POST OFFER REPORT PURSUANT TO AND IN ACCORDANCE WITH REGULATION 27(7) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011

POST OPEN OFFER REPORT

In respect of the Open Offer made by SCM Soilfert Limited ("**SCM**" / "**Acquirer**") together with Deepak Fertilisers And Petrochemicals Corporation Limited as the person acting in concert with the Acquirer ("**DFPCL**" / "**PAC**") to acquire up to 3,08,13,939 equity shares ("**Equity Shares**") from the Public Shareholders of Mangalore Chemicals & Fertilizers Limited ("**MCF**" / "**Target Company**" / "**Target**").

Capitalized terms used herein but not specifically defined shall have the same meaning ascribed to such terms in the Letter of Offer dated September 16, 2014 ("**LoF**").

A. Names of the parties involved

1.	Target Company	Mangalore Chemicals & Fertilizers Limited
2.	Acquirer	SCM Soilfert Limited
3.	Person acting in concert with the Acquirer	Deepak Fertiliser And Petrochemicals Corporation Limited
4.	Manager to the Open Offer	JM Financial Institutional Securities Limited
5.	Registrar to the Open Offer	Link Intime India Private Limited

B. Details of the offer

- Whether conditional offer : No
- Whether voluntary offer : No
- Whether competing offer : No. However, in terms of Regulation 20 of SEBI (SAST) Regulations, a public announcement making a competitive bid was made on May 12, 2014 by Ambit Corporate Finance Private Limited and ICICI Securities Limited on behalf of Zuari Fertilisers and Chemicals Limited as the acquirer, together with Zuari Agro Chemicals Limited, United Breweries (Holdings) Limited, Kingfisher Finvest India Limited and Mc Dowell Holdings Limited as the persons acting in concert with them proposing to acquire 3,08,13,939 Equity Shares constituting 26% of the fully diluted voting equity share capital of the Target Company

C. Activity Schedule

Sl. No.	Activity	Due dates as specified in the SEBI (SAST) Regulations	Actual Dates
1.	Date of the Public Announcement	April 23, 2014	April 23, 2014
2.	Date of publication of the Detailed Public Statement	May 01, 2014	May 01, 2014
3.	Date of filing of the Draft Letter of Offer with SEBI	May 08, 2014	May 08, 2014
4.	Date of sending a copy of the Draft Letter of Offer to the Target Company and the Stock Exchanges	May 08, 2014	May 08, 2014
5.	Date of receipt of SEBI comments	May 30, 2014	July 16, 2014 (1)

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Sl. No.	Activity	Due dates as specified in the SEBI (SAST) Regulations	Actual Dates
6.	Date of dispatch of Letter of Offer to the Public Shareholders whose name appears on the register of members on the Identified Date	June 10, 2014	September 24, 2014
7.	Dates of price revisions / offer revisions (if any)	June 11, 2014	September 25, 2014
8.	Date of publication of recommendation by the committee of independent directors of the Target Company	June 12, 2014	September 29, 2014
9.	Date of publication of the Offer Opening Public Announcement	June 16, 2014	September 30, 2014
10.	Date of commencement of the Tendering Period	June 17, 2014	October 01, 2014
11.	Date of expiry of the Tendering Period	June 30, 2014	October 20, 2014[(2)]
12.	Date of making payments to shareholders / return of rejected shares	July 14, 2014	October 30, 2014

Note

(1) *SEBI has vide its letter no. CFD/DCR/TO/SKS/21857/2014 dated July 24, 2014 allowed the commencement of the tendering period not later than twelve working days from the receipt of the CCI approvals by the Acquirer or the Competing Acquirer whichever is later. The Acquirer received the CCI Approval on August 19, 2014. The tendering period and the identified date have been calculated from the September 15, 2014, being the date of receipt of CCI approval by the Competing Acquirer.*

(2) *The expiry of the Tendering Period was amended vide corrigendum dated October 14, 2014 on account of public holiday being declared by Government of Maharashtra on October 15, 2014 on account of polling for the General Assembly Elections in the state of Maharashtra.*

D. Details of the payment consideration in the open offer

(Value in ₹ Lakhs)

Sl. No.	Item	Details
1.	Offer Price for fully paid Equity Shares of Target Company (₹per Equity Share)("**Revised Offer Price**")	₹93.60/-[(1)]
2.	Offer Price for partly paid shares of Target Company, if any	Not Applicable
3.	Offer Size (Offer Shares x Revised Offer Price per Equity Share)	₹28,841.85/-
4.	Mode of payment of consideration	Cash
5.	If mode of payment is other than cash – securities i.e. through shares / debt or convertibles	Not Applicable

Note

(1) *Revised from ₹63.00/- per Equity Share to ₹93.60/- per Equity Share vide corrigendum dated September 25, 2014.*

E. Details of market price of the shares of Target Company

1. The Equity Shares of the Target Company are listed on BSE Limited ("**BSE**"), National Stock Exchange of India Limited ("**NSE**") and the Bangalore Stock Exchange Limited ("**BgSE**" and together with the BSE and the NSE, the "**Stock Exchanges**"). The Equity Shares of the Target Company were most frequently traded on NSE during the twelve calendar months immediately preceding the calendar month in which the PA was made ("**Twelve Month Period**").

