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

POST OPEN OFFER REPORT

IN RESPECT OF OPEN OFFER MADE BY MR. HUSSAIN A. RASSAI AND MR. AKIL A. RASSAI (COLLECTIVELY REFERRED TO AS THE "ACQUIRERS") WITH PERSON ACTING IN CONCERT MR. ABBAS A. RASSAI ("PAC") TO ACQUIRE 28,34,000 FULLY PAID-UP EQUITY SHARES OF RS. 10 EACH ('EQUITY SHARES") REPRESENTING 26.01% OF THE TOTAL PAID-UP EQUITY SHARE CAPITAL OF VYAPAR INDUSTRIES LIMITED FROM PUBLIC SHAREHOLDERS ("OFFER").

- ***This report is being submitted within 15 working days from the expiry of the tendering period.***
- ***Details given herein unless otherwise specified are as on date of the report.***
- ***Capitalized terms not defined herein shall have the meaning as assigned to such terms in the Letter of Offer dated April 19, 2013***

A. Names of the parties involved

1	Target Company ("TC')	**Vyapar Industries Limited**
2	Acquirers	Mr. Hussain A. Rassai and Mr. Akil A. Rassai
3	Persons acting in concert with Acquirers ("PAC")	Mr. Abbas A. Rassai
4	Manager to the Open Offer	Fortune Financial Services (India) Limited
5	Registrar to the Open Offer	Bigshare Services Private Limited

B. Details of the Offer:

Offer was made by the Acquirers in compliance with Regulation 3(2) of SEBI (SAST) Regulations pursuant to creeping acquisition made by them aggregating to 4.94% of the total paid up equity share capital of the Target Company during financial year 2012 - 13 and placing of the purchase order on February 14, 2013 to trigger the Offer, to acquire upto 180,000 Equity Shares representing 1.65% of the paid up equity share capital of the Target Company at a price not exceeding Rs. 26.20 per Equity Share on the BSE on or before March 8, 2013.

- Whether conditional Offer: Not Applicable
- Whether voluntary Offer: Not Applicable
- Whether competing Offer: Not Applicable

C. Activity Schedule:

Sl. No	Activity	Due dates as specified in the SEBI (SAST) Regulations	Actual Dates*
1	Date of the public announcement ("PA")	Thursday, February 14, 2013	Thursday, February 14, 2013
2	Date of publication of the Detailed Public Statement ("DPS")	Thursday, February 21, 2013	Thursday, February 21, 2013
3	Date of filing of draft letter of offer ("LOF") with SEBI	Thursday, February 28, 2013	Thursday, February 28, 2013
4	Date of sending a copy of the draft LOF to the TC and the concerned stock exchanges ("SE")	Thursday, February 28, 2013	Thursday, February 28, 2013
5	Date of receipt of SEBI comments	Thursday, March 21, 2013	Friday, April 12, 2013**
6	Date of dispatch of LOF to the shareholders / custodian in case of	Thursday, April 25, 2013	Thursday, April 25, 2013

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Sl. No	Activity	Due dates as specified in the SEBI (SAST) Regulations	Actual Dates*
	Depositary Receipts		
7	Dates of price revisions / offer size revisions (if any)	Monday, April 29, 2013	No price revisions / offer size revisions
8	Date of publication of recommendation by the independent directors of the TC	Tuesday, April 30, 2013	Tuesday, April 30, 2013
9	Date of issuing the offer opening advertisement	Thursday, May 2, 2013	Thursday, May 2, 2013
10	Date of commencement of the tendering period	Friday. May 3, 2013	Friday. May 3, 2013
11	Date of expiry of the tendering period	Thursday, May 16, 2013	Thursday, May 16, 2013
12	Date of making payments to shareholders / return of rejected shares	Thursday, May 30, 2013	Thursday, May 23, 2013

** There were no delays beyond the due dates specified in the SEBI (SAST) Regulations*
***Date of receipt of final comments from SEBI on Draft Letter of Offer*

D. Details of the payment consideration in the Offer

Sl. No	Item	Details
1	**Offer Price** for fully paid shares of TC (Rs. per share)	27.37
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. Lakhs)	775.66
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	Not applicable
b.	**Swap Ratio** (ratio indicating the number of securities of the offeree company vis-à-vis shares of TC)	Not 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 equity shares of the TC are listed on BSE Limited ("BSE") only and are frequently traded in terms of Regulation 2(1)(j) of the SEBI (SAST) Regulations. The trading turnover of the equity shares of the TC on BSE for twelve calender months period prior to Public Announcement i.e. from February 2012 to January 2013 is as given below:

