

KANSAL FIBRES LIMITED

("KFL" /"TARGET COMPANY"/ "TC")

Registered Office: 281, Industrial Area-A, Ludhiana, Punjab - 141003

Phone No. +91-0161-5095958

Email id: kansalfibersltd@gmail.com Website:www.kansalfibres.com

Recommendations of the Committee of Independent Directors (IDC) on the Open Offer to the Equity Shareholders of the Kansal Fibres Limited by Laxmi Edifice Pvt. Ltd (Acquirer) pursuant to Regulation 26 (7) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

1.	Date	15/01/2014
2.	Name of the Target Company	Kansal Fibres Limited
3.	Details of the Offer pertaining to Target Company	Pursuant to Regulation 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 Acquirer to the equity shareholders of the Target Company for Acquisition of 15,34,182 (including 2,27,800 equity shares on which call money is pending) Equity Shares representing 26% of Issued and Subscribed Capital and 27.04% of the Voting Capital of the Target Company at an offer price of Re. 1/- per fully paid up equity share of Rs. 10/- each and Re. 0.50 paise for partly paid up equity share of Rs. 5/- each payable in Cash.
4.	Name(s) of the acquirer and PAC with the acquirer	M/s. Laxmi Edifice Pvt. Ltd (Sole Acquirer) and There is no Person Acting in Concert with the Acquirer.
5.	Name of the Manager to offer	Comfort Securities Limited A-301, Hetal Arch, S V Road, Malad (W), Mumbai - 400064 Tel nos.: 022- 28449765/28449766 Fax no.: 022- 28892527 Contact Person : Ms. Mayuri Thakkar / Mr. Ankur Agrawal Email: mayurithakkar@comfortsecurities.co.in / ankur@comfortsecurities.co.in Website: www.comfortsecurities.co.in
6.	Members of the Committee of Independent Directors ("IDC")	Chairman : Mr. Bipin Mangaldas Patel Member : Mr. Mayur Manubhai Shah
7.	IDC Member's relationship with the Target Company (Director, Equity shares owned, any other contract / relationship), if any	None of the members of IDC holds any equity shares of the Target Company and does not have any other relationships or interest in the Target Company.
8.	Trading in the Equity shares/other securities of the Target Company by IDC Members	None of the members of the IDC have done any trading in Equity Shares of the Target Company since their appointment
9.	IDC Member's relationship with the acquirer (Director, Equity shares owned, any other contract / relationship), if any.	None of the members of the IDC hold any equity shares in the Acquirer nor have any relationship with the Directors of the Acquirer.
10.	Trading in the Equity shares/other securities of the acquirer by IDC Members	Not applicable as equity shares of the Acquirer is not listed on any Stock Exchanges in India or abroad.
11.	Recommendation on the Open offer, as to whether the offer, is or is not, fair and reasonable	IDC members believe that the Open Offer is fair and reasonable
12.	Summary of reasons for recommendation	IDC recommends acceptance of the open offer made by the Acquirer is fair and reasonable in the light of the following: 1. The Equity Shares of the Target Company are not frequently traded shares within the meaning of explanation provided in Regulation 2(j) of the SEBI (SAST) Regulations, 2011. 2. The Fair Value of shares of the Target Company is Negligible as certified vide Valuation certificate dated 5th December 2013, issued by Mr. Ashish Sewak of M/s. Singhal & Sewak, Chartered Accountants. In the above circumstances the Open Offer is fair and reasonable.
13.	Details of Independent Advisors, if any.	Nil
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 Target Company under the Takeover Code.

Date: 15.01.2014

Place: Ludhiana

For KANSAL FIBRES LIMITED
Sd/-
BIPIN MANGALDAS PATEL
CHAIRMAN OF THE COMMITTEE
OF INDEPENDENT DIRECTORS