

CHOKHANI SECURITIES LIMITED

Registered Office: 5-A, Maker Bhavan - II, 18, Sir Vithaldas Thackersey Marg, New Marine Lines, Churchgate, Mumbai - 400 020, Maharashtra, India; Telephone Number: +91 22-2200 7772-73; Fax Number: +91 22-2200 7722

OPEN OFFER FOR ACQUISITION OF UP TO 351,683 FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹ 10 (RUPEES TEN) EACH ("OPEN OFFER SHARES") REPRESENTING 0.68% OF THE EMERGING SHARE CAPITAL (AS DEFINED BELOW) OF CHOKHANI SECURITIES LIMITED (HEREINAFTER REFERRED TO AS "TARGET COMPANY"), FROM THE PUBLIC SHAREHOLDERS (AS DEFINED BELOW) OF THE TARGET COMPANY BY POSHIKA ADVISORY SERVICES LLP ("ACQUIRER 1") AND MR. SHACHINDRA NATH ("ACQUIRER 2") (COLLECTIVELY REFERRED TO AS THE "ACQUIRERS"), (THE "OFFER"/"OPEN OFFER").

This detailed public statement ("DPS") is being issued by Equirus Capital Private Limited, the manager to this Offer ("Manager to the Offer" or "Manager"), for and on behalf of the Acquirers, in compliance with Regulations 3(1) and 4 read with Regulations 13(4), 14(3), 15(2) and other applicable Regulations of the Securities Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ("SEBI (SAST) Regulations") and pursuant to the public announcement in relation to this Offer dated December 31, 2017 ("PA"), filed with the BSE Limited ("BSE") on December 31, 2017. The PA was also filed with the Securities Exchange Board of India ("SEBI") and was sent to the Target Company at its registered office by way of letter dated January 1, 2018 in terms of Regulation 14(2) of the SEBI (SAST) Regulations.

For the purposes of this DPS, the following terms shall have the meanings assigned to them below:

"Identified Date" shall mean the date falling on the 10th working day prior to the commencement of the tendering period, for the purpose of determining the Public Shareholders to whom the letter of offer in relation to this Offer (the "Letter of Offer") shall be sent.

"Public Shareholders" shall mean all the public shareholders of the Target Company excluding the parties to the Share Purchase Agreement (as defined hereinafter) triggering this Offer or persons deemed to be acting in concert with such parties or investors whose shareholding is subject to statutory lock-in in accordance with the proposed preferential issue of securities as announced by the Target Company on December 31, 2017.

"Equity Shares" or "Shares" shall mean the fully paid-up equity shares of face value of ₹ 10 (Indian Rupees Ten) each of the Target Company.

"Emerging Share Capital" means the total voting equity share capital of the Target Company on a fully diluted basis as of the tenth (10th) working day from the closure of the tendering period of the Open Offer.

"Share Purchase Agreement" means the share purchase and transfer of control agreement executed by and between Mr. Ramakant R Chokhani, Mr. Anand R Chokhani, Ms. Neelam R Chokhani, and Ramakant R Chokhani HUF, promoters of the Target Company (hereinafter referred to as "Selling Shareholders") with Mr. Shachindra Nath and M/s. Poshika Advisory Services LLP ("Acquirers") on December 31, 2017 and Target Company.

I. ACQUIRERS, SELLING SHAREHOLDERS, TARGET COMPANY AND OFFER

A. Information about the Acquirers

A1. Poshika Advisory Services LLP ("Acquirer 1")

1. Acquirer 1 is a limited liability partnership and was incorporated on November 02, 2017 under the provisions of the Limited Liability Partnership Act, 2008 with the Limited Liability Partnership Identification Number ("LLPIN") AAL-0334. The name of the Acquirer 1 has never been changed since the date of its incorporation.

2. Acquirer 1 is engaged in the business of providing financial and management consultancy services and to buy, invest in, acquire shares, stocks, debenture, bonds or any other securities.

3. The registered office of Acquirer 1 is located at 4A, Technopolis, Sector 54 Golf Club Road Gurugram - 122 002, Haryana, India. Tel.: +91 124 4546566.

