OFFER OPENING PUBLIC ANNOUNCEMENT UNDER REGULATION 18(7) OF THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011, AS AMENDED, FOR THE ATTENTION OF THE SHAREHOLDERS OF

KAKATIYA TEXTILES LIMITED

Registered Office: "Elgi Towers", Green Fields, 737 D, Puliakulam Road, Coimbatore - 641 045
Tel. No.: +91 422 2311711, Fax No.: +91 422 2311611, E-Mail ID: investorskaktex@ssh.saraelgi.com, Website: www.kakatiyatextiles.com

This advertisement is issued by Mark Corporate Advisors Private Limited **('Manager to the Offer')** for and on behalf of Mr. Ravindra Nath Vanka **('Acquirer 1')**, Mrs. Raja Kumari Vanka **('Acquirer 2')**, Mr. Raghuveer Vanka **('Acquirer 3')** and Ms. Ravali Vanka **('Acquirer 4')** (hereinafter collectively referred to as **'Acquirers'**) pursuant to Regulation 18(7) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended **["SEBI (SAST) Regulations"]**, in respect of the Open Offer to acquire 15,10,800 Equity Shares of ₹10 each of Kakatiya Textiles Limited **('KTL'/'Target Company')** representing 26% of the Subscribed Equity Share Capital of the Target Company. The Detailed Public Statement **("DPS")** with respect to the Offer was published on May 11, 2015 (Monday) in the following newspapers:

Publications	Language	Edition(s)
Financial Express	English	All Editions
Jansatta	Hindi	All Editions
Mumbai Lakshadeep	Marathi	Mumbai Edition
Makkal Kural	Tamil	Coimbatore Edition

1) The Offer Price is ₹7.00 (Rupees Seven only) per fully paid-up Equity Share and ₹2.00 per partly paid-up Equity Share **('Offer Price')** in terms of Regulation 8(13) of SEBI (SAST) Regulations, 2011.
2) The Committee of Independent Directors **("IDC")** of the Target Company has issued the following recommendation (relevant extract) on the Offer, which was published on August 10, 2015 (Monday) in the above mentioned newspapers:

Recommendation on the Open offer, as to whether the offer is fair and reasonable	IDC is of the view that Open Offer is fair and reasonable.
Summary of reasons for recommendation	IDC has taken into consideration the following for making the recommendation: IDC has reviewed (a) the Public Announcement ("PA") dated May 04, 2015 in connection with the Offer issued on behalf of the Acquirers (b) The Detailed Public Statement ("DPS") which was published on May 11, 2015 and (c) the Letter of Offer ("LoF") dated July 31, 2015 (d) Provisional Financials for FY 2014-2015 of the Target Company. Based on the review of PA, DPS, LoF and Financials of the Target Company, the IDC is of the opinion that the Offer Price of ₹7.00 (Rupees Seven only) per fully paid-up Equity Share and ₹2.00 (Rupees Two only) per partly paid-up Equity Share offered by the Acquirers (more than the highest price amongst the selective criteria mentioned under Justification of Offer Price) is in line with the regulation prescribed by SEBI under the SEBI (SAST) Regulations and prima facie appears to be justified.

3) There was no Competitive Bid.
4) The Registrar to the Offer has confirmed that the Letter of Offer to the shareholders of the Target Company whose name appears as on the Identified Date i.e. July 29, 2015 have been dispatched on August 05, 2015.
5) Please note that a copy of the LoF (including Form of Acceptance) is also available on Securities and Exchange Board of India **("SEBI")** website (http://www.sebi.gov.in). Registered/unregistered Shareholders/Owner of shares, if they so desire may also apply on the Form of Acceptance downloaded from the SEBI's website. Further, in case of non-receipt/non-availability of the Form of Acceptance, the application can also be made on plain paper along with the following details:
   a) **In case of Equity Shares held in physical form:** Name of the Shareholder, Address, number of Equity Shares held, number of Equity Shares tendered, distinctive numbers, folio numbers together with the original share certificate(s), valid transfer deed(s) duly executed and witnessed along with the self attested copy of PAN card of the Shareholder should be sent to **Bigshare Services Private Limited** E/2, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (E), Mumbai - 400 072. **Tel. No.**: +91 22 4043 0200; **Fax No.:** +91 22 2847 5207 **E-Mail:** openoffer@bigshareonline.com; **Contact Person:** Mr. Ashok Shetty either by hand delivery on weekdays or by Registered Post, at their sole risk, so as to reach the Registrar to the Offer, on or before the close of the Offer i.e., not later than August 25, 2015 (Tuesday), in accordance with the instructions specified in the Letter of Offer and in the Form of Acceptance-cum-Acknowledgement.
   b) **In case of Equity Shares held in dematerialized form:** Name of the Shareholder, Address, number of Equity Shares held, number of Equity Shares tendered, DP name, DP ID, beneficiary account number and a photocopy or counterfoil of the delivery instructions in "Off market" mode, duly acknowledged by the beneficial owner's depository participant, in favour of the Depository Escrow Account, whose details are as follows:

