THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer (LOF) is sent to you as a shareholder(s) of **Soma Textiles And Industries Limited ("Target Company" / "TC").** If you require any clarification(s) about the action to be taken, you may consult your stock broker or investment consultant or Manager to the Offer/ Registrar to the Offer. In case you have recently sold your Shares in the Target Company, please hand over this LOF and the accompanying Form of Acceptance cum Acknowledgement and Transfer Deed to the Member of Stock Exchange through whom the sale was effected.

OPEN OFFER by KGPL Industries & Finvest Private Limited, (CIN : U26100MH1969PTC014312) having its registered office at 1st floor, Vaswani Mansion, Dinshaw Vachha Road, Churchgate, Mumbai – 400 020; Tel: 022 2282 6076 ; email:raja.sharma730@gmail.com (hereinafter referred to as "**Acquirer**")

to the existing shareholders of **SOMA TEXTILES AND INDUSTRIES LIMITED** [CIN: L51909WB1940PLC010070]

Regd Office: 2 Red Cross Place, Kolkata – 700 001; Tel: 033-22487406 / 07; e-mail : rssharma@somatextiles.com

TO ACQUIRE 85,88,580 Equity Shares of Rs.10/- each, representing in aggregate 26% of the fully diluted voting Equity Share Capital of the Target Company, for cash at a price of Rs. 7.50 per Equity Share.

Notes:

1. The Offer is being made by the Acquirer pursuant to the Regulation 3(1) read with Regulation 3(3) and 13(2) of Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 2011 (**SEBI SAST Regulations**)
2. This Offer is not conditional to any minimum level of acceptance.
3. This is not a competing offer.
4. There are no statutory approvals required to acquire equity shares that are tendered pursuant to this Open Offer. The Open Offer would be subject to all the statutory approvals that may become applicable at a later date before the completion of the Open Offer.
5. The Acquirer may revise the Offer Price at anytime upto 3 working days prior to the opening of the tendering period of the Offer. Any upward revision/withdrawal, if any, of the Offer would be informed by way of another Announcement in the same newspapers and editions in which the original Detailed Public Statement had appeared. Consideration at the same rate will be paid by the Acquirer for all equity shares tendered anytime during the Offer.
6. **There was no competing offer**
7. A copy of the public announcement, detailed public statement and the LOF (including Form of Acceptance-cum-Acknowledgement) are also available on Securities and Exchange Board of India's (SEBI) website: www.sebi.gov.in.

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
ARIHANT capital markets ltd. **Merchant Banking Division** SEBI REGN NO.: INM 000011070 #1011, Solitaire Corporate Park, Guru Hargovindji Road, Chakala, Andheri (E), Mumbai – 400 093 Tel : 022-42254800; Fax : 022-42254880 Email: mbd@arihantcapital.com **Contact Persons: Mr. Satish Kumar P. / Mr. Ankur Sharma**	**Sharex Dynamic (India) Pvt Ltd** SEBI Registration No. INR 000002102 Unit – 1, Luthra Industrial Premises, Andheri Kurla Road, Safed Pool, Andheri (E), Mumbai – 400 072. Tel No.: +91- 22- 2851 5606 / 5644; Fax No.: +91- 22- 2851 2885 Email: sharexindia@vsnl.com Website: www.sharexindia.com. **Contact Person: Mr. B. S. Baliga**

The Schedule of activities is as follows:

Activity	Schedule
Public Announcement Date	Wednesday, November 16, 2016
Detailed Public Statement Date	Wednesday, November 23, 2016
Filing of draft Letter of Offer with SEBI	Wednesday, November 30, 2016
Last date for competing offer	Thursday, December 15, 2016
SEBI observations on draft LOF	Thursday, December 22, 2016
Identified Date (this is only for the purpose of determining the shareholders to whom the LOF shall be sent)	Monday, December 26, 2016
Date by which LOF will be despatched to the shareholders	Monday, January 2, 2017
Last date by which the Board of TC shall give its recommendation	Thursday, January 5, 2017
Issue Opening Advertisement Date	Friday, January 6, 2017
Date of commencement of tendering period (open date)	Monday, January 9, 2017
Date of expiry of tendering period (closure date)	Friday, January 20, 2017
Date by which all requirements including payment of consideration would be completed	Monday, February 6, 2017

