GEE GEE GRANITES LIMITED

Reg Office: 23, College Road, Nungambakkam, Chennai, Tamil Nadu-600006, Tel No: 044-28278265 and Fax No: 044-28213288, Email: geegeegranites@live.in and Website: www.ggranites.com

Recommendations of the Committee of Independent Directors (IDC) on the Open Offer to the equity shareholders of Gee Gee Granites Limited (hereinafter referred to as "Target Company") by Asit Kumar Ghosh (hereinafter referred to as "Acquirer") under Regulation 26(7) of Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

1)	Date	March 11, 2014
2)	Name of the Target Company	Gee Gee Granites Limited
3)	Details of the Offer pertaining to the Target Company	The Open Offer is being made by the Acquirer for acquisition of 11,70,000 fully paid up equity shares representing 26.00% of the total paid up equity share capital and voting capital of the Target Company at a price of ₹ 1/- per fully paid up equity share of ₹ 10/- each payable in cash pursuant to Regulations 3(1) & 4 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
4)	Name of the Acquirer and PAC with the Acquirer	Acquirer - Asit Kumar Ghosh There is no Person(s) Acting in Concert with the Acquirer.
5)	Name of the Manager to the offer	Intensive Fiscal Services Pvt. Ltd. 914, 9th Floor, Raheja Chambers, Nariman Point, Mumbai- 400021, Tel. Nos.:- 022 22870443/44/45, Fax No.:- 022 22870446, E-mail:- rishabh@intensivefiscal.com Contact Person:- Mr. Rishabh Jain/Mr. Nikesh Jain
6)	Members of the Committee of Independent Directors ("IDC")	• Ayer Sriram - Chairman • Venkatanaarayan Naaraayan
7)	IDC Member's relationship with the Target Company (Director, Equity shares owned, any other contract/ relationship), if any	IDC members are Independent Directors of the Target Company. Mr. Ayer Sriram do not hold any equity shares whereas Mr. Venkatanaarayan Naaraayan holds 300 equity shares in the Target Company.
8)	Trading in the Equity shares/other securities of the Target Company by IDC Members	None of members of the IDC have done trading in the equity shares/other securities of the Target Company since their appointment.
9)	IDC Members relationship with the Acquirer (Director, Equity shares owned, any other contract/ relationship), if any.	None of the IDC members have any relationship with the Acquirer.
10)	Trading in the Equity shares/other securities of the Acquirer by IDC Members	Not Applicable
11)	Recommendation on the Open offer, as to whether the offer, is or is not, fair and reasonable	IDC members believe that the Open Offer is fair and reasonable.
12)	Summary of reasons for recommendation	IDC recommends acceptance of the Open offer made by the Acquirer as the Offer price of ₹ 1/- (Rupee One Only) per fully paid up equity share is fair and reasonable based on the following reasons: 1. The Offer price appears to be reasonable considering that there is no major business activities in the Target Company. 2. Mr. Amit Khemka, Partner of Khemka & Co., Chartered Accountants vide Certificate dated December 16, 2013 has applied the valuation methodology prescribed by the Honorable Supreme Court of India in the case of Hindustan Lever Employees Union vs. Hindustan Lever Limited, 1995 (83 Com. Case 30). Considering aforesaid valuation methodology, the Value of shares is as follows: a. As per Net Assets Method (NAV) is ₹ (0.88)/-, b. As per Price Earning Capitalization Method is Nil (as it is a loss making company); and c. As per Market Value Method is NIL (as shares are infrequently traded). Thus, the fair value of an equity share is negative as Book Value per share & earnings per share for the year ending March 31, 2013 is negative. Therefore, the Offer Price of ₹ 1/- (Rupee One Only) per share is justified. 3. The equity shares of the Target Company is infrequently traded shares within the meaning of explanation provided in Regulation 2(j) of SEBI (SAST) Regulations, 2011. 4. Looking to the past trend, it is being observed that trading by general public is limited which restraints exit to investor to the Market. This Open offer will provide an exit opportunity to the existing investors/shareholders. Keeping in view above facts IDC is of opinion that Open Offer price is fair and reasonable.
13)	Details of Independent Advisors, if any	Nil
14)	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 Gee Gee Granites Limited

Place : Chennai
Date : March 11, 2014

Ayer Sriram
(Chairman-Committee of Independent Directors)

PRESSMAN

Size: 12 (w) X 25 (h)

INTENSIVE FISCAL SERVICES PVT. LTD. ★ MUMBAI

Approved