# POST OPEN OFFER REPORT

**Open offer ("Offer") for acquisition of up to 7,960,538 Equity Shares from shareholders of Igarashi Motors India Limited ("Target") by Igarashi Electric Works Limited, a company incorporated in Japan ("IEWL"/"Acquirer") together with MAPE Securities Private Limited ("PAC 1"), Alpha FDI Holdings PTE. Ltd, a company incorporated in Singapore ("Alpha"/"PAC 2"), Tata Capital Growth Fund I ("TCGF"/"PAC 3"), Igarashi Electric Works (H.K.) Limited, a company incorporated in Hong Kong ("IEWLHK" / "PAC 4"), Agile Electric Sub Assembly Private Limited ("Agile" / PAC 5"), (PAC 1, PAC 2, PAC 3, PAC 4 and PAC 5 collectively referred to as "PACs"), pursuant to and in compliance with Regulation 3, 4 and 5(1) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 2011, as amended ("SEBI SAST Regulations").**

***Terms used but not defined in this report shall have the same meaning as assigned to them in the Letter of Offer dated December 16, 2015 ("LOF").***

**A. Names of the parties involved**

| | | |
|---|---|---|
| 1. | Target Company (TC) | Igarashi Motors India Limited |
| 2. | Acquirer(s) | Igarashi Electric Works Limited, Japan |
| 3. | Persons acting in concert with Acquirers (PAC(s)) | MAPE Securities Private Limited ("PAC 1"),<br>Alpha FDI Holdings PTE. Ltd, ( "PAC 2"),<br>Tata Capital Growth Fund I ( "PAC 3"),<br>Igarashi Electric Works (H.K.) Limited ( "PAC 4"),<br>Agile Electric Sub Assembly Private Limited (PAC 5") |
| 4. | Manager to the Open Offer | Religare Capital Markets Limited |
| 5. | Registrar to the Open Offer | Cameo Corporate Services Limited |

**B. Details of the offer**

- The Open Offer was made by the Acquirer and the PACs to the Eligible Shareholders of the Target Company, pursuant to Regulation 3, 4 and 5(1). The Offer was made as a result of the acquisition of substantial shares and voting rights of PAC 5 by Acquirer, PAC 1, PAC 2 and PAC 3, accompanied with the acquisition of indirect control of the Target Company, by the Acquirer.
- The Offer was not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of SEBI SAST Regulations and was not a competitive bid in terms of the Regulation 20 of SEBI SAST Regulations. Further, there were no competitive bids to the Offer.

**C. Activity Schedule**

| Sl. No. | Activity | Due dates as specified in the 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, January 29, 2015 | Thursday, January 29, 2015 | Thursday, January 29, 2015 |
| 2. | Date of publication of the Detailed Public Statement (DPS) | Thursday, August 06, 2015 | Thursday, August 06, 2015 | Thursday, August 06, 2015 |
| 3. | Date of filing of draft letter of offer (DLOF) with SEBI | Wednesday, August 12, 2015 | Wednesday, August 12, 2015 | Wednesday, August 12, 2015 |



RELIGARE CAPITAL MARKETS LIMITED MUMBAI

| Sl. No. | Activity | Due dates as specified in the SAST Regulations | | Actual Dates |
|---|---|---|---|---|
| | | Original Schedule as per Detailed Public Statement | Revised Schedule as per Letter of Offer | |
| 4. | Date of sending a copy of the draft LOF to the TC and the concerned stock exchanges (SE) | Wednesday, August 12, 2015 | Wednesday, August 12, 2015 | Wednesday, August 12, 2015 |
| 5. | Date of receipt of SEBI comments | Thursday, September 3, 2015 | Friday, December 11, 2015 | Friday, December 11, 2015 |
| 6. | Date of dispatch of LOF to the shareholders / custodian in case of Depositary Receipts | Monday, September 14, 2015 | Tuesday, December 22, 2015 | Tuesday, December 22, 2015 |
| 7. | Dates of price revisions / offer revisions (if any) | Tuesday, September 15, 2015 | Wednesday, December 23, 2015 | Not Applicable |
| 8. | Date of publication of recommendation by the independent directors of the TC | Thursday, September 17, 2015 | Monday, December 28, 2015 | Saturday, December 26, 2015 |
| 9. | Date of issuing the offer opening advertisement | Monday, September 21,2015 | Wednesday, December 30, 2015 | Wednesday, December 30, 2015 |
| 10. | Date of commencement of the tendering period | Tuesday, September 22, 2015 | Thursday, December 31, 2015 | Thursday, December 31, 2015 |
| 11. | Date of expiry of the tendering period | Wednesday, October 07, 2015 | Wednesday, January 13, 2016 | Wednesday, January 13, 2016 |
| 12. | Date of making payments to shareholders / return of rejected shares | Thursday, October 29, 2015 | Thursday, January 28, 2016 | Thursday, January 14, 2016 |

