

# ECONO TRADE (INDIA) LIMITED

CIN: L51109WB1982PLC035466

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Recommendations of the Committee of Independent Directors (IDC) on the Open Offer to the Shareholders of the ECONO TRADE (INDIA) LIMITED ("ETIL" or the "Target Company") under Regulation 26 (7) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ("SEBI (SAST) Regulations").

1	Date	May 12, 2018
2	Name of the Target Company	<b>ECONO TRADE (INDIA) LIMITED</b>
3	Details of the Offer pertaining to Target Company	Open Offer is being made by the Acquirers for the acquisition of 48,54,090 (Forty Eight lakh Fifty Four Thousand Ninety Only) fully paid-up equity shares of ₹ 10 each, representing 26.00 % of the equity and voting share capital at a price of ₹ 20 (Rupees Twenty Only) per equity share, payable in cash in terms of regulation 3(1) & 4 of the SEBI (SAST) Regulations, 2011.
4	Name(s) of the Acquirers	1. Mr. Kasambhai Umarbhai Shekh; 2. Ms. Shekh Hasina kasambhai; 3. M/s. Robert Resources Limited;
5	Name of the Manager to the Offer	<b>Gretex Corporate Services Private Limited</b> 102, 1st Floor, Atrium-2, Behind Courtyard Marriott Hotel, Andheri Kurla Road, Hanuman Nagar, Andheri-East, Mumbai-400093, Maharashtra Tel : 9836822199; 9836821999; Fax : 022-40025273 Email: info@gretexgroup.com; Website: www.gretexcorporate.com Contact Person: Mr. Tanmoy Banerjee
6	Members of the Committee of Independent Directors ("IDC")	1. Irfan Ahmedbhai Belim- Chairman 2. Tuhina Rakshit - Member
7	IDC Member's relationship with the Target Company (Director, Equity shares owned, any other contract / relationship), if any	None of the Members of the IDC hold any equity shares in the Target Company nor have any relationship with the other Directors of the Target Company and apart from being the directors of the TC they are not related to each other in any manner.
8	Trading in the Equity shares/other securities of the Target Company by IDC Members	No trading has been done by the IDC Members in the Equity Shares/ Other Securities of the Target Company since their appointment.
9	IDC Member's 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	Based on the review of PA, DPS, DLOF and LOF issued by the Manager to the Offer on behalf of the Acquirers, IDC Members believe that the Open Offer is in accordance with the SEBI (SAST) Regulations and to that extent is fair and reasonable.
12	Summary of reasons for recommendation	Based on the review of Public Announcement ('PA') dated December 14, 2017, the Detailed Public Statement('DPS') dated December 21, 2017, Draft Letter of Offer dated December 29, 2017 ('DLOO') and Letter of Offer dated May 08, 2018 ('LOF'), the IDC has taken into consideration the following for making this recommendation: (i) A review of the contents of PA, DPS, DLOF and LOF leads the IDC to opine that the offer price offered by the Acquirers is in compliance with the SEBI (SAST) Regulations, 2011. The Volume Weighted Average Market Price of shares for a period of sixty trading days immediately preceding the date of the public announcement as traded on the Stock Exchange was Rs 5.41 per share, which was less than Rs 20 per share. (Hereinafter referred to as "SPA Price"). In view of the parameters considered in terms of Regulation 8(2) of SAST 2011 and in the opinion of the Acquirers and Manager to the Offer, the Offer Price of Rs. 20/- per equity share being the highest of the prices mentioned above is justified in terms of Regulation 8 of the SEBI (SAST) Regulations. (ii) Based on the above, the IDC is of the opinion that the offer price to the shareholders of the Target Company is in compliance with the requirements of the SEBI (SAST) Regulations, 2011 and is fair and reasonable. The shareholders of the Target Company are advised to independently evaluate the offer and take an informed decision whether or not to offer their shares in the Open Offer.
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 SEBI (SAST) Regulations.

For and on behalf of  
The Committee of Independent Directors of  
**ECONO TRADE (INDIA) LIMITED**

Sd/-  
(Irfan Ahmedbhai Belim)

**Chairman- Committee of Independent Directors**

Place: Kolkata

Date: May 12, 2018