MAGNUM LIMITED

Regd. Office : A-1, Skylark Apartment, Satellite Road, Satellite, Ahmedabad – 380 015.

Recommendation of Committee of Independent Directors (IDC) on the Open Offer to the Equity Shareholders of Magnum Limited (Target Company / TC) by Pavaki Vanijya Private Limited ("Acquirer") for acquisition of up to 11,37,006 (Eleven Lacs Thirty Seven Thousand Six) equity shares under Regulation 26(7) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

1.	Date	30th August 2012
2.	Name of Target Company	Magnum Limited
3.	Details of the Offer pertaining to TC	Open Offer is being made by Pavaki Vanijya Private Limited to equity shareholders of the TC for acquiring up to 11,37,006 equity shares of the face value of Rs. 10/- of the TC at a price of Rs. 6/- (Rupees Six Only) per equity share payable in cash in terms of Regulation 3(1) and 4 of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
4.	Name of the Acquirer and PAC with the acquirer	Acquirer is Pavaki Vanijya Private Limited. There is no person acting in concert (PAC) with the Acquirer.
5.	Name of the Manager to the Open Offer	Arihant Capital Markets Limited SEBI Regn No. INM000011070
6.	Members of the Independent Directors Committee (IDC)	1. Mr. Ram Singh – Chairman 2. Mr. Dineshkumar Sharma – Member
7.	IDC member's relationship with the TC (Director, Equity shares owned, any other contact / relationship), if any	1. Mr. Ram Singh is Director of TC 2. Mr. Dineshkumar Sharma is Director of TC
8.	Trading in the Equity shares/other securities of the TC by IDC members	The IDC Members have not done any trading in equity shares of the TC during the last six 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 director in Acquirer or hold any equity shares of Acquirer nor have any relationship with the Acquirer.
10.	Trading in the Equity shares/other securities of the Acquirer by IDC members	Shares of Acquirer are not listed on any of the stock exchanges in India or abroad. None of the IDC members have done any trading / dealt in equity shares of the Acquirer since their appointment.
11.	Recommendation to the Open Offer, as to whether the Offer is fair and reasonable	IDC is of the considered view that the Open Offer price is fair and reasonable
12.	Summary of reasons for recommendation	The Committee considered the following factors: 1. IDC looked at the Volume Weighted Average Price of the Target Company for a period of 60 trading days immediately preceding the date of the Public Announcement and was convinced that the offer price Rs. 6/- (Rupees Six Only) per Equity Share is at a premium to the Volume Weighted Average Price of the Equity Shares which has been computed in accordance with the SEBI SAST Regulations. 2. The Offer Price of Rs.6 (Rupees Six Only) per Equity Share of the TC, is significantly higher than the Volume Weighted Average Price of the Target Company for a period of 60 trading days immediately preceding the date of the Public Announcement.
13.	Details of Independent Advisors, if any	NIL
14.	Any other matter to highlighted	NIL

To the best of our knowledge and belief, and after making proper enquiry, and considering the information contained in and/or accompanying this statement, the statement in all material respect, is 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 SAST Regulations.

For **Magnum Limited.**

Sd/-
Ram Singh
Chairman – IDC

Sd/-
Dineshkumar Sharma
Member - IDC

Place : Ahmedabad
Date : August 30, 2012