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

POST OPEN OFFER REPORT

IN RESPECT OF OPEN OFFER MADE BY MR. SAKET AGARWAL ("ACQUIRER") TO ACQUIRE SHARES OF M/S. POTENTIAL INVESTMENTS AND FINANCE LIMITED ("TARGET COMPANY")

A. Names of the parties involved

1.	Target Company (TC)	M/s. Potential Investments and Finance Limited
2.	Acquirer	Mr. Saket Agarwal
3.	Persons acting in concert with Acquirer (PAC(s))	Not Applicable
4.	Manager to the Open Offer	M/s. Corporate Professionals Capital Private Limited
5.	Registrar to the Open Offer	M/s. Skyline Financial Services Private Limited

B. Details of the offer – Triggered 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 SAST Regulations	Actual Dates ^
1.	Date of the Public Announcement (PA)	January 21, 2016, Thursday	January 21, 2016, Thursday
2.	Date of publication of the Detailed Public Statement (DPS)	January 29, 2016, Friday	January 29, 2016, Friday
3.	Date of filing of draft letter of offer (LOF) with SEBI	February 04, 2016, Thursday	February 04, 2016, Thursday
4.	Date of sending a copy of the draft LOF to the TC and the concerned stock exchanges (SE)	February 04, 2016, Thursday	February 04, 2016, Thursday
5.	Date of receipt of SEBI comments	February 29, 2016, Monday	March 28, 2016, Monday
6.	Date of dispatch of LOF to the shareholders / custodian in case of Depositary Receipts	March 10, 2016, Thursday	April 06, 2016, Wednesday

7.	Dates of price revisions / offer revisions (if any)	March 11, 2016, Friday	April 07, 2016, Thursday
8.	Date of publication of recommendation by the independent directors of the TC	March 14, 2016, Monday	April 11, 2016, Monday
9.	Date of issuing the offer opening advertisement	March 16, 2016, Wednesday	April 13, 2016, Wednesday
10.	Date of commencement of the tendering period	March 17, 2016, Thursday	April 18, 2016, Monday
11.	Date of expiry of the tendering period	April 01, 2016, Friday	May 02, 2016, Monday
12.	Date of making payments to shareholders / return of rejected shares	April 21, 2016, Thursday	May 16, 2016, Monday

^Reason for delays beyond the due dates: The observation letter from SEBI received on March 28, 2016, Monday, whereas the expected date for the same was February 29, 2016, Monday.

D. Details of the payment consideration in the open offer

(Value in Rs. Lakhs)

Sl. No.	Item	Details
1.	**Offer Price** for fully paid shares of TC (Rs. per share)	Rs. 14.00 per 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. 67,340,000
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	NA
b.	**Swap Ratio** (ratio indicating the number of securities of the offeree company vis-à-vis shares of TC)	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, and the volume of trading relative to the total outstanding shares of the TC**

The Equity Shares of the Target Company are listed on BSE. The equity shares are traded on BSE and are frequently traded within the meaning of definition of “frequently traded shares” under clause (j) of Sub-Regulation (1) of Regulation 2 of the SEBI (SAST) Regulations).

2. Details of Market Price of the shares of TC are the aforesaid Stock Exchange in the following format:

Sr. No.	Particulars	Date	Rs. per share
			BSE
1.	1 trading day prior to the PA date	January 20, 2016, Wednesday	13.10
2.	On the date of PA	January 21, 2016, Thursday	13.19
3.	On the date of commencement of the tendering period	April 18, 2016, Monday	20.01
4.	On the date of expiry of the tendering period	May 02, 2016, Monday	22.95
5.	10 working days after the last date of the tendering period	May 16, 2016, Monday	23.00
6.	Average market price during the tendering period (*viz. Average of the volume weighted market prices for all the days)*	April 18, 2016 to May 02, 2016	21.71

