

INTERACTIVE FINANCIAL SERVICES LIMITED

Registered Office: 4, Saujanya Row House, Nr. Darpan Six Roads, Navrangpura, Ahmedabad - 380 014
Tel No.: 079-26427428 Website: www.ifinservices.com E Mail: info@ifinservices.com CIN: L65910GJ1994PLC023393

Recommendations of the Independent Directors Committee ("IDC") on the open offer to the equity shareholders of the Interactive Financial Services Limited ("Target Company") by Mr. Udayan Mandavia, Mr. Kedar Mehta and Mr. Hitesh Joshi ("the Acquirers") pursuant to Regulation 26(7) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

1	Date	August 30, 2016
2	Name of Target Company (TC)	Interactive Financial Services Limited
3	Details of the offer Pertaining to TC	Pursuant to Regulations 3(1) and 4 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. Open offer is being made by the Acquirers to the equity shareholders of the Target Company for acquisition of 7,83,406 Equity shares of face value of ₹ 10 each representing 26% of Issued, Subscribed and paid up Share Capital of the Target Company at a price of ₹ 8 (Rupee Eight) per fully paid up Equity Share of ₹ 10 each ("Offer Price") payable in Cash.
4	Name (s) of the Acquirers and PAC With the Acquirer	The Acquirers: 1. Mr. Udayan Mandavia 2. Mr. Kedar Mehta 3. Mr. Hitesh Joshi There is no Person Acting in Concert with the Acquirers.
5	Name of the Manager to the Offer	Corporate Strategic Allianz Limited, 808, Samedh Complex, Near Associated Petrol Pump, C.G. Road, Ahmedabad - 380006 Tel No: + 91-079-4030 1750, Tele Fax No: + 91-079-4002 4670 SEBI REGN NO: INM 000011260 Email Id: info@csapl.com Website: www.csapl.com Contact Person: Mr. Nevil Savjani
6	Members of the Committee of Independent Directors (Please indicate the Chairperson of the Committee Separately)	1. Mr. Ashvin V. Popat 2. Mr. Prashant D. Parikh Chairperson : Mr. Ashvin V. Popat
7	IDC Member's relationship with TC (Director / Equity Shares Owned, any other contract / relationship), if any	None of the IDC holds any equity shares of Target Company and does not have any other relationship or interest in the Target Company.
8	Trading in the equity Shares/other securities of the Target Company by IDC Members	None of the IDC members have traded in the Equity Shares / other securities of the Target Company during the twelve months prior to the date of Public Announcement dated June 09, 2016.
9	IDC Member's relationship with the Acquirer (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 Acquirer by IDC Members	Not Applicable
11	Recommendation on the Open Offer, as to whether the offer is fair and reasonable	The IDC members believes 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 is fair and reasonable in the light of the following reasons: In terms of Regulation 8(2)(e) where the shares are not frequently traded, valuation parameters, including book value, comparable trading multiples, and such other parameters as are customary for valuation of shares are to be taken into consideration. The value per share ₹ 8 is derived after considering the NAV method, PECV Method and Market based method after taking into consideration following factors: Keeping in the view the Hon'ble Supreme Court's decision in the Hindustan Lever Employee's Union Vs. Hindustan Lever Limited, 1995 (83 Com Case 30), for valuation of Shares the CCI guidelines is taken into consideration. As per para no. 9.2(4) of CCI guidelines if the price earning capacity value is negligible, the fair value should be limited to 2/3 (two third) of the NAV (Book Value) is to be considered for valuation of shares, if the net asset comprises of realizable assets otherwise it should be 1/2 (one half) of the NAV (Book Value). The majority of the assets of Target Company is Loans and Advances given to various parties since long and on that basis valuer has considered only 2/3 (two third) of assets as realisable on the basis of para 9.2(4) of CCI guidelines. In addition, Mr. Shankar Bhagat partner of Bhagat & Co. (Firm Registration No. 127250W and Membership No. 52725), Chartered Accountants having office at 24 Laxmi Chambers, Navjeevan Press Road, Nr. Old High Court, Income Tax, Ahmedabad - 380 014 Tel: 079 - 27541551, E-Mail Id- bhagatco2014@gmail.com has certified vide certificate dated June 9, 2016 that the offer price of ₹ 8 (Rupee Eight) per fully paid up equity share of ₹ 10 each justified in terms of regulation 8(2) of SEBI (SAST) Regulations and keeping in the view the Hon'ble Supreme Court's decision in the Hindustan Lever Employee's Union vs. Hindustan Lever Limited, 1995 (83 Com Case 30) Hence ₹ 8.00/- (Rupee Eight) per fully paid up equity share is fair and reasonable.
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 commission of any information or otherwise, and includes all the information required to be disclosed by the Target Company under the Takeover Code."

For, **Interactive Financial Services Limited**
Sd/-

Mr. Ashvin V. Popat
Chairman-Committee of Independent Directors

Place: Ahmedabad
Date : August 30, 2016



SE BI Regd. Categorist Merchant Banker

**CORPORATE
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ALLIANZ
LTD.**

CSAPL/SAST-IDC-IFSL/1/2016

August 30, 2016

To,
The Listing Department
BOMBAY STOCK EXCHANGE LIMITED
Phiroze Jeejeebhoy Tower,
Dalal Street,
MUMBAI – 400 001.

Dear Sir,

Sub: Recommendations of the Independent Directors Committee (“IDC”)

Ref: Open offer to acquire to 7,83,406 equity shares of ₹ 10 each representing 26.00% of the total paid-up capital of “Interactive Financial Services Limited” (“Target Company”) at a price of ₹ 8 each (Offer Price) for each fully paid up shares by Mr. Udayan Mandavia, Mr. Kedar Mehta and Mr. Hitesh Joshi (hereinafter referred to as “The Acquirers”).

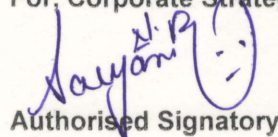
We have been appointed as a “Manager to the Offer” by Mr. Udayan Mandavia, Mr. Kedar Mehta, Mr. Hitesh Joshi (hereinafter referred to as “The Acquirers”) for their proposed acquisition of 7,83,406 equity shares representing 26% of total paid-up capital of “Interactive Financial Services Limited” from the Shareholders each at a price of ₹ 8 each (Offer Price) for each fully paid up shares in pursuant to Regulation 3(1) and 4 of the SEBI (SAST) Regulations, 2011. The shares of the company are listed at Bombay Stock Exchange(BSE) and Ahmedabad Stock exchange (ASE).

Further to Inform you Letter of Offer has already been dispatched to the shareholders of Target Company on August 24, 2016 and pursuant to Regulation 26(7) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 “Recommendation of Independent Directors Committee” is published in same newspaper where the Detail Public Statement of the open offer was published. We are enclosing herewith a soft copy of Recommendation of IDC for your kind perusal and the hard copy (Newspaper Cuttings) along with soft copy (Compact Disc) has already been sent to your good offices.

Please upload the aforesaid copy of IDC on your website.

Please take above submission on your record and oblige us.

For, Corporate Strategic Allianz Limited.


Authorised Signatory



Encl: A/a

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