4. Acquirer 1 does not belong to any group.

5. The total capital contribution of the partners of Acquirer 1 is ₹ 105,100,000 (Indian Rupees One Hundred and Five Million and One Hundred Thousand Only). Of the total capital contribution, Mr. Shachindra Nath has contributed ₹ 22,550,000 (Indian Rupees Twenty Two Million Five Hundred Fifty Thousand Only) constituting 21.46%. Mrs. Shruti Nath has contributed ₹ 22,550,000 constituting 21.46% and Poshika Financial Ecosystem Private Limited has contributed ₹ 60,000,000 constituting 57.09%.

Mrs. Shruti Nath is the wife of Mr. Shachindra Nath, Mrs. Shruti Nath holds 75.32% and Mr. Shachindra Nath holds 24.68% share capital of Poshika Financial Ecosystem Private Limited.

6. As of the date of this DPS, neither the Acquirer 1, nor any of its partners and key employees has any interest in the Target Company except for as mentioned in the point no. 7 below and the transactions detailed in Part II (*Background to the Offer*) below which have triggered this Offer. There are no directors representing the Acquirer 1 on the board of directors of the Target Company.

7. As on the date of this DPS, (i) the Acquirer 1 holds 879,017 Equity Shares representing 1.69% of the Emerging Share Capital of the Target Company; (ii) Target Company had entered into an advisory contract with Poshika Financial Services Ecosystem Private Limited, an entity related to Acquirers through an engagement letter dated August 31, 2017; (iii) Acquirer 1 alongwith Acquirer 2 intends to take control of the Target Company in terms of the Share Purchase Agreement (iv) Mr. Shachindra Nath has been recommended to be appointed the managing director of the Target Company by its board of directors at their meeting held on December 31, 2017 subject to the approval of the shareholders of the Target Company and the approval of Reserve Bank of India ("RBI Approval"). The tenure of the appointment of Mr. Shachindra Nath as managing director of the Target Company shall be 5 (five) years effective from the date of RBI Approval.

8. Acquirer 1 has not been prohibited by SEBI from dealing in securities.

9. Acquirer 1 was incorporated on November 11, 2017 and therefore, it has not reported any financial results since its date of incorporation. The Networth of Acquirer 1 is ₹ 10,51,00,000/-, as certified by CA Binita Madhwani (Membership no. 515997) of M/s. Jaikumar Tejwani & Co., Chartered Accountants (Firm Registration No. 013415N), having office at A-72, First Floor, Captain Gaur Marg, East of Kailash, New Delhi - 110 065; Tel. No.: (91)-011-26315145 through their certificate dated January 03, 2018.

A2. Mr. Shachindra Nath ("Acquirer 2")

1. Acquirer 2 is a resident of India currently residing at GV-65, The Palm Springs, Golf Course Road, Sector-54, Sikanderpur Ghosi (68), Gurugram - 122 002, Haryana, India.

2. As on the date of this DPS, the Acquirer 2 does not hold any Equity Shares of the Target Company.

3. Acquirer 2 is not part of any group.

4. Acquirer 2 has been recommended to be appointed as the managing director of the Target Company by its board of directors at its meeting held on December 31, 2017, subject to the approval of the shareholders of the Target Company and the RBI Approval. The tenure of the appointment of Acquirer 2 as managing director of the Target Company shall be 5 (five) years effective from the date of RBI Approval.

5. The Net worth of Acquirer 2 is ₹ 4,78,32,506/- as certified vide certificate dated January 02, 2018 by CA Jaikumar Tejwani (Membership no. 088624) of M/s. Jaikumar Tejwani & Co., Chartered Accountants (Firm Registration No. 013415N), having office at A-72, First Floor, Captain Gaur Marg, East of Kailash, New Delhi - 110065; Tel. No.: (91)-011-26315145.

6. Acquirer 2 has not been prohibited by SEBI from dealing in securities.

7. As on date of the DPS, Acquirer 2 does not have any interest in the Target Company except for as mentioned in point no. 4 above, point no. 8 below and the transactions detailed in Part II (*Background to the Offer*) below which have triggered this Offer.

8. As a part of the Share Purchase Agreement, Acquirer 2 alongwith Acquirer 1 intends to take control of the Target Company and the Target Company has entered into an advisory contract with Poshika Financial Services Ecosystem Private Limited, an entity related to Acquirers through an engagement letter dated August 31, 2017.