RISK FACTORS

Risk Factors relating to the proposed Offer

1. In the event that either (a) the regulatory approvals are not received in a timely manner; (b) there is any litigation leading to a stay on this offer, or (c) SEBI instructs the Acquirer to comply with certain conditions before proceeding with the offer, then the offer procedure may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the public shareholders of the Target Company, whose shares have been accepted in the offer as well as the return of shares not accepted by the Acquirers, may be delayed. In case of delay in receipt of any statutory approval, SEBI has the power to grant extension of time to the Acquirers for payment of consideration to the public shareholders of the Target Company who have accepted the Offer within such period, subject to the Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI SAST Regulations, 2011.
2. **As per Regulation 18(9) of SEBI SAST Regulations, 2011, Shareholders who have tendered shares in acceptance of the open offer shall not be entitled to withdraw such acceptance during the tendering period, even if the acceptance of shares under the Offer and dispatch of consideration gets delayed.**
3. In the event of over-subscription to the Offer, the acceptance will be on a proportionate basis.
4. The tendered shares and the documents would be held in trust by the Registrar to the Offer until the completion of Offer formalities and during this period, shareholders who have tendered their shares in the Offer will not be able to trade in the shares on the Stock Exchanges or take advantage of upward movement in the share price, if any. Accordingly, the Acquirer makes no assurance with respect to any decision by the shareholders on whether or not to participate in the offer.
5. The Acquirer and the Manager to the Offer accept no responsibility for statements made otherwise than in the Letter of Offer (LOF)/ Detailed Public Statement (DPS)/Public Announcement (PA) and anyone placing reliance on any other sources of information (not released by the Acquirer) would be doing so at his / her / its own risk.

Probable risks involved in associating with the Acquirer

1. The Acquirer makes no assurance with respect to the financial performance of the Target Company after completion of Open Offer and disclaims any responsibility with respect to any decision by the Shareholders on whether or not to participate in the Offer.
2. The Acquirer makes no assurance with respect to its investment/divestment decisions relating to its proposed shareholding in the Target Company.
3. The Acquirer does not provide any assurance with respect to the market price of the Equity Shares of the Target Company before, during or after the Offer.

The risk factors set forth above, pertain to the Offer and associating with the Acquirer, and are not in relation to the present or future business or operations of the Target Company or any other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a shareholder in the Offer. Shareholders of the Target Company are advised to consult their stockbrokers or investment consultants, if any, for analysing all the risks with respect to their participation in the Offer

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1. DEFINITIONS/ABBREVIATIONS

The following definitions apply through this document, unless the context requires otherwise:

