

Praful A. Shah - Partner of M/s. Rayban Investments
Dr. Amichand Shah's Wadi
Rampura Tunki
Surat

Date : 20-5-2012

To,
Ahmedabad Stock Exchange Ltd

To,
Bombay Stock Exchange Ltd

To,
National Stock Exchange of India Ltd

Dear Sir,

Ref: - Garden Silk Mills Ltd - ISIN - **INE526A01016**

Sub: Intimation under Regulation 10(5) of the Securities and Exchange Board of India (Substantial Acquisition of shares and Takeovers) Regulations, 2011['SEBI Takeover Regulations'] – Acquisition of shares in Garden Silk Mills Ltd by inter-se transfer of shares amongst Promoters under Regulation 10(1)(a)

1.0 Background

- 1.1 Garden Silk Mills Limited (hereinafter referred to as "GSML" or "Company") is listed on the Bombay Stock Exchange (BSE), National Stock Exchange (NSE) and Ahmedabad Stock Exchange (ASE). The promoters of GSML are Mr. Praful A. Shah, his family members and their group entities. The aggregate shareholding of the Promoters in GSML is 57.22%.
- 1.2 M/s Rayban Investments (hereinafter referred to as "said firm") is a partnership firm in which the aggregate share of Mr. Praful A. Shah and his immediate relatives is more than 10% of the total share. Prabhat Silk Mills Ltd - Partner of M/s. Rayban Investments is presently holding 24,92,816 equity shares, representing 6.51% of the paid-up equity share capital of the Company and is holding for and on behalf of the said firm (hereinafter referred to as "said shares") for more than 3 years now and is part of 'Promoters' of GSML. In this regard, Prabhat Silk Mills Ltd and M/s Rayban Investments have given necessary disclosures to Company and filed necessary forms with the Registrar of Companies under Section 187C of the Companies Act, 1956 disclosing the holding of beneficial interest in the said shares by the said firm.
- 1.4 Mr. Praful A. Shah is the Promoter and Director of the Company and is also one of the partner of the said firm and is holding shares in the Company for more than 3 years now.

2.0 Inter-se Transfer of shares amongst Promoters

- 2.1 As a part of internal arrangement, Prabhat Silk Mills Ltd - Partner of M/s. Rayban Investments have decided to transfer the legal ownership in the respect of 24,92,816 equity shares, representing 6.51% of the paid-up equity share capital held by them in the Company

on behalf of M/s. Rayban Investments to Mr. Praful A. Shah, being another partner of M/s. Rayban Investments through Off-Market transaction. The beneficial ownership in respect of the said shares shall continue to remain with M/s. Rayban Investments (Partnership Firm) and Mr. Praful A. Shah who is also the Promoter and Director of the Company, shall hold the said shares as the Partner of M/s. Rayban Investments (Partnership Firm).

The above acquisition, being amongst Promoters, is exempted under inter-se transfer of shares among Promoters under the provisions of Regulation 10(1)(a)(ii) of the SEBI Takeover Regulations.

3.0 Intimation

This intimation is given pursuant to Regulation 10(5) of SEBI Takeover Regulations as required for claiming exemption under inter-se transfer of shares amongst Promoters under Regulation 10(1)(a)(ii) of SEBI Takeover Regulations, the details of which is enclosed herewith.

Please take the same on record.

Thank you.

Yours sincerely,

ⓧ *Praful A. Shah*

Praful A. Shah

Partner of M/s. Rayban Investments

Format for Disclosures under Regulation 10(5) – Intimation to Stock Exchanges in respect of acquisition under Regulation 10(1)(a) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