Stock Exchange	Total number of Equity Shares Traded	Total number of listed Equity Shares	Trading turnover (as a % of total listed Equity Shares)
BSE	11,72,209	10895,000	10.76%

Source: Certificate from M/s Salim a. Kantawala, Chartered Accountant dated February 14, 2013

Fortune Financial Services (India) Ltd
Mumbai

2. Details of Market Price of the Equity Shares of TC on BSE in the following format:

Sl. No	Particulars	Date	Rs. per share	
			Open Price	Close Price
1	1 trading day prior to the PA date	February 13, 2013	25.50	25.20
2	On the date of PA	February 14, 2013	26.00	26.20
3	As on the date of publication of the Detailed Public Statement #	February 21, 2013	26.20	25.75
4	On the date of commencement of the tendering period	May 3, 2013	31.00	30.85
5	On the date of expiry of the tendering period	May 16, 2013	28.10	28.70
6	10 days after the last date of the tendering period	May 27, 2013	30.90	30.90
7	Average market price during the tendering period (viz. Average of the volume weighted market prices for all the days)	May 3, 2013- May 16, 2013	31.41	
8	The average of the weekly high and low of the closing prices of the shares during the period from date of PA till closure of the Offer #	February 14, 2013- May 16, 2013	27.63	

(Source: BSE website)

As required under point no.9 of SEBI Observation Letter no. CFD/DCR/TO/DV/OW/8834/2013 dated April 12, 2013.

F. Details of escrow arrangements

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

	Date of creation	Amount (Rs. in lakh)	Form of escrow account
Escrow Account	February 16, 2013	200.00	Bank Guarantee*

* *In accordance with Regulation 17(4) of the SEBI (SAST) Regulations, the Acquirers have deposited cash amount of Rs. 8 lakhs, being more than 1% of the Offer Size in the Escrow Account.*

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:

      - HDFC Bank Limited, Manekji Wadia Bldg. Gr. Floor, Nanik Motwani Marg Fort Mumbai-400 001, Maharashtra, India.

   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. in lakhs)
Transfer to Special Escrow Account, if any	May 22, 2013	7.20
Amount released to Acquirers • Upon withdrawal of Offer • Any other purpose (to be clearly specified) • Other entities on forfeiture	Not applicable	Not applicable

Note: The balance monies lying in the Escrow Account shall be released to the Acquirer upon the expiry of thirty days from the May 23, 2013 i.e., the date of completion of payment of consideration to the Public Shareholders whose Equity Shares were accepted in the Offer.

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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
HDFC Bank, Plot No. 124, Viraj, S.V. Road, Khar (West), Mumbai 400 052	Rs. 200.00 lakhs	February 16, 2013	July 31, 2013	The bank guarantee would be released to the Acquirers upon the expiry of thirty days from May 23, 2013 i.e., the date of completion of payment of consideration to the Public Shareholders whose Equity Shares were accepted in the Offer.	Upon completion of payment of consideration in accordance with SEBI (SAST) Regulations

For Securities: Not applicable

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					

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.
2,834,000	26.01%	2,842,900	100.31%	1.003	2,834,000	99.69%	500	One rejection was on account of Form of Acceptance-cum-Acknowledgement being received without receipt of Shares in the Special Depository Account.

** All the shares of the TC are fully paid-up and there are no outstanding partly paid-up shares, shares with differential voting rights, or any other category. All outstanding GDRs of the TC have been converted and termination of GDR program has been concluded. As the number of Equity Shares validly tendered in the Offer is more than the Offer Size, the acceptance has been made on a proportionate basis.*

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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 23, 2013	May 23, 2013	Not applicable

Details of special escrow account where it has been created for the purpose of payment to shareholders:

- Name of the concerned Bank: HDFC Bank Limited, Manekji Wadia Bldg. Gr. Floor, Nanik Motwani Marg Fort Mumbai-400 001, Maharashtra, India.
- 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 in lakhs)
Physical Mode	Nil	Nil
Electronic mode (RTGS, NEFT, NECS, Direct Credit)	14	775.66
TOTAL	**14**	**775.66**