1.	Acquirer	KGPL Industries and Finvest Private Limited
2.	Book Value	Book Value of each Equity Share as on the date referred to
3.	BSE	BSE Limited
4.	DPS/ Detailed Public Statement	Announcement of this Offer published on behalf of the Acquirer to the Shareholders of the Target Company on November 23, 2016 in Business Standard, English and Hindi (all editions), Mumbai Lakshwadeep (Mumbai) and Duranta Barta (Kolkata)
5.	Eligible Person(s) for the Offer	All owners (registered or unregistered) of Shares of Target Company (other than the Promoters, Acquirer and deemed PACs) anytime before the closure of the Offer
6.	EPS	Earnings per Equity Share
7.	FOA/Form of Acceptance	Form Of Acceptance Cum Acknowledgement
8.	Identified Date	Being the date for the purpose of determining the names of the Shareholders to whom the Letter of Offer will be sent
9.	Letter of Offer / LOF	This Letter of Offer
10.	Maximum Consideration	Total consideration payable by the Acquirer under this Offer assuming full acceptance by Eligible Person(s) for the Offer, amounting to Rs. 6,44,14,350/- (Rupees Six Crore Forty Four Lakhs Fourteen Thusand Three Hundred Fifty only)
11.	Merchant Banker/ Manager to the Offer	Arihant Capital Markets Limited
12.	NAV	Net Asset Value per Equity Share
13.	NRI(s)	Non Resident Indians and persons of Indian origin residing abroad
14.	NSE	National Stock Exchange of India Limited
15.	Offer	Open Offer being made by the Acquirer for acquisition of 85,88,580 Equity Shares to the public shareholders, representing 26% of the fully diluted paid up voting equity share capital of the Target Company at the Offer Price payable in cash.
16.	Offer Price	Rs. 7.50 per Equity Share
17.	Public Announcement or PA	Public Announcement filed on November 16, 2016 with BSE, NSE, SEBI and the Target Company.
18.	PAT	Profit after Tax
19.	PBDIT	Profit Before Depreciation, Interest and Tax
20.	PBT	Profit Before Tax
21.	RBI	Reserve Bank of India
22.	Registrar to the Offer	Sharex Dynamic (India) Private Limited

23.	SEBI SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 2011 as amended till date
24.	SEBI	Securities and Exchange Board of India
25.	Share(s)	Fully paid-up Equity Shares of face value of Rs. 10/- each of the Target Company
26.	Shareholders	Shareholders of the Target Company
27.	Target Company/ the Company	Company whose Equity Shares are proposed to be acquired viz. Soma Textiles And Industries Limited
28.	Tendering Period	Period within which shareholders may tender their shares in acceptance of this open offer i.e. from January 9, 2017 to January 20, 2017

2. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF SOMA TEXTILES AND INDUSTRIES LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER(S), PACs OR THE COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRERS DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER M/S. ARIHANT CAPITAL MARKETS LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED NOVEMBER 30, 2016 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAYBE REQUIRED FOR THE PURPOSE OF THE OFFER.

3. DETAILS OF THE OFFER

3.1 Background of the Offer

3.1.1 This Open Offer is being made by KGPL Industries and Finvest Private Limited (hereinafter referred to as the "Acquirer").

3.1.2 The Acquirer acquired 16,20,000 Equity Shares of the Target Company (constituting 4.90% of its paid-up capital) through open market purchase on March 14, 2014. This acquisition clubbed with their prior holding of 66,77,716 Equity Shares constituting 20.22% of the paid-up capital resulted in the Acquirer's post-acquisition holding increasing to 25.12% of the paid-up capital of the Target Company thereby breaching the threshold limit of 25% as stipulated in Regulation 3(1) of the SEBI SAST Regulations.

3.1.3 In terms of Regulation 3(1) read with Regulations 3(3) and 13(2) of the SEBI SAST Regulations, prior to placement of the purchase order to acquire shares on March 14, 2014, the Acquirer was under an obligation to make a public announcement (PA) of an open offer for acquiring Equity Shares of the Target Company from the public shareholders.

3.1.4 As no PA was made by the Acquirer as stipulated under the Regulation 3(1) of the SEBI SAST Regulations, SEBI, after issuance of show cause notice, directed the Acquirer, vide its order WTM/RKA/EFD/83/2016 dated July 5, 2016 to make a public announcement to acquire Equity Shares of the Target Company in accordance with the provisions of the SEBI SAST Regulations within a period of 45 days from its order (*i.e. by August 19, 2016*). The Acquirer was also directed to pay interest @ 10% p.a. from June 9, 2014 (*being the estimated date of payment of consideration had the Acquirer made the PA on March 14, 2014*) till the date of payment of consideration to the shareholders who were holding shares in the Target Company as on the date of violation (*i.e. March 4, 2014*) and whose shares are accepted in the open offer, after adjustment of dividend paid, if any.

