

MODIPON LIMITED

Registered Office: Hapur Road, Modinagar, Ghaziabad, Uttar Pradesh - 201204;
Tel. No.: 01232-661800, 01232-661900;
Email ID: modipon@modimangal.in;
CIN: L65993UP1965PLC003082

Recommendations of the Committee of Independent Directors ("IDC") for the Open Offer to the Shareholders of Modipon Limited (hereinafter referred to as "the Company") by Modi Intercontinental Private Limited (hereinafter referred to as "Acquirer") under Regulation 26(7) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

1.	Date	May 18, 2017
2.	Name of the Company	MODIPON LIMITED
3.	Details of the Offer pertaining to the Company	Open Offer to acquire upto 2,895,330 (Twenty Eight Lacs Ninety Five Thousand Three Hundred and Thirty) Equity Shares of Face Value of Rs. 10/- per share
4.	Name of the Acquirer and PAC with the Acquirer	Modi Intercontinental Private Limited
5.	Name of the Manager to the Offer	Corporate Professionals Capital Private Limited
6.	Members of the Committee of Independent Directors	1. Mr. Hemant Kumar Singh - Chairperson; 2. Mr. Amit Ghosh - Director; and 3. Mr. Vivek Gupta - Director The Chairperson of the Committee of Independent Directors is Hemant Kumar Singh
7.	IDC Member's relationship with the Company	The IDC members are Independent Directors of the Company without any shareholding.
8.	Trading in the Equity shares/other securities of the Company by IDC Members	IDC members have not done /done any trading in the Equity shares/other securities in the Company.
9.	IDC Member's relationship with the Acquirers	The IDC members do not/ do have any relationship with Acquirer.
10.	Trading in the Equity shares/other securities of the Acquirer by IDC Members	The IDC members have not traded in any Equity Shares of Acquirer.
11.	Recommendation on the Open offer, as to whether the offer is fair and reasonable	Based on the review of the Public Announcement and the Detailed Public Statement issued by the Manager to the Offer on behalf of the Acquirer, IDC believe that the Open Offer is in accordance with SEBI (SAST) Regulations and to that extent is fair and reasonable. However, with regard to reasonableness of the price, IDC would like to draw the attention of shareholders to the current market value of the shares of the Company. The shareholders should independently evaluate the offer and take their own informed decision. They are also advised to seek expert tax opinion before taking decision.
12.	Summary of reasons for recommendation	Closing Market Price of shares of Target Company is Rs. 29.85 (Rupees Twenty Nine and Eighty Five Only) as on May 17, 2017 per share on BSE Limited and the Acquirer has offered a price of Rs. 10.00/- As per information mentioned in the Letter of Offer, the Company availed a loan of Rs. 6 Crores from the Acquirer, one of the promoters of the Company, which was repayable within a maximum period of one year. In case of failure the Acquirer had the right to convert its loan into equity. The Company expressed its inability to repay the loan taken; accordingly, the Acquirer opted for conversion of certain portion of said loan amount of Rs. 60,000,000 (Rupees Six Crores Only) into 3,738,632 (Thirty Seven Lacs Thirty Eight Thousand Six Hundred and Thirty Two Only) equity shares of the Company. Please note that the Equity Shares of Target Company are listed and traded on BSE and are infrequently traded within the meaning of definition of "frequently traded shares" under clause (j) of Sub-Regulation (1) of Regulation (2) of the SEBI (SAST) Regulations. This Offer does not involve any acquisition of control over the Company by the Acquirer or any change in control of the Company, as the Acquirer is existing promoter of the Company. There will be no change in the promoters of the Company accordingly, the offer is made by Acquirer in terms of Regulation 3(2), Regulation 3(1) read with Regulation 3(3) of SEBI (SAST) Regulations, 2011. Please note that the book value per share is (101.19)/-. The Offer Price of Rs. 10.00/- (Rupees Ten Only) is justified, in terms of Regulation 8(2) of the SEBI (SAST) Regulations which is fair and justified.
13.	Details of Independent Advisors, if any.	None
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 Company under the Takeover Code."

For and on behalf of
The Committee of Independent Directors of
Modipon Limited
Sd/-

Place: Modinagar
Date: May 19, 2017

Hemant Kumar Singh
Chairperson- Committee of Independent Directors