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

*(Value in Rs)*

| Sl. No. | Item | Details |
|---|---|---|
| 1. | **Offer Price** for fully paid shares of TC (Rs. per share) | ₹ 324.60 |
| 2. | **Offer Price** for partly paid shares of TC, if any | NA |
| 3. | **Offer Size** (no. of shares x offer price per share) | ₹ 2,583,990,635 |
| 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:** | NA |

**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 (Twelve calendar months preceding the calendar month in which the PA was made): **National Stock Exchange of India Limited;**

   The volume of trading on NSE relative to the total outstanding shares of the TC: **37,927,514**

Equity Shares i.e. **125.74%** of the total listed Equity Shares

2. Details of Market Price of the shares of TC on National Stock Exchange of India Limited:

| Sl. No. | Particulars | Date | Rs. per share* |
|---|---|---|---|
| 1. | 1 trading day prior to the PA date | January 28, 2015 | 336.75 |
| 2. | On the date of PA | January 29, 2015 | 337.55 |
| 3. | On the date of commencement of the tendering period. | December 31, 2015 | 616.25 |
| 4. | On the date of expiry of the tendering period | January 13, 2016 | 628.65 |
| 5. | 10 working days after the last date of the tendering period. | January 28, 2016 | 590.35 |
| 6. | Average market price during the tendering period (*viz. Average of the volume weighted market prices for all the days)* | December 31, 2015 - January 13, 2016 | 646.74 |
| 7. | Average of weekly High and Low of Closing prices from the date of the PA till closure of tendering period | January 29, 2015 - January 13, 2016 | 527.03 |

* Based on closing price on National Stock Exchange of India Limited other than point 6.

## F. Details of escrow arrangements

### 1. Details of creation of escrow account, as under

| | Date(s) of creation | Amount (Rs) | Form of escrow account | As a % of the Offer Size |
|---|---|---|---|---|
| Escrow account | July 30, 2015<br>August 1, 2015(1) | 2,60,00,000/-<br>65,00,00,000/- | Cash<br>Bank Guarantee | 1.01%<br>25.15% |

*(1) Validity extended till March 31, 2016 on November 26, 2015.*

### 2. Details of escrow which was in the form of cash deposit:

i. Name of the Scheduled Commercial Bank where cash is deposited: **Axis Bank Limited**. A/c No. **915020024359259.**

ii. Details of release of Escrow Account:

| Release of Escrow Account | | |
|---|---|---|
| **Purpose** | **Date** | **Amount (Rs)** |
| Transfer to Special Escrow Account, if any | January 14, 2016 | 1,94,760/- |
| Amount released to Acquirer | NA | |

**Note:** The balance amount of ₹ 2,58,05,240/- (Rupees Two Crore Fifty Eight Lacs Five Thousand Two Hundred Forty only) shall be released on or after February 14, 2016 as per Regulation 17(10)(c) of SEBI SAST Regulations.

### 3. Details of escrow which was in the form of bank guarantee:

| 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 |
|---|---|---|---|---|---|
| Axis Bank Limited | ₹ 65,00,00,000/- | August 1, 2015/ November 26, 2015 | Till March 31, 2016 | NA | NA |

**Note:** The Bank Guarantee shall be released/ cancelled on or after February 14, 2016 in terms of Regulation 17(6) of SEBI

SAST Regulations.

## 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) |
| 7,960,538 | 26.01 | 600 | 0.0 | NM | 600 | 0.0 | NA | |

*Note: **All fully paid up shares only. No outstanding partly paid up shares or shares with Differential Voting Rights*

## 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 |
|---|---|---|
| Thursday, January 28, 2016 | Thursday, January 14, 2016 | NA |

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.** A/c No. **916020003282975.**

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 ) |
|---|---|---|
| Physical mode | 0 | NA |
| Electronic mode (ECS/ NEFT, etc.) | 5 | 194,760/- |

## 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<br>- Acquirer<br>- PAC4(1)<br>- PAC5(1)<br>**Total(1)** | <br>9,67,648<br>24,99,993<br>1,28,30,059<br>**1,62,97,700** | <br>3.16<br>8.17<br>41.92<br>**53.25** |
| 2. | Shares acquired by way of an agreement, if applicable | NA | NA |
| 3. | Shares acquired after the PA but before 3 working days prior to commencement of tendering period.<br>– Through market purchases<br>– Through negotiated deals/ off market deals | NA | NA |
| 4. | Shares acquired in the open offer – PAC5 | 600 | 0.00 |
| 5. | Shares acquired during exempted 21-day period | Not Applicable | Not Applicable |

| | Shareholding of acquirer and PACs | No of shares | % of total share capital of TC as on closure of tendering period |
|---|---|---|---|
| | after offer (if applicable) | | |
| 6. | Post - offer shareholding (Acquirer & PACs) | 1,62,98,300 | 53.25 |