3.1.5 Upon an application by the Acquirer, the Hon'ble Securities Appellate Tribunal (SAT), vide their Order dated September 28, 2016, permitted the Acquirer time till December 31, 2016 to comply with the SEBI's Order of July 5, 2016.

3.1.6 The present open offer, being made in compliance with the Order of SEBI, is to acquire 85,88,580 Equity Shares of face value of Rs.10/- each, representing 26% of the fully diluted voting Equity Share capital of the Target Company, at a price of Rs. 7.50 per Equity Share [including interest @ 10% p.a. for the period from June 9, 2014 (*being the date of payment of consideration had the Acquirer made the PA on March 14, 2014*) till February 6, 2017 (*being the expected date of payment of consideration to the shareholders under the present open offer*)].

3.1.7 As the present open offer is being made by the existing Promoter, there will not be any change of control of management.

3.1.8 The Target Company and the Acquirer have not been prohibited by SEBI from dealing in securities, in terms of directions issued pursuant to Section 11B of the SEBI Act, 1992 or under any of the Regulations made under the SEBI Act.

3.1.9 The Board of the Target Company has in accordance with Regulation 26(6) of the SEBI SAST Regulations, constituted a committee of independent directors who would provide its written reasoned recommendation on the Offer to the Shareholders of the Target Company. In accordance with Regulation 26(7), the committee of independent directors of the Target Company shall provide their reasoned recommendations on this open offer to its shareholders and the Target Company shall in accordance with Regulation 26(6), cause to publish such recommendation atleast two working days before the commencement of the tendering period, in the same newspapers where the Detailed Public Statement (DPS) of the Offer was published.

3.2 Details of the proposed Offer

3.2.1 A detailed public statement, as per Regulation 14 (3) of the SEBI SAST Regulations, was made in the following Newspapers, on November 23, 2016:

Newspaper	Language of the Newspapers	Editions
Business Standard	English and Hindi	All
Duranta Bharta	Bengali	Kolkata
Mumbai Lakshadweep	Marathi	Mumbai

Copy of the detailed public statement is also available at SEBI's website: www.sebi.gov.in

3.2.2 The Acquirer is making an open offer in terms of Regulation 3(1) read with Regulations 3(3) and 13(2) of the SEBI SAST Regulations as aforesaid, to the public equity shareholders of the Target Company to acquire up to 85,88,580 Equity Shares of Rs. 10/- each representing 26% of the fully diluted paid up equity voting share capital of the Target Company, at a price of Rs 7.50 per Share ("Offer Price") payable in cash subject to the terms and conditions set out in the Public Announcement, DPS and this Letter of Offer

3.2.3 The Offer price is Rs. 7.50 per Equity Share. There are no partly paid up shares.

3.2.4 There is no differential pricing for the shares proposed to be acquired under the open offer.

3.2.5 This is not a competing offer.

3.2.6 The Offer is not subject to any minimum level of acceptance from the shareholders i.e. it is not a conditional offer and the Acquirer will be obliged to acquire all the equity shares tendered in response to the Offer, subject to a maximum of 85,88,580 Equity Shares that are tendered in the valid form in terms of the Offer subject to the terms and conditions mentioned in the DPS and the Letter of Offer ("LOF") to be mailed to the shareholders of the Target Company.

3.2.7 All the shares to be tendered in the Open Offer shall be free from lien, charge and encumbrances of any kind whatsoever.

3.2.8 There was no competing offer.

3.2.9 The Acquirer has not purchased any Shares of the Target Company after the date of Public Announcement (PA).

3.3 Object and Purpose of Acquisition/offer and Future Plans

3.3.1 The Acquirer is one of the Promoters of the Target Company. The present open offer is being made consequent to the direction of SEBI for certain non-compliances of the SEBI SAST Regulations during March 2014 by the Acquirer.