Account Name	:	BSPL Escrow A/c-KTL Open Offer
DP Name	:	HDFC Bank Limited
DP ID	:	IN301549
Beneficiary ID/Client ID	:	51833858
ISIN	:	INE092E01011
Market	:	Off-Market
Depository	:	National Securities Depository Limited

   Shareholders having their beneficiary account in CDSL have to use inter-depository delivery instruction slips for crediting their Equity Shares in favour of the Depository Escrow Account "**BSPL Escrow A/c- KTL Open Offer**" maintained with NSDL. Above mentioned documents should be sent to the Registrar to the Offer.
6) All comments received from SEBI by way of their letter dated July 27, 2015 in terms of Regulation 16(4) of the SEBI (SAST) Regulations, have been suitably incorporated in the Letter of Offer and also in this advertisement to the extent applicable.
7) The Networth of the Target Company was eroded more than 50% in the FY 2002-2003 and completely in FY 2003-2004 as defined under SICA, 1985. The Target Company was to be referred to the BIFR in terms of Section 23 of SICA, 1985. However, the management of the Target Company at that point of time did not file reference to BIFR, as they were hopeful to turnaround the operations of the Company and make the Networth positive on its own. The Target Company neither had any borrowings from any Bank/Secured Creditors nor any other Statutory Liability for which they had to seek any relief or concession.

   As per unaudited but certified financials as on June 30, 2015, the Networth of the Target Company has turned positive and it is ₹8.68 Lakhs. The Acquirers intend to turnaround the operations of the Company and thereby the Company may revive on its own.

   Any action by BIFR may adversely impact the management controlling at the time of Violation. However, it will not have any implication for and impact on the public shareholders.
8) If the Voting Rights of the Acquirers exceeds 75% of the Voting Rights including Shares agreed to be acquired through SPA and the shares acquired under Open Offer, the Acquirers will restrict their acquisition from Sellers to such extent that the Acquirers aggregate holding does not cross 75% of the Voting Rights.
9) The Acquirers may, in terms of first proviso to Regulation 24(1) of the SEBI (SAST) Regulations, 2011 after the expiry of fifteen (15) working days, subject to the Acquirers depositing in the Escrow Account under Regulation 17, cash of an amount equal to 100% of the consideration payable under the Open Offer assuming full acceptance, reconstitute the Board of Directors of the Target Company by appointing their representatives, as they may deem fit. Accordingly, the Acquirers have deposited an additional amount and the amount lying in the Escrow Account is more than 100%. Mr. Ravindra Nath Vanka and Mrs. Raja Kumari Vanka (Acquirers) have intended for their induction on the Board of the Target Company.

   Further, the Acquirers may also, in terms of Regulation 22(2) of SEBI (SAST) Regulations, 2011 subject to and in compliance of Regulation 17, upon expiry of twenty-one (21) working days from date of the Detailed Public Statement ('DPS'), complete the acquisition of subscription shares pursuant to the Share Purchase Agreement ('SPA'). However, they have intended to complete the acquisition upon the completion of the takeover formalities/payment of consideration to the shareholders who have surrendered their shares in the Open Offer.
10) Pursuant to completion of this Offer, assuming full acceptance, the public shareholding in the Target Company will fall below the minimum public shareholding requirement as per the Securities Contract (Regulation) Rules, 1957 as amended and the Listing Agreement. However, the Acquirers will restrict their acquisition from Sellers named under SPA to such extent that the Acquirers holding do not cross 75% of the Voting Rights.
11) The Revenue of the Target Company has fallen sharply in FY 2014-2015 compared to FY 2013-2014 mainly due to fall in demand of the products of the company on account of downturn in the economy.
12) **Share Capital Structure:**

   The Equity Share Capital structure of the Target Company is as follows:

Paid-up Shares	No. of Equity Shares/Voting Rights	% of Equity Shares/Voting Rights
Fully Paid-up Equity Shares	57,75,200/57,75,200	99.39%/99.69%
Partly Paid-up Equity Shares	35,400/17,700	0.61%/0.31%
Total Paid-up Equity Shares	58,10,600/57,92,900	100%/100%