F. Details of escrow arrangements

1. Details of creation of Escrow account, as under:

	Date(s) of creation	**Amount**	**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	January 25, 2016, Monday	• Bank Guarantee: The Acquirer has furnished a Bank Guarantee of Rs. 16,835,000 (Rupees One Crore Sixty Eight Lacs and Thirty Five Thousand Only) being 25% of the Maximum Consideration. • Deposited cash of Rs. 673,000 (Rupees Six Lacs Seventy Three Thousand and Four Hundred Only) ("Security Deposit") being 1% of the Maximum Consideration.	Bank Guarantee

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:** YES Bank Limited

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

Release of escrow account		
Purpose	**Date**	**Amount (Rs)**
Transfer to Special Escrow Account, if any	May 05, 2016, Thursday	606,060
Amount released to Acquirer • Upon withdrawal of Offer • Any other purpose (to be clearly specified)* • Other entities on forfeiture	Not Applicable	Nil

**Apart from closure*

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

<u>For Bank Guarantee</u>

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
YES Bank Limited	Rs. 16,835,000 (Rupees One	January 27, 2016	June 22, 2016	NA	NA

	Crore Sixty Eight Lacs and Thirty Five Thousand Only)				

For Securities

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	Not Applicable	Not Applicable	Not Applicable	Not Applicable	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.**
4,810,000 Equity Shares	26.00%	325,010 Equity Shares	1.76	0.068	325,010 Equity Shares	1.75	0	NA

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**
May 16, 2016, Monday	May 10, 2016, Tuesday	NA

- **Details of special account where it has been created for the purpose of payment to shareholders:** CPCPL PIFL Special Rupee Account

- **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. lakhs)**
Physical mode	NA	NA
Electronic mode (ECS/ direct Transfer, etc.)	5	4,550,140

I. Pre and post offer Shareholding of the Acquirer along with PACs in TC

	Shareholding of Acquirer	**No of shares**	**% of total share capital of TC as on closure of tendering period**
1.	Shareholding before PA	3,800,000	20.54%
2.	Shares acquired by way of an agreement, if applicable	3,097,900 Equity Shares*	16.75%
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	NA
4.	Shares acquired in the open offer	325,010	1.75%
5.	Shares acquired during exempted 21-day period after offer (if applicable)	Nil	NA
6.	Post - offer shareholding	7,222,910 Equity Shares	39.04%

(*) These shares have not been acquired by the Acquirer yet.

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/individual who acquired the shares	Saket Agarwal
2.	Whether disclosure about the above entity(s) was given in the LOF as either Acquirer or PAC.	Acquirer
3.	No of shares acquired	325,010
4.	Purchase price per share	Rs. 14.00 per share
5.	Mode of acquisition	Under the Takeover Open Offer
6.	Date of acquisition	
7.	Name of the Seller in case identifiable	Provided at Annexure A

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.	Acquirer	3,800,000	20.54	7,222,910*	39.04
2.	Erstwhile Promoters (persons who cease to be promoters pursuant to the Offer)	3,097,900	16.75	Nil	NA
3.	Continuing Promoters	Nil	NA	Nil	NA
4.	Sellers if not in 1 and 2	Nil	NA	Nil	NA
5.	Other Public Shareholders	11,602,100	62.71	11,277,090	60.96
	TOTAL	**18,500,000**	**100.00**	**18,500,000**	**100.00**

(*) Out of 7,222,910 Equity Shares, 3,097,900 Equity Shares have not been yet transferred to the Acquirer.

L. Details of Public Shareholding in TC

1.	Indicate the minimum public shareholding the TC is required to maintain for continuous listing.	4,625,000 Equity Shares	25.00%
2.	Indicate the actual public shareholding and if it has fallen below the minimum public shareholding limit, delineate the further steps which will take inaccordance with the disclosures given in the LOF.	15,077,090 Equity Shares	81.50%

M. Other relevant information, if any

Manager to the Offer

Corporate Professionals
WHERE EXCELLENCE IS LAW

CORPORATE PROFESSIONALS CAPITAL PRIVATE LIMITED
D-28, South Extn Part-1, New Delhi – 110049
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SEBI Regn. No: INM000011435

Date: May 21, 2016
Place: New Delhi

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