1.	Name of the Target Company (TC)	GARDEN SILK MILLS LTD.
2.	Name of the acquirer(s)	Praful A. Shah acting for and on behalf of M/s. Rayban Investments as a Partner
3.	Whether the acquirer(s) is/ are promoters of the TC prior to the transaction. If not, nature of relationship or association with the TC or its promoters	Yes
4.	Details of the proposed acquisition	
	a) Name of the person(s) from whom shares are to be acquired b) Proposed date of acquisition c) Number of shares to be acquired from each person mentioned in 4(a) above d) Total shares to be acquired as % of share capital of TC e) Price at which shares are proposed to be acquired f) Rationale, if any, for the proposed transfer	Prabhat Silk Mills Ltd - Partner of M/s. Rayban Investments (Promoter) 28-05-2012 24,92,816 equity shares 6.51% NIL. (Off Market transfer of shares from one Partner to other Partner of M/s. Rayban Investments - Partnership Firm.) Since the transaction involved is transfer of legal ownership in shares of target company from one partner to another partner of the same firm and the beneficial ownership remains with same Partnership Firm - M/s. Rayban Investments, there is no acquisition price. Since Mr. Praful A. Shah is having the highest share of profit in M/s. Rayban Investments - Partnership firm, as a part of internal arrangement, Prabhat Silk Mills Ltd - Partner of M/s. Rayban Investments proposes to transfer 24,92,816 equity shares, representing 6.51% of the paid-up equity share capital held by them in the Target Company on behalf of M/s. Rayban Investments to Mr. Praful A. Shah, being another partner of M/s. Rayban Investments.
5.	Relevant sub-clause of regulation 10(1)(a) under which the acquirer is exempted from making open offer	10(1)(a)(ii) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
6.	If, frequently traded, volume weighted average market price for a period of 60 trading days preceding the date of issuance of this notice as traded on the stock exchange where the maximum volume of trading in the shares of the TC are recorded during such period.	Weighted average market price is Rs.55.97 on National Stock Exchange of India Ltd. for a period of 60 trading days preceding the date of issuance of this notice.
7.	If in-frequently traded, the price as determined in terms of clause (e) of sub-regulation (2) of regulation 8.	Not Applicable
8.	Declaration by the acquirer, that the acquisition price would not be higher by more than 25% of the price computed in point 6 or point 7 as applicable.	Not Applicable. Since the transaction involved is inter-se transfer of shares amongst the Promoters i.e. transfer of legal ownership of shares from one partner to other partner of M/s. Rayban Investments - Partnership Firm, where the beneficial ownership continues to remain with the same Partnership Firm - M/s. Rayban Investments

9.	Declaration by the acquirer, that the transferor and transferee have complied / will comply with applicable disclosure requirements in Chapter V of the Takeover Regulations, 2011 (corresponding provisions of the repealed Takeover Regulations 1997)	I hereby declare that the transferor and transferee have complied / will comply with applicable disclosure requirements in Chapter V of the Takeover Regulations, 2011 (corresponding provisions of the repealed Takeover Regulations 1997).			
10.	Declaration by the acquirer that all the conditions specified under regulation 10(1)(a) with respect to exemptions has been duly complied with.	I hereby declare that all the conditions specified under regulation 10(1)(a) with respect to exemptions has been duly complied with.			
11.	Shareholding details	Before the proposed transaction		After the proposed transaction	
		No. of shares / voting rights	% w.r.t total share capital of TC	No. of shares / voting rights held	% w.r.t total share capital of TC
	a. Acquirer(s) and PACs (other than sellers)(*) PAC				
	1. Shri Praful A. Shah __ Karta of Shri Praful A. Shah (HUF)	10,02,667	2.62%	10,02,667	2.62%
	2. Smt. Shilpa P. Shah	5,54,325	1.45%	5,54,325	1.45%
	3. Shri Alok P. Shah	7,54,671	1.97%	7,54,671	1.97%
	4. Shri Suhail P. Shah	4,96,685	1.30%	4,96,685	1.30%
	5. Shri Rajen P. Shah	9,59,198	2.51%	9,59,198	2.51%
	6. Smt. Mita R. Shah	43,182	0.11%	43,182	0.11%
	7. Ms. Rajita R. Shah	13,424	0.04%	13,424	0.04%
	8. Ms. Archita R. Shah	13,424	0.04%	13,424	0.04%
	9. Shri Sanjay S. Shah	8,24,660	2.15%	8,24,660	2.15%
	10. Smt. Shyama S. Shah	68,863	0.18%	68,863	0.18%
	11. Introscope Properties Pvt. Ltd.	72,31,996	18.89%	72,31,996	18.89%
	12. Garden Finmark Ltd.	9,87,360	2.58%	9,87,360	2.58%
	13. Palomar Textiles Ltd.	2,42,712	0.63%	2,42,712	0.63%
	14. Vareli Trading Co. Ltd.	20	0.00%	20	0.00%
	15. Tissue Textiles (India) P. Ltd.	27,00,800	7.05%	27,00,800	7.05%
	16. Surat Textile Mills Ltd.	7,34,778	1.92%	7,34,778	1.92%
	Acquirer				
	17. Shri. Praful A. Shah (Individual)	27,89,190	7.28%	27,89,190	7.28%
	18. Shri. Praful A. Shah (Partner of M/s. Rayban Investments – Partnership Firm)	Nil	Nil	24,92,816	6.51%
	b. Seller (s) / Transferor Prabhat Silk Mills Ltd. _ Partner of M/s. Rayban Investments – Partnership Firm	24,92,816	6.51%	Nil	Nil
	TOTAL (a + b)	2,19,10,771	57.22%	2,19,10,771	57.22%

③ *Ashah*

Praful A. Shah
(Partner – M/s. Rayban investments)

Place: Surat

Date: 21.5.2012