

## POST OPEN OFFER REPORT

**OPEN OFFER FOR ACQUISITION OF UP TO 4,315,840 EQUITY SHARES OF MERCK LIMITED (“TARGET COMPANY”) TO THE PUBLIC SHAREHOLDERS OF THE TARGET COMPANY BY PROCTER & GAMBLE OVERSEAS INDIA B.V. (“ACQUIRER”) ALONG WITH THE PROCTER & GAMBLE COMPANY (“PAC”), IN ITS CAPACITY AS A PERSON ACTING IN CONCERT WITH THE ACQUIRER.**

*Capitalized terms used herein but not specifically defined shall have the same meaning ascribed to such terms in the Letter of Offer dated October 15, 2018 (the “LoF”).*

### A) Names of the parties involved

1	Target Company (TC)	Merck Limited
2	Acquirer	Procter & Gamble Overseas India B.V.
3	Person acting in concert with Acquirer (PAC)	The Procter & Gamble Company
4	Manager to the Open Offer	ICICI Securities Limited
5	Registrar to the Open Offer	Link Intime India Private Limited

### B) Details of the Offer:

- **Open offer (“Offer”) under Regulation 3(1), Regulation 4 and other applicable regulations of the SEBI (SAST) Regulations for acquisition of up to 4,315,840 equity shares of face value of INR 10 each (“Equity Shares”), representing 26% (twenty six per cent) of the Voting Share Capital, as of the tenth Working Day from the closure of the Tendering Period, from the Public Shareholders.**
- **The Offer is not a voluntary offer.**
- **The Offer is not a competing offer.**
- **The Offer is not a conditional offer.**

### C) Activity Schedule

Sl. No.	Activity	Due dates as specified in the SEBI (SAST) Regulations		Actual Dates
		Original schedule as per Detailed Public Statement	Revised schedule as per Letter of Offer	
1.	Date of the Public Announcement (PA)	Thursday, April 19, 2018	Thursday, April 19, 2018	Thursday, April 19, 2018
2.	Date of publication of DPS	Thursday, April 26, 2018	Thursday, April 26, 2018	Thursday, April 26, 2018
3.	Filing of the Draft Letter of Offer with SEBI	Monday, May 7, 2018	Monday, May 7, 2018	Monday, May 7, 2018
4.	Date of sending a copy of the Draft Letter of Offer to the Target Company, BSE and NSE	Monday, May 7, 2018	Monday, May 7, 2018	Monday, May 7, 2018
5.	Date of receipt of SEBI’s observations on the Draft Letter of Offer	Monday, May 28, 2018	Wednesday, June 13, 2018	Wednesday, June 13, 2018
6.	Date of dispatch of the Letter of Offer to Public Shareholders	Wednesday, June 6, 2018	Wednesday, October 17, 2018	Wednesday, October 17, 2018
7.	Date for revising the Offer price/ size of the Offer (if any)	Friday, June 8, 2018	Wednesday, October 24, 2018	Wednesday, October 24, 2018

Sl. No.	Activity	Due dates as specified in the SEBI (SAST) Regulations		Actual Dates
		Original schedule as per Detailed Public Statement	Revised schedule as per Letter of Offer	
8.	Date for publishing the recommendation of committee of the independent directors of the Target Company	Monday, June 11, 2018	Monday, October 22, 2018	Saturday, October 20, 2018*
9.	Date of publication of the Offer opening advertisement	Tuesday, June 12, 2018	Wednesday, October 24, 2018	Wednesday, October 24, 2018
10.	Date of commencement of the Tendering Period (Offer Opening Date)	Wednesday, June 13, 2018	Thursday, October 25, 2018	Thursday, October 25, 2018
11.	Date of expiry of the Tendering Period (Offer Closing Date)	Tuesday, June 26, 2018	Friday, November 9, 2018	Friday, November 9, 2018
12.	Date of making payments to shareholders / return of rejected shares	Tuesday, July 10, 2018	Tuesday, November 27, 2018	Tuesday, November 27, 2018

\*The recommendations of the committee of independent directors constituted by the Board of Directors of the Target Company were published on October 20, 2018 in Financial Express (English), October 21, 2018 in Mumbai Lakshadeep (Marathi) and October 22, 2018 in Jansatta (Hindi), the same newspapers where the DPS and the Corrigendum to the DPS were published.