13) Pre and Post-Offer Shareholding Pattern of the Target Company based on Subscribed Capital have been disclosed under point no. 5.17 (a) on page no. 12 of the LoF.
14) The Fair Price of ₹5.50 per share has been determined taking into account the methodology adopted under Hindustan Lever Employees Union vs Hindustan Lever Ltd case.
15) In view of the parameters considered and presented under point no. 6.1.3 on page no. 15 of the LoF and in the opinion of the Acquirers and Manager to the Offer, the Offer Price of ₹7.00 (Rupees Seven only) per fully paid-up Equity Share is justified in terms of Regulation 8(2) of the SEBI (SAST) Regulations and Offer Price of ₹2.00 (Rupees Two Only) per Equity Share for partly paid-up Equity Share is justified in terms of Regulation 8(13) of SEBI (SAST) Regulations.
16) The total funds required for implementation of the Offer assuming full acceptance, would be ₹1,05,75,600 (Rupees One Crore Five Lakhs Seventy Five Thousand and Six Hundred only) (assuming all the fully paid-up Equity Shares will be surrendered in the Open Offer i.e. 15,10,800 fully paid-up Equity Shares of ₹10 each at a price of ₹7.00 per fully paid-up Equity Share) **("Maximum Consideration")**.
17) The Acquirers deposited an additional amount of ₹56,00,000 (Rupees Fifty Six Lakhs only) in the account aggregating to ₹1,06,00,000 (Rupees One Crore and Six Lakhs only) being more than 100% of the Maximum Consideration. The cash deposit in the Escrow Account has been confirmed vide the statement of account/Certificate dated July 30, 2015 issued by the Escrow Banker.
18) NRI and OCB holders of the Equity Shares must obtain all approvals required to tender the Equity Shares held by them in this Offer (including, without limitation the approval from the RBI) and submit such approvals along with the Form of Acceptance-cum-Acknowledgement and other documents required to accept this Offer. Further, if the Shareholders who are not persons resident in India (including NRIs, OCBs and FIIs) require or had required any approvals (including from the RBI or the FIPB or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals that they would have obtained for holding the Equity Shares, to tender the Equity Shares held by them in this Offer, along with the other documents required to accept this Offer. If, the Equity Shares are held under general permission of the RBI, the non-resident Shareholder should state that the Equity Shares are held under general permission and clarify whether the Equity Shares are held on repatriable basis or non repatriable basis. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered in this Offer.
19) Non Resident Shareholders should also enclose a copy of permission received from RBI for the Shares held by them and No Objection Certificate/ Tax Clearance Certificate from the Income Tax Authorities under the Income Tax Act, 1961, indicating the amount of tax to be deducted by the Acquirers before remitting the consideration. In case, the aforesaid No Objection Certificate is not submitted, the Acquirers will arrange to deduct the tax at the maximum marginal rate as may be applicable to the Shareholder, on the entire consideration amount payable.
20) **Schedule of Activities:**

   The Schedule of Activities has been revised and the necessary changes have been incorporated in the LoF at all the relevant places. The Revised Schedule of Activities is in compliance with the applicable provisions of SEBI (SAST) Regulations, 2011 are as under.

Nature of Activity	Original Day & Date	Revised Day & Date
Date of Public Announcement	Monday, May 04, 2015	Monday, May 04, 2015
Date of publishing the Detailed Public Statement	Monday, May 11, 2015	Monday, May 11, 2015
Last date for filing of Draft Letter of Offer with SEBI	Monday, May 18, 2015	Monday, May 18, 2015
Last date of a Competing offer	Monday, June 01, 2015	Monday, June 01, 2015
Latest date by which SEBI's observations will be received	Monday, June 08, 2015	Monday, July 27, 2015
Identified Date*	Wednesday, June 10, 2015	Wednesday, July 29, 2015
Last date by which the Letter of Offer will be dispatched to the Shareholders' (Except the Acquirers and Sellers as on the identified date)	Wednesday, June 17, 2015	Wednesday, August 05, 2015
Last Date for revising the Offer Price/number of shares	Friday, June 19, 2015	Friday, August 07, 2015
Last date by which the recommendation of the committee of Independent Directors of the Target Company will be given and published	Monday, June 22, 2015	Monday, August 10, 2015
Date of pre offer advertisement for Opening the Offer	Tuesday, June 23, 2015	Tuesday, August 11, 2015
Date of Commencement of the Tendering Period (Offer opening date)	Wednesday, June 24, 2015	Wednesday, August 12, 2015
Date of Closing of the Tendering Period (Offer closing date)	Tuesday, July 07, 2015	Tuesday, August 25, 2015
Last date for communicating Rejection/acceptance and payment of consideration for accepted equity shares or equity share certificate/return of unaccepted share certificates/credit of unaccepted shares to demat account	Tuesday, July 21, 2015	Tuesday, September 08, 2015

**Identified Date is only for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer will be sent. It is clarified that all the shareholders (registered or unregistered) of the Target Company (except the Acquirers and the Promoter/Promoter Group Sellers) are eligible to participate in this Offer any time during the tendering period of the Offer.*

Capitalized terms used in this advertisement, but not defined herein, shall have the same meanings assigned to such terms in the PA, DPS and the Letter of Offer. This advertisement is expected to be available on SEBI's website (http://www.sebi.gov.in)

Issued by the Manager to the Offer:

MARK

MARK CORPORATE ADVISORS PRIVATE LIMITED
CIN: U67190MH2008PTC181996
404/1, The Summit Business Bay, Sant Janabai Road (Service Lane), Off W. E. Highway, Vile Parle (East), Mumbai - 400 057
Telefax No.: +91 22 2612 3207/08, **Contact Person:** Mr. Manish Gaur
Email: openoffer@markcorporateadvisors.com, **SEBI Regn No.:** INM000012128

For and on behalf of the Acquirers:
Sd/-
Ravindra Nath Vanka ('Acquirer 1')
(*For himself and duly constituted Power of Attorney holder for Acquirer 2, Acquirer 3 and Acquirer 4*)

Place : Mumbai
Date : August 11, 2015

PRESSMAN

Size : 16(w) x 50(h)