3.3.2 The Acquirer does not currently have any plans to dispose off or otherwise encumber any assets of the Target Company in the succeeding two years from the date of closure of the Offer, except in the ordinary course of business. The Acquirer undertakes that they shall not sell, dispose of or otherwise encumber any substantial assets of the Target Company except with the prior approval of the Shareholders in compliance with Regulation 25(2) of the SEBI SAST Regulations, 2011.

4 BACKGROUND OF THE ACQUIRER

The Offer is being made by KGPL Industries and Finvest Private Limited (**"KGPL" / "Acquirer"**), one of the Promoters of the Target Company.

4.1 KGPL Industries and Finvest Private Limited was incorporated on June 23, 1969 under the Companies Act, 1956 with the Registrar of Companies, Maharashtra as as Krishnaa Glass Private Limited. Pursuant to requisite Resolution passed in terms of Section 21 of the Companies Act, 1956 and the approval of the Central Government accorded, the name of the Acquirer was changed to KGPL Industries & Finvest Private Limited and a fresh Certificate of Incorporation consequent upon change of name was issued by the Deputy Registrar of Companies, Maharashtra, Mumbai on October 19, 2007.

4.2 The Registered Office of KGPL is situated at 1st floor, Vaswani Mansion, Dinshaw Vachha Road, Churchgate, Mumbai – 400 020; Tel: 022 22820 6076; email: raja.sharma730@gmail.com; CIN : U26100MH1969PTC014312.

4.3 KGPL is promoted by Mr. Arvind Kumar Somany, Mr. Surendra Kumar Somany and their family members / associates.

4.3.1 Mr. Arvind Kumar Somany

Mr. Arvind Somany is part of the existing Promoter Group of the Target Company. He is son of Mr. Surendra Kumar Somany.

Mr. Arvind Somany, is a Science Graduate. He has an experience of about 29 years in Textile industry. He was the Chairman of Ahmedabad Mill Owners' Association for 2003-2004 and has been a member of The Indian Cotton Mills' Federation and several other committees constituted by governmental bodies.

He holds the position of Directorship in the following companies / organisation :

Name of the Company	Designation	Listed at
Soma Textiles & Industries Limited	Managing Director	BSE & NSE
Pudumjee Industries Limited	Director	BSE & NSE
KGPL Industries & Finvest Private Limited	Director	Unlisted
Confederation of Indian Textile Industry	Member	Unlisted

4.3.2 Mr. Surendra Kumar Somany

Mr. Surendra Kumar Somany is part of the existing Promoter Group of the Target Company.

Mr. Surendra Kumar Somany, a commerce graduate, has more than six decades experience in administration and management in Textile and other Industries.

He holds the position of Directorship in the following companies / organisation :

Name of the Company	Designation	Listed at
Soma Textiles & Industries Limited	Chairman	BSE & NSE
The Jamshri Ranjitsinghji Spinning And Weaving Mills Company Limited	Director	BSE & NSE
Simplex Realty Limited	Director	BSE & NSE
The Nav Bharat Refrigeration And Industries Limited	Director	BSE & NSE
Somany Evergreen Knits Limited	Director	Unlisted
Shreelekha Global Finance Limited	Director	Unlisted

4.4 KGPL was incorporated with the main object of carrying on business in the field of glasses of all descriptions and varieties including scientific glasses, optic glasses, lens, commercial glasses etc. Currently KGPL is engaged in Investments.

4.5 KGPL is one of the promoters of the Target Company and does not belong to any business group

4.6 The paid-up Equity Share Capital of KGPL as on date is Rs. 2,23,02,510/- divided into 22,30,251 Equity Shares of Rs.10/- each held as under:

Sr. No	Shareholders	No. of Equity Shares	% of shareholding
1.	Arvind Kumar Somany HUF	1,98,900	8.92
2.	Surendra Kumar Somany HUF	3,22,000	14.44
3.	Surendra Kumar Somany	76,000	3.41
4.	Nalini Somany	4,00,000	17.94
5.	Prasann Somany	3,00,000	13.45
6.	Nitya Somany	3,05,100	13.68
7.	Anuja Somany	3,03,000	13.59
8.	Devpriya Kanoria	100	0.03
9.	Ali Alharthi Trading	3,25,151	14.58
	Total	**22,30,251**	**100.00**