**D) Details of the payment consideration in the open offer**

Sl. No.	Item	Details
1	<b>Offer Price</b> for fully paid shares of TC (per Equity Share) <sup>(1)</sup>	INR 1,500.36
2	<b>Offer Price</b> for partly paid shares of TC, if any	Not Applicable
3	<b>Offer Size</b> (no. of shares accepted x offer price per share) <sup>(1)</sup>	INR 2,771,164.92
4	<b>Mode of payment of consideration</b> (cash or shares or secured listed debt instruments or convertible debt securities or combination)	Cash
5	<b>If mode of payment is other than cash, i.e. through shares / debt or convertibles:</b>	
a.	<b>Details of offered security</b> <ul style="list-style-type: none"> <li>• Nature of the security (shares or debt or convertibles)</li> <li>• Name of the company whose securities have been offered</li> <li>• Salient features of the security</li> </ul>	Not Applicable
b.	<b>Swap Ratio</b> (ratio indicating the number of securities of the offeree company vis-à-vis shares of TC)	Not Applicable

Note:

(1) As disclosed in the Letter of Offer, the Offer Price was paid together with interest computed at the rate of 10 percent per annum on the Offer Price from July 10, 2018 till November 27, 2018, i.e. INR 57.55 (Indian Rupees Fifty Seven and Fifty Five Paise Only) per Equity Share. Actual amount paid to Public Shareholders for 1,847 shares validly tendered and accepted including interest was INR 28,68,282.77 (net of TDS on interest payment, as 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 trading turnover of the Equity Shares, based on the trading volume of the Equity Shares on BSE and NSE (“**Stock Exchanges**”) for a period of 12 (twelve) calendar months preceding the calendar month when the PA was made on the Stock Exchanges on which the Equity Shares of the Target Company are listed was as follows:

Stock Exchange	Total traded volumes during the 12 calendar months preceding date of the PA (“A”)	Weighted average number of Equity Shares during the 12 calendar months preceding date of the PA (“B”)	Trading turnover % (A/B)
BSE	1,122,892	16,599,382	6.76%
NSE	6,249,206	16,599,382	37.65%

(Source: <http://www.bseindia.com/> and <https://www.nseindia.com/>)

Based on the above, the Equity Shares are frequently traded in terms of Regulation 2(1)(j) of the SEBI (SAST) Regulations, with NSE being the stock exchange where the maximum volume of trading in the shares of the Target Company have been recorded.

- 2) Details of Market Price of the shares of TC on the NSE:

The opening and closing market price of the shares of TC on NSE is mentioned below:

Sl. No.	Particulars	Date	Opening Price (INR per share)	Closing Price (INR per share)
1	1 trading day prior to the PA date	Wednesday, April 18, 2018	1,520.60	1,518.45
2	On the date of PA	Thursday, April 19, 2018	1,550.00	1,510.40
3	On the date of publication of DPS	Thursday, April 26, 2018	1,860.00	1,854.95
4	On the date of commencement of the tendering period	Thursday, October 25, 2018	2,724.95	2735.70
5	On the date of expiry of the tendering period	Friday, November 9, 2018	3,034.00	3,014.45
6	10 working days after the last date of the tendering period	Tuesday, November 27, 2018	2,930.00	2,900.80
7	Average of the weekly high and low of the closing prices of the shares during the period from date of PA till closure of Offer	Thursday, April 19, 2018 to Friday, November 9, 2018	2,569.49	
8	Average market price during the tendering period (viz. Average of the volume weighted market prices for all the days)	Thursday, October 25, 2018 to Friday, November 9, 2018	2,993.29	

(Source [www.nseindia.com](http://www.nseindia.com))

