Equity Fund	<input type="checkbox"/> Pension / Provident Fund	<input type="checkbox"/> Sovereign Wealth Fund	<input type="checkbox"/> Partnership / LLP
<input type="checkbox"/> Financial Institution	<input type="checkbox"/> NRIs / PIOs–repatriable	<input type="checkbox"/> NRIs / PIOs–non-repatriable	<input type="checkbox"/> OCB	<input type="checkbox"/> Indian Trust
<input type="checkbox"/> Banks	<input type="checkbox"/> FVCI	<input type="checkbox"/> Insurance Company	<input type="checkbox"/> Others – please specify:	

In case of non-resident Eligible Public Shareholders, I / we confirm that our investment status is (please provide supporting documents and √ whichever is applicable):

- FDI route
- PIS route
- Any other – please specify _____

In case of non-resident Eligible Public Shareholders, I / We confirm that the Equity Shares tendered by me / us are held on (✓ whichever is applicable):

Repatriable basis

Non-repatriable basis

In case of non-resident Eligible Public Shareholders, I / We confirm that (✓ whichever is applicable):

No RBI, FIPB or other regulatory approval was required by me for holding Equity Shares that have been tendered in this Offer and the Equity Shares are held under general permission of the RBI and FIPB

Copies of all approvals required by me for holding Equity Shares that have been tendered in this Offer are enclosed herewith

Copy of RBI Registration letter taking on record the allotment of shares to me/us is enclosed herewith

In case of non-resident Eligible Public Shareholders, I / We confirm that (✓ whichever is applicable):

No RBI, FIPB or other regulatory approval is required by me for tendering the Equity Shares in this Offer

Copies of all approvals required by me for tendering Equity Shares in this Offer are enclosed herewith

Additional confirmations and enclosures for all shareholders, as applicable

I / We, have enclosed the following documents:

Self-attested copy of PAN card

Self-declaration form in Form 15G / Form 15H, in duplicate copy

Certificate from Income-tax Authorities for deduction of tax at lower or nil rate

For Mutual funds / Banks / Notified Institutions under Section 194A (3)(iii) of the Income Tax Act, copy of relevant registration or notification

'Tax Residency Certificate' issued by the income tax authority of a foreign country of which he / it claims to be a tax resident, in case the Shareholder intends to claim benefit under the DTAA between India and that jurisdiction in which the Shareholder claims to be resident and a duly filled in 'Form 10F' as prescribed under the Income Tax Act. Such other information and documentation as may be required depending upon the specific terms of the relevant DTAA, including but not limited to a declaration of not having a permanent establishment in India.

SEBI registration certificate issued to Category I or Category II Alternative Investment Funds if such fund intends to claim exemption from TDS under Section 197A(1F) of the Income Tax Act.

Bank Details

In case of Eligible Public Shareholders holding Equity Shares in physical form, kindly provide the following details:

Name of Bank	
Branch Address and PIN Code	
Type of Account	Savings / Current / NRE / NRO / Others (<i>circle whichever is applicable</i>)
Account Number	
9 digit MICR code	
IFS Code (for RTGS / NEFT transfers)	

In case of non-resident Eligible Public Shareholders holding Equity Shares in demat form, the bank account details for

the purpose of interest payment, if any, will be taken from the record of the depository participant.

In case of interest payments, if any, by Acquirer for delay in payment of Offer Price or a part thereof, the Acquirer will deduct TDS at the applicable rates as per the Income Tax Act.

Yours faithfully,

Signed and Delivered	Full Name	PAN No.	Signature
1 st Eligible Public Shareholder			
2 nd Eligible Public Shareholder			
3 rd Eligible Public Shareholder			

Note: In case of joint holders, all must sign. In case of body corporate, it must affix the corporate seal and also attach necessary corporate resolutions.

Place:

Date:

-----Tear Here-----

Acknowledgement Receipt – LKP Finance Limited - Offer

<p>Received from Mr./Ms./M/s. _____</p> <p>Form of Acceptance-cum-Acknowledgement for LKP Finance Limited Offer as per details below: <i>(Delete whichever is not applicable)</i></p> <p>Folio No. _____ No. of Equity Share certificates _____ for _____ Equity Shares</p> <p>Copy of delivery instruction to depository participant of Client ID_for _____ Equity Shares</p>
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INSTRUCTIONS:

NO EQUITY SHARES / FORMS SHOULD BE SENT TO THE ACQUIRER, THE MANAGER TO THE OFFER OR TO THE TARGET COMPANY.

1. All queries pertaining to this Offer may be directed to the Registrar to the Offer.
2. The Form of Acceptance-cum-Acknowledgment should be filled up only in English.
3. In case of Equity Shares held in joint names, names should be filled up in the same order in the Form of Acceptance-cum-Acknowledgment and in the Equity Share transfer deed(s), in the order in which they hold Equity Shares, and should be duly witnessed. This order cannot be changed or altered nor can any new name be added for the purpose of accepting this Offer.
4. Attestation, where required (as indicated in the Equity Share transfer deed) (thumb impressions, signature difference, etc.) should be done by a magistrate, notary public or special executive magistrate or a similar authority holding a public office and authorised to use the seal of his office or a member of a recognised stock exchange under its seal of office and membership number or manager of the transferor's bank.
5. If non-resident Eligible Public Shareholders had required any approval from the RBI or the Department of Industrial Policy & Promotion, or any other regulatory body in respect of the Equity Shares held by them, they will be required to submit such previous approvals that they would have obtained for holding the Equity Shares, to tender the Equity Shares held by them pursuant to this Offer. Further, non-resident Eligible Public Shareholders must obtain all approvals required, if any, to tender the Equity Shares in this Offer (including without limitation, the approval from the RBI and the Department of Industrial Policy & Promotion) and submit such approvals, along with the other documents required in terms of the Letter of Offer, and provide such other consents, documents and confirmations as may be required to enable Acquirer to purchase the Equity Shares so tendered. In the event any such approvals are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered in this Offer.
6. If the Equity Shares are rejected for any reason, the Equity Shares will be returned to the sole / first named Eligible Public Shareholder(s) along with all the documents received from them at the time of submission.
7. All the Eligible Public Shareholders should provide all relevant documents, which are necessary to ensure transferability of the Equity Shares in respect of which the acceptance is being sent.
8. All documents / remittances sent by or to Eligible Public Shareholders will be at their own risk. Eligible Public Shareholders are advised to adequately safeguard their interests in this regard.

FOR DETAILED PROCEDURE FOR TENDERING THE EQUITY SHARES IN THIS OFFER, REFER TO THE LETTER OF OFFER.

All future correspondence, if any, should be addressed to Registrar to the Offer at the following address:



Adroit Corporate Services Private Limited

17-20, Jafarbhoy Industrial Estate, 1st Floor,

Makawana Road, Marol Naka,

Andheri (East), Mumbai - 400 059

Tel: +91 22 4227 0400

Fax: +91 22 2850 3748

Investor grievance e-mail: info@adroitcorporate.com

Website: www.adroitcorporate.com

Contact Person: N. Surreash