Post-Open Offer Report under Regulation 27(7) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (“SEBI (SAST) Regulations”)

POST OPEN OFFER REPORT

IN RESPECT OF OPEN OFFER MADE BY CINE HOSPITALITY PRIVATE LIMITED (“ACQUIRER”) AND PVR LIMITED, IN ITS CAPACITY AS A PERSON ACTING IN CONCERT WITH THE ACQUIRER (“PAC”) TO ACQUIRE SHARES OF CINEMAX INDIA LIMITED (“TARGET COMPANY” / “TC”)

- ***This report is being submitted within 15 working days from the expiry of the tendering period.***
- ***Details given herein unless otherwise specified are as on date of the report.***

A. Names of the parties involved

1.	**Target Company (“TC”)**	Cinemax India Limited
2.	**Acquirer(s)**	Cine Hospitality Private Limited
3.	**Persons acting in concert with Acquirers (PAC(s))**	PVR Limited
4.	**Manager to the Open Offer**	Axis Capital Limited* ** The merchant banking business of Enam Securities Private Limited has vested with Axis Capital Limited which has been granted SEBI registration number INM000012029 under the SEBI (Merchant Bankers) Regulations, 1992, as amended, in lieu of the earlier registration number INM000006856.*
5.	**Registrar to the Open Offer**	Sharepro Services (India) Private Limited

B. Details of the offer: The Offer is a mandatory offer in compliance with Regulations 3(1) and 4 of the SEBI (SAST) Regulations.

- **Whether conditional offer**: No
- **Whether voluntary offer**: No
- **Whether competing offer**: No

C. Activity Schedule

	Activity	Due dates as specified in the SAST Regulations	Actual Dates**
1.	**Date of the public announcement (PA)**	Thursday, November 29, 2012	Thursday, November 29, 2012
2.	**Date of publication of the Detailed Public Statement (DPS)**	Thursday, December 6, 2012	Wednesday, December 5, 2012

3.	**Date of filing of draft letter of offer (LOF) with SEBI**	Wednesday, December 12, 2012	Wednesday, December 12, 2012
4.	**Date of sending a copy of the draft LOF to the TC and the concerned stock exchanges (SE)**	Wednesday, December 12, 2012	Wednesday, December 12, 2012
5.	**Date of receipt of SEBI comments**	Wednesday, January 16, 2013	Wednesday, January 16, 2013
6.	**Date of dispatch of LOF to the shareholders / custodian in case of Depositary Receipts**	Monday, January 28, 2013	Monday, January 28, 2013
7.	**Dates of price revisions / offer revisions (if any)**	Wednesday, January 30, 2013	Not applicable
8.	**Date of publication of recommendation by the independent directors of the TC**	Thursday, January 31, 2013	Tuesday, January 22, 2013
9.	**Date of issuing the offer opening advertisement**	Friday, February 1, 2013	Friday, February 1, 2013
10.	**Date of commencement of the tendering period**	Monday, February 4, 2013	Monday, February 4, 2013
11.	**Date of expiry of the tendering period**	Friday, February 15, 2013	Friday, February 15, 2013
12.	**Date of making payments to shareholders / return of rejected shares**	Monday, March 4, 2013	Saturday, February 23, 2013

*** There were no delays beyond the due dates specified in the SEBI (SAST) Regulations.*

D. Details of the payment consideration in the open offer

Sl. No.	**Item**	**Details**
1.	**Offer Price for fully paid shares of TC (Rs. per share)**	Rs. 203.65 per equity share
2.	**Offer Price for partly paid shares of TC, if any**	Not applicable
3.	**Offer Size (no. of shares x offer price per share)**	Rs. 13,638.82 lakh
4.	**Mode of payment of consideration (cash or shares or secured listed debt instruments or convertible debt securities or combination)**	Cash
5.	**If mode of payment is other than cash, i.e. through shares / debt or convertibles:**	
a.	**Details of offered security** • **Nature of the security (shares or debt or convertibles)** • **Name of the company whose securities have been offered** • **Salient features of the security**	Not applicable
b.	**Swap Ratio (ratio indicating the number of securities of the offeree company vis-à-vis shares of TC)**	Not applicable

E. Details of market price of the shares of TC

1. Name of the Stock Exchange where the shares of TC have been most frequently traded during 12 calendar months period prior to PA, and the volume of trading relative to the total outstanding shares of the TC

