KAMALAKSHI FINANCE CORPORATION LIMITED

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Recommendations of the Committee of Independent Directors (IDC) on the Open Offer to the Equity Shareholders of Kamalakshi Finance Corporation Limited (hereinafter referred to as "Target Company") by Vector Viniyog Private Limited (hereinafter referred to as "Acquirer") under Regulation 26(7) of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

1)	Date	July 17, 2012
2)	Name of the Target Company	Kamalakshi Finance Corporation Limited
3)	Details of the Offer pertaining to the Target Company	The Open Offer is being made by the Acquirer for acquisition of 12,740 fully paid up equity shares representing 25.48% of the total paid up equity share capital and voting capital of the Target Company at a price of Rs. 12.00/- per fully paid up equity shares of Rs. 10/- each payable in cash pursuant to Regulations 3(1) and 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 – Vector Viniyog Private Limited There are no Person(s) Acting in Concert with the Acquirer.
5)	Name of the Manager to the offer	Intensive Fiscal Services Pvt. Ltd. 131, C-wing, Mittal Tower, 13th floor, Nariman Point, Mumbai - 400021 Tel. Nos.: 022-22870443/44/45; Fax No.: 022-22870446 E-mail:- rishabh@intensivefiscal.com Contact Person:- Rishabh Jain/Nikesh Jain
6)	Members of the Committee of Independent Directors ("IDC")	1. Kailash Ramdarash Kahar - Chairman 2. Bhupendra Singh Thakur
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 and do not hold any 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 as the shares of the Acquirer is not listed on any stock exchange.
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 Rs. 12.00/- (Rupees Twelve only) per fully paid up equity share is fair and reasonable based on the following reasons: 1. As per Provisional Financials available for year ended March 31st, 2012, the Target Company has achieved low Profit after Tax. Also Provisional Earnings Per share of the company as on March 31st, 2012 is mere Rs. 1.97 per share. The Book value per share is also less than Open Offer Price i.e. Rs. 11.75/- per equity share; 2. There has been no trading in the equity shares on Bombay Stock Exchange (BSE). Thus it's highly illiquid on BSE. 3. It will provide an exit opportunity to the existing shareholders. 4. The offer price represents the 20.00% premium on the per share price payable to the outgoing promoter. 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 KAMALAKSHI FINANCE CORPORATION LIMITED
Sd/-

Place: Mumbai
Date: July 17, 2012

Kailash Ramdarash Kahar
Chairman-Committee of Independent Directors

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