I. Pre and post offer shareholding of the Acquirers / PAC in TC

Sl. No	Shareholding of Acquirers and PAC	No. of shares*	% of total share capital of TC as on closure of tendering period*
1	Shareholding before PA	3,835,643	35.21%
2	Shares acquired by way of an agreement, if applicable	Nil	Nil
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	 87,000 Nil	 0.80% Nil
4	Shares acquired in the open offer	2,834,000	26.00%
5	Shares acquired during exempted 21-day period after offer (if applicable)	Nil	Nil
6	Post offer shareholding	6,756,643	62.02%

* *All outstanding GDRs of the TC have been converted and termination of GDR program has been concluded. Thus, all the holding percentages shown in this table against the Acquirers, PAC and of public have been computed with respect to the total paid up equity share capital of the TC.*

J. Further details, as under, regarding the acquisitions mentioned at point 3, 4 & 5 of the above table:

Shares acquired through market purchases after the PA but before March 8, 2013

1	Name(s) of the entity who acquired the shares	Mr. Hussain A. Rassai Mr. Akil A. Rassai
2	Whether disclosure about the above entity(s) was given in the LOF as either Acquirer or PAC	Yes, disclosure given in LOF as the Acquirers
3	No. of shares acquired per entity	Acquired through market purchases on BSE Mr. Hussain A. Rassai – 43,500 shares

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		Mr. Akil A. Rassai – 43,500 shares
4	Purchase price per share	The Acquirers have purchased (i) 17,000 no. of Equity Shares at a price of Rs.26.07 per share on February 14, 2013, (ii) 36,000 no. of Equity Shares at a price of Rs.25.86 per share on February 18, 2012 and (iii) 34,000 no. of Equity Shares at a price of Rs.25.91 per share on February 20, 2013.
5	Mode of acquisition	Market purchases through Purchase Order dated February 14, 2013 on BSE
6	Date of acquisition*	Refer point no. 4 above
7	Name of the seller in case identifiable	Being market purchases, sellers not identifiable

**No acquisition was made from March 9 upto 3 working days prior to the commencement of tendering period and also till the expiry of tendering period. Further, no acquisition has been made post expiry of tendering period till date of this Post Open Offer report.*

<u>Shares acquired through the Offer</u>

1	Name(s) of the entity who acquired the shares	Mr. Hussain A. Rassai Mr. Akil A. Rassai
2	Whether disclosure about the above entity(s) was given in the LOF as either Acquirer or PAC	Yes, disclosure given in LOF as the Acquirers
3	No. of shares acquired per entity	Mr. Hussain A. Rassai – 1,417,000 shares Mr. Akil A. Rassai – 1,417,000 shares
4	Purchase price per share	Rs. 27.37
5	Mode of acquisition	Pursuant to Open Offer; consideration is paid in cash
6	Date of acquisition	May 23, 2013*
7	Name of the seller in case identifiable	Shareholders whose shares were accepted in the open offer

**The Equity Shares acquired under the Offer are in the process of being transferred to the Acquirers demat account*

K. Pre and post offer shareholding pattern of the TC

Sl. No	Class of entities	Shareholding in a TC			
		Pre-offer		Post-offer (Actuals)	
		No	% of paid-up capital*	No	% of paid-up capital*
1	• Acquirers • PACs	3,736,452 99,191	34.30% 0.91%	6,657,452 99,191	61.11% 0.91%
2	Erstwhile Promoters (persons who cease to be promoters pursuant to the Offer)	Not applicable			
3	Continuing Promoters (excluding Acquirers & PAC)	57,825	0.53%	57,825	0.53%
4	Sellers if not in 1 and 2	Not applicable			
5	<u>Other Public Shareholders</u>				
	• No. of Equity Shares	6,312,782	57.94%	4,080,532	37.45%
	• No. of Equity Shares held by custodian against which depository receipts have been issued	688,750	6.32%	Nil	Nil
	TOTAL	10,895,000	100.00%	10,895,000	100.00%

**All outstanding GDRs of the TC have been converted and termination of GDR program has been concluded. Thus, all the holding percentages shown in this table against the Acquirers, PAC and of public have been computed with respect to the total paid up equity share capital of the Target Company.*

L. Details of Public Shareholding in TC

		No. of Shares	% of the total paid-up share capital
1	Minimum public shareholding the TC is required to maintain for continuous listing	27,23,750	25%
2	Actual public shareholding ~~and if it has fallen below the minimum public shareholding limit, delineate the further steps which will taken in accordance with the disclosures given in the LOF~~	40,80,532	37.45%

M. Other relevant information, if any: None

For **Fortune Financial Services (India) Limited**

Authorized Signatory

Date: June 5, 2013

Place: Mumbai