The equity shares of the TC are listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"). The trading turnover of the equity shares of the TC on BSE and NSE from October 18, 2012 (i.e., date of commencement of trading of the equity shares on BSE and NSE) to October 31, 2012 (i.e., last day of the preceding month in which the PA was made) are set forth below:

Stock Exchange	Number of Equity Shares traded	Total number of listed Equity Shares	Trading turnover (as a % of total listed Equity Shares)
BSE	4,78,264	2,80,00,000	1.71%
NSE	10,95,010	2,80,00,000	3.91%

(*Source for BSE and NSE trading information: BSE and NSE websites*)

Therefore, in terms of Regulation 2(1)(j) of the SEBI (SAST) Regulations, the equity shares of the TC are not frequently traded on BSE and NSE. However, of BSE and NSE, the equity shares of the TC are more frequently traded on NSE.

2. Details of Market Price of the shares of TC on the aforesaid Stock Exchange, i.e., NSE, in the following format: (Source: NSE website)

		Date	Rs. per share	
			Open Price	Close Price
1.	**1 trading day prior to the PA date**	November 27, 2012	169.40	175.65
2.	**On the date of PA**	November 29, 2012	179.00	184.40
3.	**As on the date of publication of the Detailed Public Statement #**	December 5, 2012	191.25	190.70
4.	**On the date of commencement of the tendering period**	February 4, 2013	200.60	201.00
5.	**On the date of expiry of the tendering period**	February 15, 2013	182.30	182.30
6.	**10 days after the last date of the tendering period**	February 25, 2013	134.10	134.10
7.	**Average market price during the tendering period (*viz. Average of the volume weighted market prices for all the days)***	February 4, 2013 to February 15, 2013	201.49	
8.	**The average of the weekly high and low of the closing prices of the shares during the period of PA till closure of the Offer #**	November 29, 2012 to February 15, 2013	194.56	

 # As required pursuant to SEBI letter dated January 16, 2013 with reference number CFD/DCR/SKS/1413/2013.

F. Details of escrow arrangements

1. Details of creation of Escrow account, as under

	Date(s) of creation	Amount (Rs. in lakh)	Form of escrow account (Cash or Bank guarantee (BG) or Securities). (In case escrow consists of BG or securities, at least 1 % consideration is to be deposited in cash; the same may be indicated separately.)
Escrow account	November 30, 2012 January 7, 2013[1]	3,706.50 11,119.22	Cash Cash

2. For such part of escrow account, which is in the form of cash, give following details :

i. Name of the Scheduled Commercial Bank where cash is deposited.

Axis Bank Limited, at its branch at Universal Insurance Bldg. Ground Floor, Sir. P. M. Road, Fort, Mumbai - 400001, Maharashtra, India.

ii. Indicate when, how and for what purpose the amount deposited in escrow account was released, as under

Release of escrow account		
	Date	**Amount (Rs. in lakh)**
Purpose		
Transfer to Special Escrow Account, if any	February 22, 2013	13,343.148
Amount released to Acquirer • **Upon withdrawal of Offer** • **Any other purpose (to be clearly specified)** • **Other entities on forfeiture**	Not applicable	Not applicable

3. For such part of Escrow which consists of Bank Guarantee (BG) / Deposit of Securities, provide the following details

For Bank Guarantee: Not applicable

Name of Bank	Amount of Bank Guarantee	Date of creation/ revalidation of guarantee	Validity period of Bank Guarantee	Date of Release if applicable	Purpose of release
Not applicable					

[1] *On January 7, 2013 (i.e., after expiry of 21 working days from the date of the DPS), the Acquirer deposited the remaining amount of Rs. 1,11,19,22,000 in the escrow account whereby 100% of the maximum consideration was placed in the escrow account.*

For Securities: Not applicable

Name of company whose security is deposited	Type of security	Value of securities as on date of creation of escrow account	Margin considered while depositing the securities	Date of Release if applicable	Purpose of release
Not applicable					

G. Details of response to the open offer

Shares proposed to be acquired		Shares tendered **		Response level (no of times)	Shares accepted **		Shares rejected	
No.	% to total diluted share capital of TC	No.	% w.r.t (A)	(C) / (A)	No.	% w.r.t (C)	No. = (C) - (E)	Reasons
A.	B.	C.	D.	E.	F.	G.	H.	I.
72,80,000	26%	66,97,189	91.99%	0.9199	66,97,189	100%	Nil	Not applicable

***** All the shares of the TC are fully paid-up and there are no outstanding partly paid-up shares, shares with differential voting rights, or any other category.***

Note: A total of 430 shares of Cinemax Properties Limited were transferred by 7 investors in the open offer escrow demat account. These shares have not been accounted for in the above calculations and have been returned to the demat accounts from which they were transferred.