B. Details of Selling Shareholders

1. The details of Selling Shareholders who have entered into the Share Purchase Agreement with Acquirer 1, Acquirer 2 and the Target Company (as detailed in Part II of this DPS), are as stated hereunder:

Name	Nature	Address	Part of promoter group (Yes/No) & Name of Group	Stock Exchange where shares are listed	Shareholding as % of Emerging Share Capital prior to the underlying transaction	
					Number of shares	%
Mr. Ramakant R Chokhani	Individual	11, 3 rd Floor, Pankaj Mahal, Opp K. C. College, Churchgate, Marine Lines, Mumbai, Maharashtra, 400020	Yes; promoter group of Target	Not Applicable	1,806,490	3.48%
Mr. Anand R Chokhani	Individual	11, 3 rd Floor, Pankaj Mahal, Opp K. C. College, Churchgate, Marine Lines, Mumbai, Maharashtra, 400020	Yes; promoter group of Target	Not Applicable	327,710	0.63%
Ms. Neelam R Chokhani	Individual	11, 3 rd Floor, Pankaj Mahal, Opp K. C. College, Churchgate, Marine Lines, Mumbai, Maharashtra, 400020	Yes; promoter group of Target	Not Applicable	700,000	1.35%
Ramakant R Chokhani HUF	HUF	11, 3 rd Floor, Pankaj Mahal, Opp K. C. College, Churchgate, Marine Lines, Mumbai, Maharashtra, 400020	Yes; promoter group of Target	Not Applicable	633,600	1.22%
Total					3,467,800	6.67%

Note: The calculations in the above table are based on the Emerging Share Capital which may be different than that of the share capital of the Target Company as on the date of the PA or this DPS or at the time of the consummation of the underlying transaction pursuant to the Share Purchase Agreement.

2. None of the Selling Shareholders have been prohibited by SEBI from dealing in securities.

C. Details of Target Company

1. The Target Company was incorporated on February 10, 1993 with the name "Chokhani Securities Private Limited" under the Companies Act, 1956. Subsequently, by a fresh certificate of incorporation dated July 26, 1994, the name was changed to "Chokhani Securities Limited". The Target Company was converted to a public company on July 26, 1994.

2. The Target Company is registered with the Registrar of Companies, Mumbai, bearing CIN of L67120MH1993PLC070739. The registered office of the Target Company is 5-A, Maker Bhavan- II, 18, Sir Vithaldas Thackersey Marg, New Marine Lines, Churchgate, Mumbai - 400 020, Maharashtra, India; Telephone number: +91 22-2200 7772-73.

3. The Target Company is a non-systemically important and non-deposit taking non-banking financial company ("NBFC") having registered with the Reserve Bank of India with the number 13.00325.

4. The Equity Shares are listed on the BSE Limited (hereinafter referred to as "BSE") (Scrip Code: 511742) under the ISIN: INE583D01011.

5. Based on the trading data available on the website of BSE, the Equity Shares of the Target Company are not frequently traded within the meaning of Regulation 2(1)(j) of the SEBI (SAST) Regulations for the period commencing on December 01, 2016 and ending on November 30, 2017 i.e. for twelve calendar months preceding the month in which the PA was issued.

6. The Target Company has a paid-up share capital of ₹ 46,985,000 (Rupees Forty Six Million Nine Hundred and Eighty Five Thousand) comprising of 4,698,500 fully paid up Equity Shares of ₹ 10 each as on the date of this DPS. The board of directors of the Target Company have approved (subject to shareholder, regulatory and other relevant approvals) issue of securities to certain investors as public shareholders on preferential basis, please refer Part IX of this DPS for further details of the same.

7. The key financial information of the Target Company based on the audited financial statements for the financial years ended March 31, 2017, March 31, 2016 and March 31, 2015 is as under:

All figures are in ₹

Particulars	For the period ended and as of		
	FY17	FY16	FY15
Total Revenue	23,431,955	37,770,349	23,656,300
Net Income ¹	19,725,707	29,895,207	16,654,168
Earnings Per Share (EPS)	4.20	6.36	3.54
Net Worth ¹	340,554,911	320,350,611	292,172,885

Source: Audited financial statements of the Target Company for the financial years ended March 31, 2017, March 31, 2016 and March 31, 2015 and Annual Returns filed by the Company with the Registrar of Companies, Ministry of Corporate Affairs, Government of India.

¹ Audited financial statements refer to 'Net Income' as 'Profits from Continuing Operations' and 'Net Worth' as 'Shareholders' funds'

D. Details of Offer

1. This Offer is being made by the Acquirers to all the Public Shareholders of the Target Company to acquire up to 351,683 Equity Shares of the Target Company, representing 0.68% of the Emerging Share Capital ("Offer Size").

