HSBC

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HSBC Securities and Capital Markets (India) Private Limited
52 / 60 MG Road,
Fort, Mumbai 400 001
Corporate Identity Number:
U67120MH1994PTC081575

Kotak Mahindra Capital Company Limited
27BKC, 1st floor, Plot no. C-27, "G" Block,
Bandra Kurla Complex,
Bandra (East), Mumbai 400 051
Corporate Identity Number:
U67120MH1995PLC134050

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

In respect of the Open Offer made by Reco Berry Private Limited ("**Acquirer**") to acquire up to 25,600,000 equity shares ("**Equity Shares**") from the Public Shareholders of Nirlon Limited ("**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 March 5, 2015.

A. Names of the parties involved

1.	Target Company	Nirlon Limited
2.	Acquirer	Reco Berry Private Limited
3.	Persons acting in concert with Acquirer	None
4.	Managers to the Open Offer	HSBC Securities and Capital Markets (India) Private Limited Kotak Mahindra Capital Company Limited
5.	Registrar to the Open Offer	Karvy Computershare Private Limited

B. Details of the offer

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

C. Activity Schedule

Sl. No.	Activity	Due dates as specified in the SEBI (SAST) Regulations: Original schedule as per Detailed Public Statement	Due dates as specified in the SEBI (SAST) Regulations: Revised schedule as per Letter of Offer	Actual Dates
1.	Date of the Public Announcement	December 23, 2014, Tuesday	December 23, 2014, Tuesday	December 23, 2014, Tuesday
2.	Date of publication of the Detailed Public Statement	December 31, 2014, Wednesday	December 31, 2014, Wednesday	December 31, 2014, Wednesday
3.	Date of filing of the Draft Letter of Offer with SEBI	January 7, 2015, Wednesday	January 7, 2015, Wednesday	January 7, 2015, Wednesday
4.	Date of sending a copy of the draft LOF to the TC and the concerned stock exchanges (SE)	January 7, 2015, Wednesday	January 7, 2015, Wednesday	January 7, 2015, Wednesday
5.	Date of receipt of SEBI comments	January 29, 2015,	February 27, 2015,	February 27,

Kotak Mahindra Capital Company Limited Mumbai

HSBC Securities and Capital Markets (India) Private Limited

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	
		Thursday	Friday	2015, Friday
6.	Date of dispatch of Letter of Offer to the Public Shareholders whose name appears on the register of members on the Identified Date	February 09, 2015, Monday	March 11, 2015, Wednesday	March 9, 2015, Monday
7.	Dates of price revisions / offer revisions (if any)	February 11, 2015, Wednesday	March 13, 2015, Friday	Not Applicable
8.	Date of publication of recommendation by the committee of independent directors of the Target Company	February 12, 2015, Thursday	March 16, 2015, Monday	March 16, 2015, Monday
9.	Date of publication of the Offer Opening Public Announcement	February 13, 2015, Friday	March 17, 2015, Tuesday	March 17, 2015, Tuesday
10.	Date of commencement of the Tendering Period	February 16, 2015, Monday	March 18, 2015, Wednesday	March 18, 2015, Wednesday
11.	Date of expiry of the Tendering Period	March 3, 2015, Tuesday	March 31, 2015, Tuesday	March 31, 2015, Tuesday
12.	Date of making payments to shareholders / return of rejected shares	March 18, 2015, Wednesday	April 17, 2015, Friday	April 15, 2015, Wednesday

D. Details of the payment consideration in the open offer

Sl. No.	Item	Details
1.	Offer Price for fully paid Equity Shares of Target Company (INR per Offer Share)	INR 222
2.	Offer Price for partly paid shares of Target Company, if any	Not Applicable
3.	Offer Size (Offer Shares x Offer Price per Offer Share)	INR 5,683,200,000
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

E. Details of market price of the shares of TC

1. The Equity Shares of the Target Company are listed on BSE Limited ("BSE" or the "Stock Exchange"). The Equity Shares of the Target Company were most frequently traded on BSE during the twelve calendar months preceding the calendar month in which the PA was made ("Twelve Month Period")

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 %
BSE Limited	16,878,039	86,542,766	19.50%

*(**Source:** BSE website)*

2. Details of market price of the Equity Shares of Target Company on the BSE:

Kotak Mahindra Capital Company Limited * Mumbai

HSBC Securities and Capital Markets (India) Private Limited *

Sl. No.	Particulars	Date	Opening price (INR)	Closing price (INR)
1.	1 trading day prior to the PA date	22 December 2014	195.00	196.70
2.	On the date of PA	23 December 2014	198.30	193.00
3.	On the date of publication of the Detailed Public Statement	31 December 2014	193.00	193.10
4.	On the date of commencement of the Tendering Period	18 Mach 2015	209.00	207.10
5.	On the date of expiry of the Tendering Period	31 March 2015	188.40	196.60
6.	10 working days after the last date of the Tendering Period	17 April 2015	168.60	172.20
7.	Average market price during the Tendering Period(2)	18 March 2015 – 31 March 2015	202.42	

***(Source:** BSE website)*

Note:

(1) Market price mentioned above is closing price on BSE

(2) Average of the volume weighted average market prices for all the days during the Tendering Period

The details of the average of the weekly high and low of the closing prices (in INR) of the shares during the period from the date of PA till the last date of the Tendering period are as follows:

