Recommendations of the Committee of Independent Directors (IDC) of Soma Textiles & Industries Limited (the "Target Company"), pursuant to Regulation 26(7) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, on the Open Offer made for acquisition of 85,88,580 (Eighty five lakh eighty eight thousand five hundred eighty only) fully paid-up equity shares of face value of Rs. 10/- (Rupees ten only) each of the Target Company, from the Public Shareholders of the Target Company by KGPL Industries & Finvest Private Limited ("Acquirer").

1	Date	January 27, 2017
2	Name of the Target Company (TC)	**Soma Textiles & Industries Limited (STIL)**
3	Details of the Offer pertaining to TC	Open Offer made by **KGPL Industries & Finvest Private Limited** ("Acquirer") to acquire upto 85,88,580 Equity Shares, representing 26% of the total paid up Equity Share Capital of the Target Company pursuant to regulation 3(1) of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ("Takeover Code"). The offer price is payable to the shareholders as under : (a) Rs. 10.16 per Equity Share (inclusive of interest of Rs. 2.20) to the shareholders in respect of Equity Shares held by them in the Target Company as on March 14, 2014 and which are continued to be held as on date and are validly tendered / accepted in the open offer (b) Rs. 7.96 In respect of remaining Equity Shares not falling under (a) above which are validly tendered/accepted in the open offer
4	Name(s) of the acquirer and PAC with the acquirer	**KGPL Industries & Finvest Private Limited** There are no PACs for the purpose of this Open Offer
5	Name of the Manager to the Offer	**Arihant Capital Markets Limited**
6	Members of the Committee of Independent Directors *(Please indicate the chairperson of the Committee separately)*	1. Mr. Brij Kishore Hurkat, Chairman 2. Mr. Malay Harshadbhai Shah, Member 3. Mrs. Nisha Loyalka, Member
7	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. None of the IDC Members have any contract/ relationship with the Target Company at present.
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 of Target Company in the preceding twelve months.
9	IDC Member's relationship with the acquirer (Director, Equity shares owned, any other contract / relationship), if any.	None of the IDC members has any relationship with the Acquirer at present.
10	Trading in the Equity shares/other securities of the acquirer by IDC Members	NIL
11	Recommendation on the Open offer, as to whether the offer is fair and reasonable	The IDC has perused the Letter of Offer and other documents as released and published by Arihant Capital Markets Limited on behalf of the Acquirer. Based on the above, the IDC is of opinion that the open offer price to the Public shareholders of the Target Company is deemed to be in compliance with the Regulation 8(2) of the SEBI (Substantial Acquisition and Takeovers) Regulations, 2011, as amended up to date and to that extent is fair and reasonable. However, IDC would like to draw attention of the shareholders on the current share price being higher than offer price.
12	**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)*	i) Based on the review of the Public Announcement (PA) dated November 16, 2016, the Detailed Public Statement (DPS) dated November 23, 2016, the Draft Letter of Offer (DOD) dated November 30, 2016, filed with SEBI, the IDC Members are of the opinion that the Offer Price by the Acquirer as indicated under serial (3) above is in accordance with the relevant regulations prescribed in the Takeover Code and prima facie appears to be justified. ii) Though STIL has been making losses during the recent past years due to depressed and adverse market conditions, increasing input cost and other relevant factors in India, the promoter viz. KGPL Industries & Finvest Private Limited believes that the market holds growth prospects. Therefore, the Offer price seems fair and reasonable, considering the current market conditions and scale of business operations. iii) This is an Open Offer for acquisition of publicly held equity shares. The Shareholders have an option to tender the shares or remain Invested.
13	Details of Independent Advisors, if any.	None
14	Any other matter 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 omission of any information or otherwise, and includes all the information required to be disclosed by the TC under the Takeover Code.

For Soma Textiles & Industries Limited
Sd/-
Brij Kishore Hurkat
Chairperson – Independent Directors Committee

Place: Ahmedabad
Date: January 27, 2017