2. This Offer is being made at a price of ₹ 129 (Rupees One Hundred and Twenty Nine only) ("Offer Price") per Equity Share of the Target Company.

3. The Offer Price will be paid in cash in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations.

4. As on the date of the PA and this DPS, there are no: (i) partly paid-up equity shares; and (ii) outstanding convertible instruments (warrants, convertible debentures and convertible preference shares) issued by the Target Company except as proposed to be issued in terms of the resolutions passed by the board of directors in its board meeting dated December 31, 2017 and as enumerated in Part IX of this DPS.

5. The Emerging Share Capital of the Target Company as of the 10th working day from the closure of the tendering period is computed as per the table below:

Particulars	Number of Shares (on a fully diluted basis)
Shares outstanding as on the date of PA	4,698,500
<i>Add: securities to be issued on Preferential Basis</i>	
Compulsorily Convertible Preference Shares	13,837,210
Compulsorily Convertible Debentures	17,325,582
Equity shares	2,558,138
<i>Add: securities to be issued as part of scheme of re-arrangement approved by the board of directors of Target Company on December 31, 2017</i>	
Equity shares	13,565,891
Emerging Share Capital	51,985,321

6. All validly tendered Equity Shares under the Offer shall be acquired by the Acquirers, subject to applicable laws. The Acquirers will acquire only such Equity Shares that are fully paid up, free from all liens, charges and encumbrances and the Equity Shares shall be acquired together with the rights attached thereto, including all rights to dividend, bonus and rights offer declared there on.

7. As on the date of this DPS, to the best of the knowledge of the Acquirers, no statutory approvals other than as indicated in Part VI of this DPS (*Statutory and Other Approvals*) below are required to acquire the Equity Shares that are tendered pursuant to the Offer. However, in case of any other statutory approvals being required by the Acquirers at a later date before the closure of the tendering period, this Offer shall be subject to such further approvals and the Acquirers shall make the necessary applications for such approvals.

8. In terms of Regulation 23(1) of the SEBI (SAST) Regulations, in the event that the approvals applicable prior to completion of the Offer are not received, the Acquirers shall have the right to withdraw the Offer. In the event of such withdrawal of the Offer, the Acquirers, through the Manager, shall, within 2 Working Days ("Working Day") has the meaning ascribed to it under Regulation 2(1)(zf) of the SEBI (SAST) Regulations) of such withdrawal, make an announcement stating the grounds for the withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations.

9. This Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of SEBI (SAST) Regulations.

10. This Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.

11. As per Regulation 38 of the SEBI (Listing Obligations and Disclosure Requirements), 2015 read with Rules 19(2) and 19A of the Securities Contract (Regulation) Rules, 1957, as amended (the "SCRR"), the Target Company is required to maintain at least 25% public shareholding (the "Minimum Public Shareholding"), as determined in accordance with SCRR, on a continuous basis for listing. If, pursuant to this Offer, the public shareholding in the Target Company falls below the Minimum Public Shareholding, the Acquirers hereby undertake that the public shareholding in the Target Company will be enhanced, in such manner and within the time period specified in the SCRR, such that the Target Company complies with the required Minimum Public Shareholding.

12. In terms of Regulation 25(2) of the SEBI (SAST) Regulations, except as has already been disclosed by the Target Company in the public domain, the Acquirers do not currently have any intention to alienate, restructure, dispose of or otherwise encumber any assets of the Target Company in the succeeding two years from the completion of this Offer, except in the ordinary course of business. The Acquirers undertake that they will not restructure, sell, lease, dispose of or otherwise encumber any substantial assets of the Target Company other than in the ordinary course of business, except with the prior approval of the shareholders of the Target Company through a special resolution, passed by way of postal ballot during the succeeding two years from the completion of this Offer.

13. A copy of this DPS will be (i) submitted to SEBI through the Manager to the Offer; (ii) sent to BSE; and (iii) sent to the Target Company at its registered office.

II. BACKGROUND TO THE OFFER

1. This Open Offer has been made by the Acquirers to the Public Shareholders of the Target Company, pursuant to Regulation 3(1) and Regulation 4 of the SEBI (SAST) Regulations;

2. In terms of the Share Purchase Agreement, the Acquirers have agreed to:

- acquire 2,916,800 Equity Shares of the Target Company from Selling Shareholders. Out of the total 2,916,800 number of shares, Acquirers have the option to acquire 1,124,031 number of shares through persons acting in concert with the Acquirers. However, as on date, there is no identified person acting in concert with the Acquirers for purchase of the aforesaid 1,124,031 shares; and
- assume control of the Target Company.