2. The trading turnover in the Equity Shares based on the trading volumes on the NSE during the Twelve Month Period, is as given below:

Stock Exchange	Total traded volumes during the Twelve Month Period ("A")	Weighted average number of Equity Shares during the Twelve Month Period ("B")	Trading turnover % (A / B)
NSE	9,39,85,783	11,85,15,150	79.30

*(**Source**: NSE Website)*

3. Details of market price of the Equity Shares of Target Company on the NSE:

Sl. No.	Particulars	Date	Closing Price (₹ / share)
1.	1 trading day prior to the PA date	April 22, 2014	62.05
2.	On the date of PA	April 23, 2014	66.05
3.	On the date of commencement of the Tendering Period	October 1, 2014	101.5
4.	On the date of expiry of the Tendering Period(1)	October 20, 2014	95.45
5.	10 working days after the last date of the Tendering Period	November 3, 2014	85.90
6.	Average market price during the Tendering Period(2)	October 1, 2014 to October 20, 2014	97.40

*(**Source:** NSE website)*

Note

(1) The date of expiry of the Tendering Period was amended to October 20, 2014 vide corrigendum dated October 14, 2014.

(2) Computed as the volume weighted average market price for the Tendering Period

F. Details of escrow arrangements

1. Details of creation of Open Offer Escrow account are as under:

	Date of creation	Amount (₹ Lakhs)	Form of escrow account
Open Offer Escrow Account	April 28, 2014	4,853.20/-**	Bank Guarantee*
	April 28, 2014	3,299.13/-**	Cash *

** On April 28, 2014, the Acquirer deposited cash of ₹1,94,12,800/- in to the Open Offer Escrow Account being 1 % of ₹194,12,78,157("**Original Offer Size**") (calculated as Offer Shares multiplied by ₹63.00/- being the Original Offer Price) and Bank Guarantee of ₹48,53,19,540/- being 25% of the Original Offer Size in accordance with Regulation 17(4) of the SEBI (SAST) Regulations. The Offer Price was subsequently, revised upwards to ₹93.60/- per Equity Share ("**Revised Offer Price**") vide corrigendum dated September 25, 2014. In accordance with Regulation 17(2) of the SEBI (SAST) Regulations, the Acquirer has additionally deposited cash aggregating to ₹31,05,00,000/- such that the balance in the Open Offer Escrow Account in the form of cash and Bank Guarantee is more than twenty five per cent of the revised Offer Size ("**Revised Offer Size**")(calculated as Offer Shares multiplied by ₹93.60/- per Equity Share) prior to such revision.*
*** Revised escrow amount post revision of Offer Price from ₹63.00/- to ₹93.60/-*

2. For such part of escrow account, which is in the form of cash, the details are as under:

   i. 11.44% of the Offer Size which was deposited in form of cash in the Open Offer Escrow Account was opened with The Hongkong and Shanghai Banking Corporation Limited (acting through its branch at Shiv Building, Plot No. 139- 140 B, Western Express Highway, Sahar Road Junction, Vile Parle (East), Mumbai – 400 057).

   ii. The purpose for which the amount deposited in escrow account was released is, as under:

Purpose	Date	Amount (₹ Lakhs)
Transfer to open offer special rupee escrow account	October 29, 2014	2,969.22/-

The balance monies lying in the Open Offer Escrow Account shall be returned to the Acquirer upon the expiry of thirty days from the completion of payment of consideration to the Public Shareholders whose Equity Shares were accepted in the Offer.

3. For such part of Escrow which consists of Bank Guarantee (BG) / ~~deposit of securities~~, provide the following details:

For Bank Guarantee

Name of Bank	Amount of Bank Guarantee	Date of creation of Guarantee	Validity period of Bank Guarantee	Date of Release if applicable	Purpose of release
The Hongkong and Shanghai Banking Corporation Limited (acting through its branch at 25, Barakhambha Road, New Delhi	₹48,53,19,540.00/-	April 28, 2014	Till the expiry of thirty days from the completion of payment of consideration to the Public Shareholders whose Equity Shares were	The BG would be returned to the Acquirer upon the expiry of thirty days from the completion of payment of consideration to the Public Shareholders whose Equity Shares	In accordance with the terms of the SEBI (SAST) Regulations

– 110001)			accepted in the Offer	were accepted in the Offer.	