*(1) PAC 4 and PAC 5 have been added as persons acting in concert with the Acquirer after the issuance of PA, upon completion of the Underlying Transaction.*

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

| | | |
|---|---|---|
| 1. | Name of entity who acquired the shares | Agile Electric Sub Assembly Private Limited |
| 2. | Whether disclosure about above entity was given in the LOF as either Acquirer or PAC | Yes, the disclosure about Agile Electric Sub Assembly Private Limited was given in the LOF as PAC 5. |
| 3. | No. of shares acquired | 600 |
| 4. | Purchase price per shares | ₹324.60 |
| 5. | Mode of acquisition | Pursuant to the Offer |
| 6. | Date of acquisition | Shares acquired pursuant to the Offer were transferred to PAC5 post completion of payment obligations in the Offer.<br>Physical Shares: January 25, 2016<br>Demat Shares: January 28, 2016 |
| 7. | Name of the Seller in case identifiable | Shares were acquired pursuant to the Offer |

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

| | Class of entities | Shareholding in a TC | | | |
|---|---|---|---|---|---|
| | | Pre- offer | | Post offer (actuals) | |
| | | No. | % | No. | % |
| 1. | Acquirers and PACs | 1,62,97,700 | 53.25 | 1,62,98,300 | 53.25 |
| 2. | Erstwhile Promoters (persons who cease to be promoters pursuant to the Offer) | NA | NA | NA | NA |
| 3. | Continuing Promoters (Mr. P. Mukund)(1) | 99,78,384 | 32.60 | 99,78,384 | 32.60 |
| 4. | Sellers if not in 1 and 2 | NA | NA | NA | NA |
| 5. | Other Public Shareholders | 43,32,360 | 14.15 | 43,31,760 | 14.15 |
| | **TOTAL** | **3,06,08,444** | **100.00** | **3,06,08,444** | **100.00** |

(1) In terms of the public announcement dated 29th January 2015 and pursuant to completion of the Underlying Transaction on 30th July 2015 and acquisition of control over the Target Company, Acquirer and PAC 1 were classified as sole promoters of the Target Company and consequently Mr. P. Mukund was reclassified as a public shareholder. According to the Acquirer, the provisions of regulation 31A of Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015

("SEBI Listing Regulations") dealing with conditions of reclassification are not applicable to Mr. P. Mukund, since the SEBI Listing Regulations were notified by SEBI and applicable only with effect from 2nd September 2015.

However, SEBI, vide its letter bearing number CFD/DCR/AT/PA/34338/2015 dated 11th December 2015 has directed the Acquirer as under:
*"Reclassification of current promoters as public will have to be in compliance of the Regulations 31A of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015"*

In view of the above, Mr. P. Mukund was classified as a part of the Promoter group by the Acquirer in the Letter of Offer.

## L. Details of Public Shareholding in TC

| | | No. of Shares | % |
|---|---|---|---|
| 1. | Minimum public shareholding the TC is required to maintain for continuous listing | 76,52,111 | 25.00 |
| 2. | Actual public shareholding | 43,31,760 | 14.15 |

The actual public shareholding of the Target Company is below the minimum public shareholding as required in terms of SEBI Listing Regulations read with Rule 19A of the SCRR. In terms of para II.B.9, the following disclosure/undertaking has been made in the Letter of Offer:

*"The Equity Shares of the Target Company are listed on BSE and NSE. In terms of Regulation 38 of the SEBI Listing Regulations, the Target Company is required to maintain at least 25% public shareholding, as determined in accordance with SCRR, on a continuous basis for listing. Subject to note 5 of para IV.12 and further pursuant to this Offer, the public shareholding in the Target Company is/would be below the minimum level required as per the SEBI Listing Regulations read with Rule 19A of the SCRR. The Acquirer hereby undertakes that the public shareholding in the Target Company will be enhanced, within the time period specified in the SCRR, such that the Target Company complies with the required minimum level of public shareholding."*

## M. Other relevant information, if any - NA

For **Religare Capital Markets Limited** (Manager to the Offer)

Authorised Signatory
Name: Mr. Devendra Dhanesha
Designation: Managing Director

**Date: February 1, 2016**

**Place: Mumbai**