3. The consummation of the transactions contemplated above will be dependent on receipt of all necessary regulatory approvals and completion of the conditions precedent laid out in Share Purchase Agreement, including but not limited to the following: (i) the prior approval of the Reserve Bank of India for the transactions contemplated under this Agreement pursuant to the provisions of the Reserve Bank of India Circular - RBI/2015-16/122 DNBR (PD) CC. No. 065/03.10.001/2015-16 dated July 09, 2015 shall have been obtained and (ii) the warranties provided by the Selling Shareholders and the Target Company under Share Purchase Agreement, as applicable, shall be true, accurate, complete and not misleading in all respects ("Conditions Precedent").

4. The parties to the definitive agreements have acknowledged and agreed that in the event that any conditions precedent are not satisfied for reasons outside the reasonable control of the Acquirers and the Acquirers may elect to terminate the Share Purchase Agreement, as per their provisions, then the Acquirers shall have the right to withdraw the Offer subject to the SEBI (SAST) Regulations;

5. Upon consummation of the transactions contemplated in the Share Purchase Agreement, the Acquirers will also acquire control over the Target Company and the Acquirers shall become 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. As such, this Offer is also being made under Regulation 4 of the SEBI (SAST) Regulations. The Share Purchase Agreement sets forth the terms and conditions agreed between the Selling Shareholders and the Acquirers, and their respective rights and obligations;

Details of Underlying Transaction						
Type of Transaction (Direct/ Indirect)	Mode of Transaction (Agreement/ Allotment/Market Purchase)	Shares/Voting rights acquired/proposed to be acquired		Total Consideration for shares/ Voting rights acquired (₹) (1)(2)	Mode of Payment (Cash/ Securities)	Regulation which has been triggered
		Number	% vis-à-vis total voting capital (1)(2)			
Direct Acquisition	Agreement: Share Purchase Agreement executed on December 31, 2017 between the Acquirers, Target Company and Selling Shareholders	Acquisition of up to 2,916,800 Equity Shares from the Selling Shareholders	Acquisition of up to 5.61% of the Emerging Share Capital of the Target Company from the Selling Shareholders	3,762.67 lakh	Cash	Regulations 3(1) and 4 of the SEBI (SAST) Regulations

Notes:

(1) If the Acquirers' shareholding in the Target Company after the completion of the transactions contemplated in this DPS exceeds the Maximum Permissible Non-Public Shareholding, then the Acquirers would be under a statutory obligation to reduce the shareholding to upto the permissible limits under applicable law.

(2) The calculations in the above table are based on the Emerging Share Capital of the Target Company as on the date of this DPS.

6. Acquirer 2 (Mr. Shachindra Nath) has significant experience in financial services industry and intends to leverage his experience to expand the lending business of the Target Company.

III. SHAREHOLDING AND ACQUISITION DETAILS

A. As on date of this DPS, the current and proposed shareholding of the Acquirers in the Target Company and the details of the acquisition are as follows:

Shareholding	ACQUIRER 1		ACQUIRER 2		Total	
	Number Of Equity Shares	%	Number Of Equity Shares	%	Number Of Equity Shares	%
As on the date of the PA	879,017	1.69	Nil	0.00	879,017	1.69
Shares acquired between the date of the PA and this DPS	Nil	0.00	Nil	0.00	Nil	0.00

Shareholding as on the date of this DPS	879,017	1.69	Nil	0.00	879,017	1.69
Post offer shareholding as of the 10th Working Day after the closure of the Offer (assuming full acceptance and based on Emerging Share Capital)	4,147,500	7.98	Nil	0.00	4,147,500	7.98

B. As of the date of this DPS, the Acquirers, do not hold any Shares of the Target Company except to the extent of 879,017 Equity Shares held by the Acquirer 1 in the Target Company.

