SWISS GLASCOAT EQUIPMENTS LIMITED

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

1.	Date	11th February, 2017
2.	Name of the Target Company (TC)	Swiss Glascoat Equipments Limited
3.	Details of the Offer pertaining to TC	Open Offer made by HLE Engineers Private Limited and its four of its key shareholders (Acquirers) to acquire up to 16,90,000 Equity Shares, constituting 26% of the Emerging Voting Equity Capital of the Target Company pursuant to Regulation 3(1) and 4 of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto (Takeover Code). For this purpose, the Emerging Voting Equity Capital refers to 65,00,000 Equity Shares of the Target Company, after taking into account the allotment of 15,00,000 Warrants to HLE Engineers Private Limited, which will be converted into equal number of Equity Shares. **Offer Price:** INR 130/- (Indian Rupees One Hundred and Thirty only) per Equity Share, to be paid in cash, in accordance with the terms and conditions of the Takeover Code.
4.	Name(s) of the Acquirers and PAC with the Acquirers	HLE Engineers Private Limited, Mr. Himanshu K. Patel, Mr. Nilesh K. Patel, Mr. Harsh H. Patel, and Mr. Aalap N. Patel. There are no persons acting in concert.
5.	Name of the Manager to the Offer	Vivro Financial Services Private Limited
6.	Members of the Committee of Independent Directors (Please indicate the chairperson of the Committee separately)	1. Mr. Dharmesh Patel – Chairperson 2. Mr. Jagrut Bhatt 3. Mr. Janardan Shukla
7.	IDC Member's relationship with the TC (Director, Equity shares owned, any other contract / relationship), if any	The IDC Members are the Non-Executive and Independent Directors of the Company. The IDC Members neither hold any Equity Shares in the Target Company nor do they have any contract/ relationship with the Target Company at present.
8.	Trading in the Equity Shares/other securities of the TC by IDC Members	None of the IDC members have traded in the Equity Shares/ other securities of the Target Company since their appointment.
9.	IDC Member's relationship with the Acquirers (Director, Equity Shares owned, any other contract/ relationship), if any.	The IDC Members have no relationship with the Acquirers.
10.	Trading in the Equity Shares/other securities of the Acquirers by IDC Members	None of the IDC Members have traded in the Equity Shares/ other securities of the Acquirers.
11.	Recommendation on the Open Offer, as to whether the Offer is fair and reasonable	The IDC has perused the Letter of Offer and other documents as released and published by Vivro Financial Services Private Limited on behalf of the Acquirers. The IDC believes that the Open Offer Price to the Public Shareholders is fair and reasonable and is in line with the SEBI (SAST) Regulations, 2011. However, the IDC would like to draw attention of the public shareholders that the latest closing share price is Rs. 207.80 as at 10th February, 2017, which is higher than the Open Offer Price. The Public Shareholders may, therefore, independently evaluate the Offer and take an informed decision.
12.	Summary of reasons for recommendation (IDC may also invite attention to any other place, e.g. Company's website, where its detailed recommendations along with written advice of the Independent Adviser, if any can be seen by the shareholder)	The IDC believes that the Open Offer Price of Rs 130 per Equity Share offered by the Acquirers is fair and reasonable in the light of the following: 1. The perusal of the Letter of Offer and other documents as released and published by Vivro Financial Services Private Limited on behalf of the Acquirers leads the IDC to opine that the Open Offer Price offered by the Acquirers is in compliance with the SEBI (SAST) Guidelines, 2011. 2. This is an Open Offer for acquisition of publicly held Equity Shares of the Company. The Shareholders of Swiss Glascoat Equipments Limited have an option to either tender their Equity Shares or remain invested. 3. The Equity shares of the Target Company are frequently traded shares within the meaning of explanation provided in Regulation 2(j) of SEBI (SAST) Regulation, 2011 and the Offer Price is calculated considering the parameters as specified under Regulation 8 of (SAST) Regulation, 2011. We would also like to bring to the attention of the Shareholders that: **Latest closing share price of the Target Company:** On 10th February, 2017, the closing price of shares of Target Company on BSE was Rs 207.80, which is 59.85% higher than the Offer price. The IDC would, however, suggest that the Public Shareholders of the Company should independently evaluate the Open Offer and take informed decisions in respect of the Open Offer.
13.	Details of Independent Advisors, if any.	Mr. Niraj Trivedi, Practicing Company Secretary
14.	Any other matter(s) to be highlighted	None

"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 and on behalf of Committee of Independent Directors of
Swiss Glascoat Equipments Limited
Dharmesh Patel
Chairperson

Date: 11th February, 2017
Place: V. U. Nagar, Gujarat