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 returned / rejected	
No.	% of Voting Share Capital	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)
3,08,13,939	26.00	70,65,807	5.96	0.23	70,44,397	5.94	21,410	(i) Signature mismatches in the transfer deeds (ii) Invalid share certificates (iii) Power of Attorney not registered with the Target Company (iv) Stop Transfer cases (v) Old Transfer Form executed (vi) Non-submission of share certificates / transfer deeds (vii) Transmission cases (viii) Shares of another company being tendered (ix) Non-receipt of shares in the escrow account

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
November 7, 2014	October 30, 2014	Not Applicable

- Details of special escrow account where it has been created for the purpose of payment to shareholders:
- Name of the concerned bank - The Hongkong and Shanghai Banking Corporation Limited (acting through its branch at Shiv Building, Plot No. 139- 140 B, Western Express Highway, Sahar Road Junction, Vile Parle (East), Mumbai – 400 057)
- Details of the manner in which consideration has been paid to Public Shareholders whose shares have been accepted:

Original mode of paying the consideration	No. of Shareholders	Amount of Consideration* (in ₹)
Physical mode (Demand Drafts, Banker's cheques, etc.)	22[(1)]	689,257.50/-
Electronic mode (RTGS / NEFT / direct transfer, etc.)	334[(1)]	66,50,18,629.29/-
Total	**356**	**66,57,07,886.79/-**

** Net of withholding taxes*

Note

(1) For certain payments made originally through electronic mode and which were unsuccessful, demand drafts / banker's cheques are being subsequently issued to the relevant Public Shareholders

I. Pre and post offer Shareholding of the Acquirer / PAC in Target Company

Sl. No.	Shareholding of Acquirer and PACs	No. of Equity Shares	% of Voting Share Capital
1.	Shareholding before PA	2,89,91,150	24.46
2.	Shares acquired ~~by way of agreements~~/ which triggered the Offer	10,01,309	0.84
3.	Shares acquired after the PA but before 3 Working Days prior to commencement of Tendering Period	Nil	Nil
4.	Shares acquired in the open offer	70,44,397	5.94
5.	Shares acquired during exempted 21-day period after offer (if applicable)	Not Applicable	Not Applicable
6.	Post - offer shareholding	3,70,36,856	31.25

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

Sl. No	Particulars	Details
1.	Name(s) of the entity who acquired the shares	SCM Soilfert Limited
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	70,44,397
4.	Purchase price per share	₹93.60/-

Sl. No	Particulars	Details
5.	Mode of acquisition	Open Offer
6.	Date of acquisition	November 7, 2014[(1)]
7.	Name of the Seller in case identifiable	Public Shareholders

Note

(1) 27,64,305 Equity Shares acquired under the Offer in physical form are in the process of being transferred in the name of the Acquirer

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

Sl. No	Class of Entities	Shareholding in a Target Company			
		Pre-offer		Post-offer (actuals)	
		No.	% of current voting capital	No.	% of Voting Share Capital
1.	Acquirers & PACs	2,89,91,150	24.46	3,70,36,856	31.25
2.	Erstwhile Promoters (persons who cease to be promoters pursuant to the Offer)	Nil	Nil	Nil	Nil
3.	Continuing Promoters	2,60,49,046(1)	21.98	2,60,42,896 [(1)]	21.97[(1)]
4.	Sellers if not in 1 and 2	Nil	Nil	Nil	Nil
5.	Other Public Shareholders [(2)]	6,34,74,954	53.56	5,54,35,398	46.77
Total		**11,85,15,150**	**100.00**	**11,85,15,150**	**100.00**

Note

(1) Pre Offer and Post Offer Shareholding of the Continuing Promoters is as disclosed by the Target Company to Stock Exchanges pursuant to filings made under Clause 35 of the listing agreement for March 31, 2014 and September 30, 2014 respectively.

(2) Pre Offer and Post Offer Shareholding of public includes shares held by parties other than the Acquirer, PAC and the Promoter and Promoter Group of the Target Company as disclosed by the Target Company to Stock Exchanges pursuant to filings made under Clause 35 of the listing agreement.

L. Details of Public Shareholding in Target Company

Sl. No	Particulars	No of Equity Shares	% of the Voting Share Capital
1.	Indicate the minimum public shareholding the Target Company is required to maintain for continuous listing	2,96,28,788	25.00
2.	Indicate the actual public shareholding and if it has fallen below the minimum public shareholding limit, delineate the steps which will taken in accordance with the disclosures given in the LoF	5,54,35,398	46.77

M. Other relevant information, if any – Not Applicable

For **JM Financial Institutional Securities Limited**

Authorised Signatory

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Designation: Vice President
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Date: November 12, 2014
Place: Mumbai