N. OFFER PRICE

1. The Equity Shares of the Target Company are listed and permitted to trade on BSE (Scrip Code: 511742).

2. The annualized trading turnover in the Equity Shares of the Target Company for BSE based on trading volume during the 12 calendar months prior to the month of the PA (December 01, 2016 to November 30, 2017) is as set forth below:

Stock Exchange	Number of Equity Shares traded	Total Equity Shares of the Target Company	Traded volume %
BSE	66,054	46,98,500	1.41%

(Source: www.bseindia.com)

3. Based on the above, the Equity Shares are not frequently traded in terms of Regulation 2(1)(j) of the SEBI (SAST) Regulations. The Offer Price of ₹ 129 (Indian Rupees One Hundred Twenty Nine Only) per Equity Share is justified in terms of Regulation 8(2) of the SEBI (SAST) Regulations being the highest of the following:

No	Particulars	Price Per Share (₹)
1.	The highest negotiated price per Equity Share for acquisition under Share Purchase Agreement being the documents attracting the obligation of the Open Offer.	129.00
2.	The volume weighted average price paid or payable for acquisitions, whether by the Acquirers or by any person acting in concert during the 52 weeks immediately preceding the date of the PA.	52.05
3.	The highest price paid or payable for any acquisition whether by the Acquirers or by any person acting in concert, during the 26 weeks immediately preceding the date of the PA.	52.05
4.	The volume-weighted average market price of Shares for a period of 60 trading days immediately preceding the date of the PA as traded on BSE	Not Applicable as the shares are infrequently traded
5.	The price determined by the Acquirers and the Manager taking into account valuation parameters including book value comparable trading multiples and such other parameters as are customary for valuation of shares of such companies.	73.82*

*Acquirers appointed JKJS & Co., Chartered Accountants for preparing a valuation report of the Target Company. JKJS & Co. in its valuation report dated December 31, 2017 assigned a price per share of ₹ 73.82 per Equity Share. Accordingly, the Acquirers and Managers for the purpose of determining the offer price have considered ₹ 73.82.

C. There have been no corporate actions by the Target Company warranting adjustment of any of the relevant price parameters under Regulation 8(9) of the SEBI (SAST) Regulations. (Source: www.bseindia.com)

D. As on date of this DPS, 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/competing offers, such revision will be done only up to the period prior to three (3) working days before the commencement of the tendering period of this Open Offer in accordance with Regulation 18(4) and Regulation 18(5) of the SEBI (SAST) Regulations. In the event of such revision, the Acquirers shall (i) make corresponding increases to the escrow amounts; (ii) make a public announcement in the same newspapers in which DPS has been published; and (iii) simultaneously with the issue of such announcement, inform SEBI, BSE Limited and the Target Company at its registered office of such revision. The revised Offer Price would be paid to all the Public Shareholders whose Equity Shares are accepted under the Open Offer.

E. In the event of acquisition of the Equity Shares of the Target Company by the Acquirers during the Offer period or during the period of twenty six weeks after the closure of tendering period, whether by subscription or purchase, at a price higher than the Offer Price, then the Offer Price will be revised upwards to be equal to the highest price paid for such acquisition in terms of Regulation 8(8) of the SEBI (SAST) Regulations. However, the Acquirers shall not acquire any Equity Shares of the Target Company after the 3rd working day prior to the commencement of the tendering period of this Offer and until the expiry of the tendering period of this Offer.

V. FINANCIAL ARRANGEMENTS

1. The total funding required for the Open Offer i.e. for the acquisition of 351,683 Equity shares at the Offer Price is ₹ 45,367,107 (Indian Rupees Forty Five Million Three Hundred Sixty Seven Thousand and One Hundred & Seven Only), assuming full acceptance of the Open Offer.

2. The Acquirers, the Manager and IndusInd Bank Limited, having its registered office at 2401 Gen Thimmayya Road Condotium Pune - 411 001, Maharashtra, India, acting through its branch office located at Shop No. 23, Atlanta Building, Ground Floor, Nariman Point, Mumbai - 400 021 ("Escrow Bank") have entered into an escrow agreement dated December 31, 2017 ("Offer Escrow Agreement"). Pursuant to the Offer Escrow Agreement, the Acquirers have opened an escrow account under the name and title of Chokhani Securities Limited-Open Offer Escrow Account ("Escrow Account") with the Escrow Bank and the Acquirers have deposited an amount of ₹ 45,367,107 (Indian Rupees Forty Five Million Three Hundred Sixty Seven Thousand and One Hundred & Seven Only), being 100% of the consideration payable under the Offer in the Offer Escrow Account in accordance with Regulation 17(1) of the SEBI (SAST) Regulations. The Manager has been duly authorized to realize the monies lying to the credit of the Offer Escrow Account in terms of the SEBI (SAST) Regulations. The cash deposit has been confirmed by way of a confirmation letter/bank statement dated January 3, 2018 issued by the Escrow Bank. Consequently, in terms of Regulation 22(2) and Regulation 24(1) of the SEBI (SAST)