#### F) Details of escrow arrangements

- 1) Details of creation of Escrow account, as under

	Date(s) of creation	Amount (INR)	Form of escrow account
Escrow Account	April 19, 2018	INR 64,753,138	Cash
Escrow Account	April 23, 2018	INR 1,397,531,371	Bank Guarantee

The Acquirer had (i) created the Open Offer Escrow Account named “P&G OIBV Escrow Account” with the Open Offer Escrow Agent and had deposited the Open Offer Escrow Amount, i.e. a sum of INR 64,753,138 (Indian Rupees Sixty Four Million Seven Hundred Fifty Three Thousand One Hundred and Thirty Eight Only) in the said Open Offer Escrow Account being in excess of 1% of the Offer Consideration. The Open Offer Escrow Account is in compliance with the requirements of deposit of escrow amount as per Regulation 17 of the SEBI (SAST) Regulations; and (ii) furnished the Bank Guarantee of an amount of INR 1,397,531,371 (Indian Rupees One Thousand Three Hundred Ninety Seven Million Five Hundred Thirty One Thousand Three Hundred and Seventy One Only), which is valid up to January 23, 2019. The Manager to the Offer has been duly authorised to realize the value of the aforesaid Bank Guarantee in terms of the SEBI (SAST) Regulations.

2) For such part of escrow account, which is in the form of cash:

- i. Name of the Scheduled Commercial Bank where cash is deposited: Citibank, N.A. (acting through its office at 11th Floor, First International Financial Centre, C-54 & 55, G Block, Bandra Kurla Complex, Bandra – East, Mumbai – 400 051)
- ii. Indicate when, how and for what purpose the amount deposited in escrow account was released, as under:

<b>Release of escrow account</b>		
<b>Purpose</b>	<b>Date</b>	<b>Amount (INR)</b>
Transfer to Special Escrow Account, if any	November 22, 2018	INR 28,77,459.77
Amount released to Acquirer <ul style="list-style-type: none"> <li>• Upon withdrawal of Offer</li> <li>• Any other purpose (to be clearly specified)*</li> <li>• Other entities on forfeiture</li> </ul>	Not Applicable	Not Applicable

\*Apart from closure

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

-- For Bank Guarantee

<b>Name of Bank</b>	<b>Amount of Bank Guarantee</b>	<b>Date of creation/ revalidation of guarantee</b>	<b>Validity period of Bank Guarantee</b>	<b>Date of Release if applicable</b>	<b>Purpose of release</b>
Citibank N.A.	INR 1,397,531,371	April 23, 2018	January 23, 2019	Not Applicable	Not Applicable

An unconditional, irrevocable, and on demand bank guarantee dated April 23, 2018 having bank guarantee number 5541605273 of an amount of INR 1,397,531,371 (Indian Rupees One Thousand Three Hundred Ninety Seven Million Five Hundred Thirty One Thousand Three Hundred and Seventy One Only) from Citibank, N.A. (acting through its branch, namely Citibank N.A. New Delhi branch, presently situated at 1st Floor, DLF Capitol Point, Baba Kharak Singh Marg, Connaught Place, New Delhi, 110001), issued in favor of the Manager to the Offer, which is valid up to January 23, 2019.

-- For Securities – 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) – (F)	Reasons
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
4,315,840	26.00	2,172	0.013	0.0005	1,847	85.03%	325	signature mismatches, invalid share certificates, non-submission of share certificates / transfer deeds, transfer deeds not being signed, insufficient documents or delayed receipt

\*\*Give bifurcation for fully paid-up shares, partly paid up shares, shares with differential voting rights, any other category, as applicable – All the Equity Shares tendered in the Offer were fully paid-up.

**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
Tuesday, November 27, 2018	Tuesday, November 27, 2018	Nil

• **Details of special account which has been created for the purpose of payment to shareholders:**

- **Name of the concerned Bank:** Special Escrow Account titled as “P&G OIBV Special Escrow Account” having Account No. 21849219 was opened with Citibank N.A., Fort, Mumbai - 400001.

