Elpro International Limited

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RECOMMENDATIONS OF THE COMMITTEE OF INDEPENDENT DIRECTORS ("IDC") ON THE OPEN OFFER TO THE SHAREHOLDERS OF ELPRO INTERNATIONAL LIMITED UNDER REGULATION 26(7) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 (THE "SEBI TAKEOVER REGULATIONS")

1.	Date	May 07, 2014
2.	Name of the Target Company / Target	Elpro International Limited
3.	Details of the Offer pertaining to Target Company	The offer is a voluntary offer made by the Acquirers and the PAC under Regulation 6(1) read with Regulation 13(3) of the SEBI Takeover Regulations for substantial acquisition of Shares and Voting Rights to consolidate their holding in Elpro International Limited (the "Target Company" / "Target" / "Elpro") and to acquire 4,65,000 (Four Lakhs Sixty Five Thousand Only) Equity Shares of face value of Rs. 10/- each representing 10.08% of the Paid up Equity Share Capital of the Target at a price of Rs. 325/- (Rupees Three Hundred Twenty Five Only) per fully paid up Equity Share ("Offer Price"), payable in cash.
4.	Name(s) of the Acquirer and PAC with the Acquirer	Acquirers: International Conveyors Limited and R.C.A. Limited Person Acting in Concert (PAC): I G E (India) Private Limited
5.	Name of the Manager to the Offer	SPA Capital Advisors Limited SEBI Reg. No.: INM 000010825
6.	Members of the Committee of Independent Directors	Mr. Anil Kumar Poddar Mr. Narayan Tulsiram Atal
7.	IDC Member's relationship with the Target Company (Director, Equity shares owned, any other contract / relationship), if any	All the IDC Members are Independent and Non-Executive Directors of the Target Company. They neither have any contractual relationship with the Target Company nor hold any Equity Shares of the Target Company.
8.	Trading in the Equity Shares / Other Securities of the Target Company by IDC Members	None of the IDC Members has done any trading in the Equity Shares / Other Securities of the Target in the last 12 months.
9.	IDC Member's relationship with the Acquirer (Director, Equity shares owned, any other contract / relationship), if any	None of the IDC Members is a Director of the Acquirers & PAC. They neither have any contractual relationship with the Acquirers and PAC nor hold any Equity Shares of the Acquirer/s and PAC.
10.	Trading in the Equity Shares / Other Securities of the Acquirer by IDC Members	None of the IDC Members has done any trading in the Equity Shares / Other Securities of the Acquirer/s and PAC in the last 12 months.
11.	Recommendations on the Open Offer, as to whether the Offer is fair and reasonable	The IDC believes that the Offer Price of Rs. 325/- per Equity Share is fair and reasonable in line with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011.
12.	Summary of reasons for recommendations	In forming the aforesaid opinion / recommendations, the IDC has considered the following factors: (a) The Offer is a voluntary open offer by the Acquirers and PAC and IDC is not aware of any material impact on the business of the Target Company as a result of the Offer. The Acquirers and PAC have stated that they intend to keep Elpro a listed company which has been an integral part of its success. In that case, the IDC believes that Elpro could maintain its growth and business operations. (b) The Offer Price of Rs. 325/- is at a premium to the fair value of Equity Shares of the Target as determined by Chartered

Elpro International Limited

		Accountant and disclosed in the Detailed Public Statement dated January 24, 2014 which was arrived at on the basis of the financial ratios of the Company and the decision of the Hon'ble Supreme Court of India in the matter of Hindustan Lever Employees Union v/s Hindustan Lever Limited, 1995. (c) Though the equity shares of the Company are not frequently traded, the Offer Price of Rs. 325/- is at a premium to the volume weighted average price of the Equity Shares of the Target for the last six calendar months immediately preceding the month in which the tendering period will open.
13.	Details of Independent Advisors, if any	None
14.	Any other matter(s) to be highlighted	Nil

To the best of our knowledge and belief, after making proper enquiry, the information contained in or accompanying this statement is, in all material respect, true and correct and not misleading, whether by omission of any information or otherwise, and includes all the information required to be disclosed by the Target Company under the SEBI Takeover Regulations.

for Elpro International Limited

Elpro International Limited

Place: Mumbai
Date: May 07, 2014

Anil Kumar Poddar
Chairman of the Committee