VII. TENTATIVE SCHEDULE OF ACTIVITY

Sl. No.	Activity	Schedule (Day and Date)
1.	Issue of Public Announcement	31 st December 2017
2.	Remittance of 100% consideration payable under the Open Offer	2 nd January 2018
3.	Date of publishing this DPS	5 th January 2018
4.	Last date for filing the draft Letter of Offer	12 th January 2018
5.	Last date for Competing Offers	29 th January 2018
6.	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)	5 th February 2018
7.	Identified Date [#]	7 th February 2018
8.	Last date by which the Letter of Offer is to be dispatched to the Public Shareholders whose name appear on the register of members on the Identified Date	15 th February 2018
9.	Last date for upward revision of the Offer Price and/or the Offer Size	19 th February 2018
10.	Last date by which a committee of independent directors of the Target Company is required to give its recommendation to the public shareholders of the Target Company for this Open Offer	20 th February 2018
11.	Last date of publication of the Offer opening Public Announcement	21 st February 2018
12.	Date of commencement of tendering period (Offer Opening Date)	22 nd February 2018
13.	Date of closure of tendering period (Offer Closing Date)	8 th March 2018
14.	Last date of communicating the rejection/acceptance and completion of payment of consideration or refund of Equity Shares to the Public Shareholders of the Target Company whose equity shares have been rejected/accepted in this Open Offer	22 nd March 2018
15.	Last date for issue of post-offer advertisement	2 nd April 2018
16.	Last date for submission of the final report with SEBI	2 nd April 2018

[#]The Identified Date is only for the purpose of determining the Public Shareholders as on such date to whom the Letter of Offer would be dispatched. It is clarified that all the Public Shareholders (registered or unregistered) of the Target Company are eligible to participate in this Offer at any time prior to the closure of this Offer.

The above explained schedule is tentative and is subject to change for any reason, including, but not limited to, delays in receipt of approvals or comments from regulatory authorities.

VIII. PROCEDURE OF TENDERING THE EQUITY SHARES IN CASE OF NON-RECEIPT OF LETTER OF OFFER

- All Public Shareholders, whether holding the Equity Shares in physical form or dematerialized form are eligible to participate in this Open Offer at any time during the tendering period for this Open Offer.
- Persons who have 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, may also participate in this Open Offer.

- The Open Offer will be implemented by the Acquirers through a stock exchange mechanism made available by stock exchanges in the form of a separate window ("**Acquisition Window**"), as provided under the SEBI (SAST) Regulations and SEBI circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with SEBI Circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 issued by SEBI.
- BSE shall be the designated stock exchange ("Designated Stock Exchange") for the purpose of tendering Equity Shares in the Open Offer.
- The Acquirers have appointed Equirus Securities Private Limited ("Buying Broker") as its broker for the Open Offer through whom the purchases and settlement of the Equity Shares tendered under the Open Offer shall be made. The contact details of the Buying Broker are as mentioned below:
Name: Equirus Securities Private Limited,
Address: 3rd Floor, House No. 9, Magnet Corporate Park, Near Zydus Hospital, B/H Intas Pharma, Sola Bridge, S. G. Highway, Ahmedabad- 380 054,
Contact Person: Mr. Jay Soni
Tel.: +91 79 6190 9561.
- All Public Shareholders who desire to tender their Equity Shares under the Open Offer would have to intimate their respective stock brokers ("Selling Broker") within the normal trading hours of the secondary market, during the tendering period.
- A separate Acquisition Window will be provided by the Designated Stock Exchange to facilitate placing of sell orders. The Selling Broker can enter orders for dematerialized as well as physical Equity Shares.
- The detailed procedure for tendering the shares in the Offer will be available in the Letter of Offer, which shall be available on SEBI's website (www.sebi.gov.in).

