

LKP FINANCE LIMITED

(Registered Office: - 203, Embassy Centre, Nariman Point, Mumbai, Maharashtra 400021)

Recommendations of the Committee of Independent Directors (IDC) on the Open Offer to the Shareholders of LKP Finance Limited under Regulation 26(7) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (SEBI SAST Regulations), as amended till date.

Date	23.01.2025
Name of the Target Company (TC)	LKP Finance Limited
Details of the Offer pertaining to TC	Open Offer made by Acquirer (s) M/s Hindon Mercantile Limited and Mr. Kapil Garg to acquire upto 32,67,845 equity shares ("Offer Shares"), representing 26% of the emerging share capital of LKP Finance Limited. (Target Company). Offer Price: Rupees 253.10 (Rupees Two Hundred Fifty Three and Paise Ten Only) per fully paid up equity share including interest payment of Rs 3.10/- (Rupees Three and Paise Ten Only) per equity share as mentioned in the Letter of Offer dated January 20, 2025.
Name of the Acquirers and PAC with the Acquirers	Acquirers: M/s Hindon Mercantile Limited and Mr. Kapil Garg There is no Person Acting in Concert with the Acquirers for the purpose of this Open Offer.
Name of the Manager to the Offer	D & A Financial Services (P) Ltd SEBI Registration No.: INM000011484
Members of the Committee of Independent Directors	(a) Mr. Sajid Mohamed (Chairman) (b) Ms. Saseekala Nair (c) Mr. Dara J Kalyaniwala
IDC Member's relationship with the TC (Director, Equity shares owned, any other contract/relationship), if any	IDC members are duly appointed Independent Directors on the board of directors of the Target Company. Members of the Committee do not hold any equity shares in the Target Company or do not have any relationship or interest in the Target Company except to the extent of the sitting fees paid and the reimbursement of expenses by the Target Company in their capacity as Directors and except that the wife of Mr. Dara J Kalyaniwala holds 299 equity shares of the Target Company and Mr Dara J Kalyaniwala is the second holder of these shares.
Trading in Equity Shares/other securities of the TC by IDC Members	None of the IDC members have traded in the equity shares or other securities of the Target Company during the: a. 12 months period preceding the date of the Public Announcement dated 28th August, 2024 (PA); and b. period from the date of the PA till the date of this recommendation.
IDC Member's relationship with the Acquirers/PAC	No relationship exists between the members of the IDC and the Acquirer(s).
Trading in equity shares/other securities of the Acquirer/PAC by IDC Members	None of the IDC members have traded in the equity shares or other securities of one of the Acquirers which is an unlisted Company.
Recommendation on the Open Offer, as to whether the offer is fair and reasonable	IDC members believe that the Offer Price of Rs. 253.10 (Rupees two hundred and fifty three and paise ten only) per equity share including interest of Rs 3.10 (Rupees Three and paise ten only) per equity share, is fair and reasonable and is in compliance with the provisions of the SEBI SAST Regulations. The IDC members have noted that the Acquirers are paying interest of Rs. 3.10 (Rupees Three and paise ten only) per equity share at the rate of 10% (ten percent) per annum for the period of delay; and hence the IDC members believe that the Open Offer made to the shareholders of Target Company is fair and reasonable.
Summary of reasons for recommendation	The IDC has reviewed the PA issued on August 28, 2024 the Detailed Public Statement published on September 4, 2024, the draft letter of offer dated September 11, 2024 and the Letter of Offer dated January 20, 2025. Further, the equity shares of the Target Company are listed and traded only on BSE Limited and are frequently traded in terms of the SEBI SAST Regulations. The IDC having reviewed the contents of the above stated documents has opined that the Offer Price offered by the Acquirers (being the highest price prescribed) is in accordance with regulation 8(2) of SEBI SAST Regulations. In forming the aforesaid opinion /recommendations the IDC has considered the following:-
	Offer Price is higher than the price as arrived by taking into account valuation parameters as defined under SEBI SAST Regulations, which comes to Rupees 182.54 per share. The Open Offer by the Acquirer (s) are being made at the highest price amongst the selective criteria and is in line with the Regulations prescribed under the SEBI (SAST) Regulations, and Interest of Rs. 3.10 (rupees three and paise ten only) per equity share at the rate of 10% (ten percent) per annum, has been offered by the Acquirers for delay in opening of the offer due to delay in receipt of RBI approval being statutory approval beyond the period as specified in the SEBI SAST Regulations and SEBI's Observation Letter dated 29th November, 2024 and hence appear to be fair and reasonable. The public shareholders of the Target Company are advised to independently evaluate the Open Offer and take an informed decision whether to offer their equity shares in the Open Offer. They are also advised to seek expert's opinion on taxation before taking their decision in this regard. This statement of the recommendations will be available on the website of the Target Company.
Details of Independent Advisors, if any	NIL
Disclosure of voting pattern of the IDC	The recommendations were unanimously approved by all the members of the IDC present at the meeting held on January 23, 2025.
Any other matter(s) to be highlighted	NIL
"To the best of our knowledge and belief, after making proper enquiry, the information contained in or accompanying this statement is, in all material respects, true and correct and not misleading, whether by omission of any information or otherwise and includes all the information required to be disclosed by the Committee of Independent Directors of LKP Finance Limited under the SEBI (SAST) Regulations, 2011."	
For LKP FINANCE LIMITED	
Sd/- Sd/- Sd/- Sajid Mohamad Saseekala Nair Dara J Kalyaniwala Chairman Member Member	
Date: 25th January, 2025	
Place: New Delhi	