Week no.	Start date	End date	Weekly high	Weekly low	Average
01.	23 December 2014	29 December 2014	193.00	190.25	191.63
02.	30 December 2014	05 January 2015	194.75	192.80	193.78
03.	06 January 2015	12 January 2015	195.10	193.65	194.38
04.	13 January 2015	19 January 2015	198.95	195.00	196.98
05.	20 January 2015	26 January 2015	196.05	195.35	195.70
06.	27 January 2015	02 February 2015	196.55	196.20	196.38
07.	03 February 2015	09 February 2015	196.95	196.25	196.60
08.	10 February 2015	16 February 2015	197.35	196.80	197.08
09.	17 February 2015	23 February 2015	198.60	197.40	198.00
10.	24 February 2015	02 March 2015	205.40	198.50	201.95
11.	03 March 2015	09 March 2015	210.40	206.00	208.20
12.	10 March 2015	16 March 2015	210.00	206.70	208.35
13.	17 March 2015	23 March 2015	207.50	204.30	205.90
14.	24 March 2015	30 March 2015	206.00	187.10	196.55
15.	31 March 2015	31 March 2015	196.60	196.60	196.60
	23 December 2014	**31 March 2015**			**198.54**

***(Source:** BSE website)*

F. Details of escrow arrangements

1. Details of creation of Open Offer Escrow Account as under:

	Date of creation	Amount (INR)	Form of escrow account
Escrow Account	23 December 2014	5,683,200,000	Cash

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

The one hundred per cent 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 office at 11th Floor, Building 3, NESCO – IT Park, NESCO Complex, Western Express Highway, Goregaon (East), Mumbai 400063). The same was utilized as follows:

Kotak Mahindra Capital Company Limited Mumbai

HSBC Securities and Capital Markets (India) Private Limited

Purpose	Date	Amount (INR)
Transfer to open offer special escrow account	April 13, 2015	5,114,880,000

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.

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.	% of Voting Share Capital*	(C) / (A)	No.	% w.r.t (C)	No. = (C) - (F)	Reasons
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
25,600,000	28.41	34,859,894	38.68	1.36	25,600,000	73.44	9,259,894	(#)

** There are no partly paid up equity shares in the share capital of the Target Company and no outstanding instruments (warrants, compulsorily convertible debentures, compulsorily convertible preference shares, optionally convertible debentures or preference shares or partially convertible debentures) that are convertible into Equity Shares*

Following is the list of reasons for returning / rejecting shares:

(i) Tender in excess of offer size
(ii) Signature mismatches in the transfer deeds
(iii) Invalid instruments submitted
(iv) Non-submission of shares / share certificates / transfer deeds
(v) Transfer deeds being not signed
(vi) Insufficient documents

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
April 17, 2015	April 15, 2015	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 office at 11th Floor, Building 3, NESCO – IT Park, NESCO Complex, Western Express Highway, Goregaon (East), Mumbai 400 063)
- 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* (INR)
Physical mode (Demand Drafts, Cashier Order)	126	1,569,762
Electronic mode (RTGS / NEFT / direct transfer)	2,259	5,681,628,820
Total	**2,385**	**5,683,198,582**

** Net of withholding taxes of INR 1,418*

Note:

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

Kotak Mahindra Capital Company Limited Mumbai

HSBC Securities and Capital Markets (India) Private Limited

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

Sl. No.	Shareholding of Acquirer and PACs	No. of Equity Shares	% of Voting Share Capital
1.	Shareholding before PA	Nil	Nil
2.	Shares acquired by way of agreements	32,006,274	35.52
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	25,600,000	28.41
5.	Shares acquired during exempted 21-day period after offer (if applicable)	Not Applicable	Not Applicable
6.	Post - offer shareholding	57,606,274	63.92

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	Reco Berry Private 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	25,600,000
4.	Purchase price per share	INR 222
5.	Mode of acquisition	Open Offer
6.	Date of acquisition	April 17, 2015(1)
7.	Name of the Seller in case identifiable	Public Shareholders

Note

(1) 102,760 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	Nil	Nil	57,606,274	63.92
2.	Erstwhile Promoters (persons who cease to be promoters pursuant to the Offer)	4,505,903	5.00	Nil	Nil
3.	Continuing Promoters	6,906,851	7.66	6,906,851	7.66
4.	Other Public Shareholders	78,705,286	87.34	25,604,915	28.41
	- Sellers if not in 1 and 2	*27,500,371*	*30.52*	*Nil*	*Nil*
Total		**90,118,040**	**100.00**	**90,118,040**	**100.00**

Kotak Mahindra Capital Company Limited * Mumbai

HSBC Securities and Capital Markets (India) Private Limited *

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	22,529,510	25.00
2.	Indicate the actual public shareholding and if it has fallen below the minimum public shareholding limit, delineate the steps which will be taken in accordance with the disclosures given in the LOF	25,604,915	28.41

M. Other relevant information, if any – Not Applicable

Yours faithfully,

For **HSBC Securities and Capital Markets (India) Private Limited**	For **Kotak Mahindra Capital Company Limited**
HSBC Securities and Capital Markets (India) Private Limited	Kotak Mahindra Capital Company Limited Mumbai
Name: Gopal Khetan Designation: Managing Director Name: Sumit Roy Designation: Associate Director	Name: Shailesh Rathi Designation: Associate Director Name: Parshav Mathur Designation: Associate Vice President

SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI")

(To be submitted by outside agency while submitting the softcopy to SEBI)

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11.	Remarks, if any	

For **HSBC Securities and Capital Markets (India) Private Limited**	For **Kotak Mahindra Capital Company Limited**
Sumit Roy	Shailesh Rathi Parshav Mathur
Checked by: Name: Gopal Khetan Designation: Managing Director Prepared by: Name: Sumit Roy Designation: Associate Director	Checked by: Name: Shailesh Rathi Designation: Associate Director Prepared by: Name: Parshav Mathur Designation: Associate Vice President

Date: 24 April 2015

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