IX. OTHER INFORMATION

- For the purpose of disclosures in this DPS relating to the Target Company and the Selling Shareholders, the Acquirers have relied on: (i) publicly available information; and (ii) information provided/confirmed by the Target Company, Selling Shareholders, and have not independently verified the accuracy of the details of the Target Company or the Selling Shareholders.
- The Acquirers including their respective partners/directors accept full responsibility for the obligations of the Acquirers as laid down in terms of the SEBI (SAST) Regulations and for the information (other than such information as has been provided or confirmed by the Selling Shareholders, or the information in relation to the Target Company) contained in the PA and this DPS.
- The Acquirers understand from the disclosures made by the Target Company under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 that the board of directors of the Target Company in their meeting dated December 31, 2017 approved the following (*subject to shareholder, regulatory and other relevant approvals*):
 - Execution of agreements to issue upto 3,488,372 number of fully compulsory convertible debentures ("CCDs") of ₹ 129 each which would be converted into 1 equity share of ₹ 10 each at a premium of ₹ 119 each aggregating upto ₹ 44,99,99,988 to Indgrowth Capital Fund I Limited as a public shareholder on preferential basis;
 - Execution of agreements to issue upto 1,279,069 number of Equity Shares at ₹ 129 each (face value ₹ 10 issued at a premium of ₹ 119) aggregating to upto ₹ 16,49,99,901, and upto 13,837,210 number of CCDs of ₹ 129 each, which would be converted into 1 equity share of ₹ 10 each at a premium of ₹ 119 each aggregating upto ₹ 178,50,00,090 to Clearsky Investment Holdings Pte. Ltd. as a public shareholder on preferential basis;
 - Execution of agreements to issue upto 1,279,069 number of Equity Shares at ₹ 129 each (face value ₹ 10 issued at a premium of ₹ 119) aggregating to upto ₹ 16,49,99,901, and upto 13,837,210 number of fully compulsory convertible preference shares of ₹ 129 each, which would be converted into 1 equity share of ₹ 10 each at a premium of ₹ 119 aggregating upto ₹ 178,50,00,090 to New Quest Asia Investments III Limited as a public shareholder on preferential basis; and

- Scheme of arrangement between the Target Company and Asia Pragati Capfin Private Limited, their respective shareholders and creditors whereby the lending business of Asia Pragati Capfin Private Limited comprising of business of extending term loans and working capital loans to small and medium sized companies, together with all its assets and liabilities, (but excluding specifically retained assets liabilities, licenses, approvals etc., which more appropriately stated in the scheme) shall be first demerged from Asia Pragati Capfin Private Limited and consequently merged with the Target Company. In consideration of the foregoing, Asia Pragati Capfin Private Limited shall be paid consideration by way of issuance of 13,565,891 Equity Shares of the Target Company.

- This DPS and the PA is also expected to be available on the SEBI website (<http://www.sebi.gov.in>).
- In this DPS, any discrepancy in any table between the total and sums of the amount listed is due to rounding off and/or regrouping.
- Pursuant to Regulation 12 of the SEBI (SAST) Regulations, the Acquirers have appointed Equirus Capital Private Limited as the Manager to the Open Offer. The Acquirers have appointed Universal Capital Securities Pvt. Ltd. as the Registrar to the Open Offer. Details of the Registrar to the Offer are as below:



UNIVERSAL CAPITAL SECURITIES PVT. LTD.

SEBI Regn. No.: INR000004082

21, Shakil Nivas, Opp. Satya Saibaba Temple, Mahakali Caves Road, Andheri East, Mumbai - 400 093.

Tel.: +91 (022) 2820 7203-05; **Fax:** +91 (022) 2820 7207

E-mail Id: ravi@unisec.in; **Contact Person:** Mr. Ravindra Utekar

ISSUED BY THE MANAGER TO THE OFFER



EQUIRUS CAPITAL PRIVATE LIMITED

SEBI Registration Number: INM000011286

12th Floor, C Wing, Marathon Futurex, N M Joshi Marg, Lower Parel, Mumbai - 400 013.

Tel.: +91 22 4332 0600; **Fax:** +91 22 4332 0601

Email: csl.openoffer@equirus.com; **Website:** www.equirus.com

Contact Person: Mr. Pavan Naik/Mr. Sameer Purohit

ISSUED BY THE MANAGER ON BEHALF OF

Acquirer 1

Poshika Advisory Services LLP
4A, Technopolis, Sector 54 Golf Club
Road Gurugram - 122 002, Haryana, India.

Acquirer 2

Mr. Shachindra Nath GV-65,
The Palm Springs,
Golf Course Road, Sector-54,
Sikanderpur Ghosi (68),
Gurugram - 122 002, Haryana, India

Place : Mumbai

Date : January 5, 2018