• **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 Gross Consideration (in INR.)
Physical Mode (Demand Draft)	-	-
Electronic mode (ECS/ direct transfer, etc.)	18	INR 28,77,459.77
<b>Total</b>	18	INR 28,77,459.77

**I) Pre and post offer Shareholding of the Acquirer / PAC in TC**

Sl. No.	Shareholding of Acquirer and PAC	No. of Shares	% of total share capital of TC as on closure of tendering period
1	Shareholding before PA	NIL	0.00
2	Shares acquired by way of an agreement entered into by the Acquirer and the PAC*	8,599,224	51.80

3	Shares acquired after the PA but before 3 working days prior to commencement of tendering period. - Through market purchases - Through negotiated deals/ off market deals	NIL NIL	0.00 0.00
4	Shares acquired in the open offer	1,847	0.01
5	Shares acquired during exempted 21-day period after offer (if applicable)	NIL	0.00
6	Post - offer shareholding**	8,601,071	51.81

\*The Sale Shares were acquired by the Acquirer from the Sellers under the India SAPA on December 3, 2018.

\*\* As on December 3, 2018 (i.e. including the shares acquired as mentioned in point 2 of the above table).

**J) Give further details, as under, regarding the acquisitions mentioned at points 3, 4 & 5 of the above table**

1	Name(s) of the entity who acquired the shares	PROCTER & GAMBLE OVERSEAS INDIA B.V.
2	Whether disclosure about the above entity(s) was given in the LoF as either Acquirer or PAC	Disclosed in LoF as Acquirer
3	No of shares acquired per entity	1,847
4	Purchase price per share	Offer price of INR 1,500.36 per share*
5	Mode of acquisition	Open Offer
6	Date of acquisition	November 27, 2018
7	Name of the Seller in case identifiable	Public Shareholders of TC who have validly tendered their Equity Shares in the Open Offer and which have been accepted by the Acquirer

\*As disclosed in the Letter of Offer, the Offer Price was paid together with interest computed at the rate of 10 percent per annum on the Offer Price from July 10, 2018 till November 27, 2018, i.e. INR 57.55 (Indian Rupees Fifty Seven and Fifty Five Paise Only) per Equity Share. Actual amount paid to Public Shareholders for 1,847 shares validly tendered and accepted including interest was INR 28,68,282.77 (net of TDS on interest payment, as applicable)

**K) Pre and post offer Shareholding Pattern of the Target Company**

Class of entities		Shareholding in the Target Company			
		Pre – offer		Post offer (actuals)	
		No.	%	No.	%
1	Acquirer	Nil	0.00	8,601,071	51.81
	PAC	Nil	0.00	Nil	0.00
2	Erstwhile Promoters (persons who cease to be promoters pursuant to the Offer)*	8,599,224	51.80	Nil	0.00
3	Continuing Promoters	-	-	-	-
4	Sellers if not in 1 and 2	Nil	0.00	Nil	0.00
5	Other Public Shareholders	8,000,158	48.20	7,998,311	48.19
	<b>Total</b>	<b>16,599,382</b>	<b>100.00</b>	<b>16,599,382</b>	<b>100.00</b>

\*Pursuant to Regulation 31A of the SEBI (LODR) Regulations, the process for re-classification of the Erstwhile Promoters (i.e. the Sellers) has been initiated and shall be undertaken in accordance with applicable law.

**L) Details of Public Shareholding in TC**

1.	Indicate the minimum public shareholding the TC is required to maintain for continuous listing	4,149,846 shares i.e. 25% of the fully diluted equity share capital
2.	Indicate the actual public shareholding and if it has fallen below the minimum public shareholding limit, delineate the steps which will	Post offer, public shareholding is 7,998,311 shares i.e. 48.19% of the

	be taken in accordance with the disclosures given in the LOF	fully diluted equity share capital and is <u>above</u> the minimum public shareholding as prescribed.
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M) **Other relevant information, if any – Not Applicable**

**For ICICI Securities Limited**

**Authorized Signatory**

**Name:** Rishi Tiwari

**Designation:** Assistant Vice President

Date: December 4, 2018

Place: Mumbai