SAPTHARISHI FINANCE LIMITED

CIN No. L65191TN1981PLC009110
Registered Office: No. 33/47G, Gandhi Mandapam Road, Kotturpuram, Chennai, Tamil Nadu – 600 085.
Tele No.: 044 - 24471739; Email Id: saptharishifin@gmail.com

Recommendations of the Committee of Independent Directors (IDC) on the Open Offer to the Equity Shareholders of the Saptharishi Finance Limited under Regulation 26 (7) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

Date	22-05-2014
Name of the Target Company	Saptharishi Finance Limited
Details of the Offer pertaining to Target Company	Open Offer for acquisition of up to 51,400(Fifty One Thousand Four Hundred Only) equity shares of Rs. 10/- each at Offer Price of Rs. 2 (Rupees Two Only) per equity share of Rs 10/- each payable in cash, representing 25.70% of the total paid-up equity share capital, from the equity shareholders of Saptharishi Finance Limited ("Target Company") pursuant to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 2011, and subsequent amendments thereto ("Takeover Code").
Name (s) of the Acquirer and PAC with the Acquirer	Devki Nandan Textile Private Limited (Acquirer) There is no Person Acting in Concert with the Acquirer for the purpose of this Open Offer.
Name of the Manager to the Offer	Chartered Capital and Investment Limited 418-C, "215 Atrium", Andheri Kurla Road, Andheri (East), Mumbai-400 093
Members of the Committee of Independent Directors ("IDC")	1) Mr. Amrut Patel , Chairman 2) Mr. Rahul Agarwal , Member
IDC Member's relationship with the Target Company (Director, Equity shares owned, any other contract / relationship), if any	IDC members are independent and non-executive directors of the Target Company. No member of IDC hold any Equity Shares in the Target Company. None of the IDC members has any contract/relationship with the Target Company at present.
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 shares of the Target Company since their appointment.
IDC Member's relationship with the acquirer (Director, Equity shares owned, any other contract / relationship), if any.	None of the IDC members has any relationship with the Acquirer at present.
Trading in the Equity shares/other securities of the acquirer by IDC Members	NIL
Recommendation on the Open offer, as to whether the offer , is or is not, fair and reasonable	The IDC members believe that the Offer is fair and reasonable.
Summary of reasons for recommendation	Based on the review of PA, DPS, and LOO , the IDC is of opinion that the Offer Price of Rs. 2.00 per equity shares, offered by the Acquirer is in line with the regulation prescribed by SEBI under the Takeover Code and prima facie appears to be justified. The Committee considered the following facts: 1) Based on Audited Accounts of March 31, 2013, the Company incurred losses and the book value was also negative. 2) The Equity Shares of the Company are infrequently traded on MSE within the meaning of Regulation 2(1)(j) of the SEBI (SAST) Regulations. 3) The Fair Value of the Equity Shares of the Target Company as arrived by CA Shyam Sunder & Associates (Chartered Accountants) ("valuer") vide their certificate dated March 20, 2014 is Rs 0.61 per equity share. 4) The Offer Price is Rs. 2.00 (Rupees Two Only) per equity share of Rs. 10/- each as justified in terms of Regulation 8(2) of the SEBI (SAST) Regulations. **Keeping in view, the above facts, IDC is of the view that the price of this Open Offer is fair and reasonable. However, the shareholders should independently evaluate the Offer and take informed decision in the matter.**
Details of Independent Advisors, if any.	NIL
Any other matter 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 Takeover Code."

For Saptharishi Finance Limited
sd/-
Mr Amrut Patel
(Chairman- Committee of Independent Directors)

Place: Ahmedabad
Thursday, May 22, 2014

Sobhagya