H. Payment of Consideration

Due date for paying consideration to shareholders whose shares have been accepted	Actual date of payment of consideration	Reasons for delay beyond the due date
March 4, 2013	February 23, 2013	Not applicable

Details of special escrow account where it has been created for the purpose of payment to shareholders.

- **Name of the concerned Bank**: Axis Bank Limited, at its branch at Universal Insurance Bldg. Ground Floor, Sir. P. M. Road, Fort, Mumbai - 400001, Maharashtra, India.

- **Details of the manner in which consideration (where consideration has been paid in cash), has been paid to shareholders whose shares have been accepted:**

Mode of paying the consideration	No. of shareholders	Amount of consideration (Rs in lakh)
Physical mode (Demand Draft)	28	8.15
Electronic mode (RTGS, NEFT, NECS, Direct Credit)	744	13,630.68
TOTAL	772	13,638.83

I. Pre and post offer shareholding of the Acquirer / PAC in TC

	Shareholding of acquirer and PACs	No. of shares	% of total share capital of TC as on closure of tendering period
1.	**Shareholding before PA**	Nil	Nil
2.	**Shares acquired by way of an agreement, if applicable**	1,93,94,816	69.27%
3.	**Shares acquired after the PA but before 3 business days prior to commencement of tendering period.** **- Through market purchases** **- Through negotiated deals/ off market deals**	Nil	Nil
4.	**Shares acquired in the open offer**	66,97,189	23.92%
5.	**Shares acquired during exempted 21-day period after offer (if applicable)**	Nil	Nil
6.	**Post - offer shareholding**	2,60,92,005	93.19%

J. Further details, as under, regarding the acquisitions mentioned at point 4 of the above table:

1.	**Name(s) of the entity who acquired the shares**	Cine Hospitality Private Limited, being the Acquirer
2.	**Whether disclosure about the above entity(s) was given in the LOF as either Acquirer or PAC**	Yes (as the Acquirer)
3.	**No. of shares acquired per entity**	66,97,189
4.	**Purchase price per share**	Rs. 203.65
5.	**Mode of acquisition**	Acquired in the open offer and consideration paid in cash
6.	**Date of acquisition**	February 25, 2013
7.	**Name of the seller in case identifiable**	Shareholders whose shares were accepted in the open offer

K. Pre and post offer Shareholding Pattern of the Target Company

		Shareholding in a TC			
	Class of entities	**Pre-offer**		**Post-offer (Actuals)**	
		No.	**%**	**No.**	**%**
1.	**Acquirers, PACs**	Nil	Nil	2,60,92,005	93.19%
2.	**Erstwhile Promoters (persons who cease to be promoters pursuant to the Offer)**	1,93,94,816	69.27%	Nil	Nil
3.	**Continuing Promoters**	Not applicable		Not applicable	
4.	**Sellers if not in 1 and 2**	Not applicable		Not applicable	
5.	**Other Public Shareholders**	86,05,184	30.73%	19,07,995	6.81%
	TOTAL	2,80,00,000	100%	2,80,00,000	100%

L. Details of Public Shareholding in TC

1.	**Indicate the minimum public shareholding the TC is required to maintain for continuous listing**	70,00,000 equity shares	25% of the total paid-up capital of the TC
2.	**Indicate the actual public shareholding and if it has fallen below the minimum public shareholding limit, delineate the further steps which will taken in accordance with the disclosures given in the LOF**	19,07,995 equity shares representing 6.81% of the total paid-up capital of the TC	As disclosed on page 11 of the Letter of Offer dated January 21, 2013, the Acquirer will ensure that the promoter group shareholding in the TC will be reduced within the time period specified in the Securities Contract (Regulation) Rules, 1957 and subsequent amendments thereto, such that the Target Company complies with the minimum level of public shareholding required.

M. Other relevant information, if any: None

For Axis Capital Limited

Authorised Signatory

Date: February 28, 2013
Place: Mumbai

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