STOVEC INDUSTRIES LIMITED

CIN: L45200GJ1973PLC050790
Registered Office: N.I.D.C., Near Lambha Village, Post Narol, Ahmedabad – 382 405, Gujarat
Tel.: (+91) 79 30412300; Fax: (+91) 79 25710406.
Website: www.stovec.com; E-mail: secretarial@stovec.com

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

Date	November 18, 2014
Name of the Target Company(TC)	Stovec Industries Limited
Details of the Offer pertaining to TC	Open Offer for acquisition of 542,885 (five hundred forty two thousand eight hundred and eighty five) fully paid-up equity shares of face value INR 10 each of the Target Company ("Equity Shares") representing 26 per cent of the paid up equity and voting capital, (the "Offer Size") at a price of INR 566.90 (Indian Rupees five hundred sixty six and ninety paise only) per Equity Share (the "Offer Price") payable in cash, pursuant to the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended ("Takeover Regulations")
Name(s) of the acquirer and PAC with the acquirer	Print II BV (Acquirer) SPG Prints Group BV (PAC 1) SPG Prints BV (PAC 2)
Name of the Manager to the Offer	Pantomath Capital Advisors Private Limited 108, Madhava Premises Co-operative Society Limited, Bandra Kurla Complex, Bandra East, Mumbai 400051
Members of the Committee of Independent Directors	Mr. K. M. Thanawalla (Chairman) Mr. Marco Philippus A. Wadia (Member)
IDC Member's relationship with the TC (Director, Equity shares owned, any other contract / relationship), if any	IDC members are independent and non-executive directors of the Target Company. Except Mr. Marco Wadia who holds 2,150 equity shares, no other member of IDC holds any Equity Shares in the Target Company. None of the IDC member has any contract/relationship with the Target Company at present except to the extent of the sitting fees paid and the reimbursement of expenses by the Company in their capacity as Directors.
Trading in the Equity shares/other securities of the Target Company by IDC Members	None of the IDC members has done any trading in the shares of the Target Company during period of preceding 12 months.
IDC Member's relationship with the acquirer (Director, Equity shares owned, any other contract / relationship), if any.	None of the IDC member has any relationship with the Acquirer/PACs at present.
Trading in the Equity shares/other securities of the acquirer by IDC Members	NA
Recommendation on the Open offer, as to whether the offer is fair and reasonable	The IDC members believe that the Open Offer made to the shareholders of Target Company is fair and reasonable.
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 shareholders)	Placing reliance on the valuation report dated June 24, 2014 issued by MGB & Co., Chartered Accountants, as shared by the Manager to the Offer, the Committee of Directors is of the opinion that the Offer Price of Rs. 560/- per equity share as set out in the said valuation report is fair and reasonable. This price was enhanced by Rs. 6.90/- being the sum determined at the rate of 10 per cent per annum for the period between the date of announcement in public domain and the date of the Detailed Public Statement ('DPS') and hence the offer price disclosed in the said Detailed Public Statement ('DPS') is Rs. 566.90/-, which is in accordance with Regulation 8 (12) of the Takeover Regulations.
Details of Independent Advisors, if any.	Nil
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 TC under the Takeover Code."

Place: Mumbai
Date: November 18, 2014

For **Stovec Industries Limited**
Sd/-
Mr. K M Thanawalla
(Chairman-Committee of Directors)