

SARDA PAPERS LIMITED

Reg Office: Plot No A/70 MIDC, Sinnar, Nashik, Maharashtra - 422 103,

Tel: 02551-230135, Email: share@sardagroup.com, Website: www.sardapapers.com and administrative office at S002 B, 2nd Floor, Vikas Centre, S.V. Road, Santacruz (W), Mumbai - 400 054, (India), Phone: 91-22-6678 0131/6678 0132, Fax: 91-22-2661 4087/6678 0135.

Recommendations of the Committee of Independent Directors (IDC) on the Open Offer to the equity shareholders of Sarda Papers Limited (hereinafter referred to as "Target Company") by Manish Ladage, N. R. Parameswaran, Kamini Johari and Kartik Johari (hereinafter referred to as "Acquirers") under Regulation 26(7) of Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

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| 1) Date | November 18, 2014 |
| 2) Name of the Target Company | Sarda Papers Limited |
| 3) Details of the Offer pertaining to the Target Company | Open Offer for acquisition of upto 807,402 (Eight Lakhs Seven Thousand Four Hundred and Two Only) fully paid up equity shares from shareholders of Sarda Papers Limited (hereinafter referred to as "Target Company" or "SPL") by Manish Ladage, N. R. Parameswaran, Kamini Johari and Kartik Johari (hereinafter referred to as "Acquirers") pursuant to and in accordance with regulations 3(1) and 4 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 2011, as amended ("Regulation"). |
| 4) Name of the Acquirers and PAC with the Acquirers | Acquirers - Manish Ladage, N. R. Parameswaran, Kamini Johari and Kartik Johari. There is no Person(s) Acting in Concert with the Acquirers. |
| 5) Name of the Manager to the offer | Intensive Fiscal Services Pvt. Ltd. 914, 9 th Floor, Raheja Chambers, Nariman Point, Mumbai - 400 021, Tel. Nos.: 022 2287 0443/44/45, Fax No.: 022 2287 0446, E-mail: rishabh@intensivefiscal.com Contact Person: Rishabh Jain |
| 6) Members of the Committee of Independent Directors ("IDC") | Bhawani Sankar Rathi – Chairman and Anandkumar Shyamsunder Podar |
| 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. They 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 Acquirers (Director, Equity shares owned, any other contract/relationship), if any | None of the IDC members have any relationship with the Acquirers. |
| 10) Trading in the Equity shares/other securities of the Acquirers 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 Acquirers as the Offer price of ₹ 4.10/- (Rupees Four and Ten Paise 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. Valuation report on the fair value of equity shares of the Target Company vide dated October 29, 2014 issued by Bhavesh Chitaliya & Co., Chartered Accountants signed by Proprietor, CA. Bhavesh Chitaliya Membership no 133313, 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 the valuation methodology, the fair value of equity shares is ₹ 4.10. Therefore, the Offer Price of ₹ 4.10/- (Rupees Four and Ten Paise only) per share is justified. 3. The offer price of ₹ 4.10/- per fully paid up equity share offered by the Acquirers is higher than the price paid to outgoing promoters who propose to sell their holdings via SPA at ₹ 2.63/- per fully paid up equity share. 4. The equity shares of the Target Company are infrequently traded shares within the meaning of explanation provided in Regulation 2(j) of SEBI (SAST) Regulations, 2011. 5. Looking to the past trend, it is being observed that trading by general public is limited which restrains 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 Sarda Papers Limited

Sd/-

Bhawani Sankar Rathi

(Chairman-Committee of Independent Directors)

Place: Mumbai

Date : November 18, 2014