Apart from the above, the Acquirer has also issued 2,46,250 non cumulative redeemable preference shares of Rs. 10/- each, aggregating to Rs. 24,62,500/-

<u>Shareholding pattern of KGPL</u>

Sr. No	Shareholders	No. of Equity Shares	% of shareholding
1	Promoters & associates	22,30,251	100.00
2.	FII/Mutual Funds/FIs/Banks	-	-
3.	Public	-	-
	Total	**22,30,251**	**100.00**

4.7 The details of Board of Directors of KGPL are:

Name & DIN	Address	Date of Appointment	Qualification	Experience
Mr. Arvindkumar S Somany DIN : 00024903	Somany House, Survey No.36, P.O. Kasturba Vidyalay, Near Koba Circle Gandhinagar 382007 Gujarat	30/03/1985	B.Sc., MIMA	About 29 years experience in the Textile Industry
Mrs Nalini S Somany DIN : 06951263	Flat No 81, Las Palmas Apt, Little Gibbs Road Near Atomic Energy Zerlina, Malabar Hill Mumbai 400006	20/01/2016	Matriculate	Housewife
Mrs. Prasann Somany DIN : 00019242	Soma House, Law Garden, Ellisbridge, Ahmedabad 380 006 Gujarat	25/03/2015	B.Com	About 25 years of experience in the field of Management and designing of textile products.
Mrs Anupama Agarwal DIN : 01447255	7C Somerset Place 61D, B. Desai Road Mumbai – 400 026	25/03/2015	B.Com	Housewife
Mr. Devpriya Kanoria DIN : 00063832	41, Las Palmas, Little Gibbs Road, Malbar Hill, Mumbai 400006	30/03/1985	B.Com	Over 29 years experience in the Textile Industry

4.8 KGPL is not listed on any Stock Exchange.

4.9 KGPL is one of the promoters of the Target Company and presently holds 69,97,716 Equity Shares constituting 21.18% of the present paid-up capital in the Target Company. These Shares were acquired by KGPL as under :

Particulars	Equity Shares	% of the paid-up capital	Compliance status with SEBI SAST Regulations 1997 / 2011
January 2007	11,00,000	3.33	Complied with Regulation 7(1) and 7(1A) - SEBI SAST 1997
February 2007	37,00,100	11.20	
November 2007	31,59,236	9.56	Complied with Regulation 11(1) and open offer made during November 2007 - SEBI SAST 1997
July 2008	11,76,470	3.56	Complied with Regulation 7(1) and 7(1A) - SEBI SAST 1997
January 2009	(6,98,090)	(2.11)	
August 2011	(7,60,000)	(2.30)	
December 2011	(10,00,000)	(3.03)	
March 2014	16,20,000	4.90	Complied with Regulation 29(2) - SEBI SAST 2011; Compliance of Regulation 3(1) now being made by way of Open Offer
March 2015	(13,00,000)	(3.94)	Complied with Regulation 29(2) - SEBI SAST 2011
Total	**69,97,716**	**21.18**	

Besides the above, KGPL also holds 3,45,000 0.01% Cumulative Redeemable Non-convertible Preference Shares of Rs. 100/- each in the Target Company.

4.10 Mr. Venus B Shah, Partner, M/s Venus Shah & Associates, Chartered Accountants, having their office at 301-B, Vikas Commercial, Bhakti Marg, Mulund West, Mumbai 400 080 (Membership No. 109140; Firm Regn. No. 120878), Tel: 022 2562 0711; email:info@venusshah.com, has certified vide their certificate dated November 16, 2016 that the net worth of KGPL Industries & Finvest Private Limited as on September 30, 2016 is Rs. 37,87,73,059/- (Rupees Thirty Seven Crores Eighty Seven Lakh Seventy three Thousand and Fifty Nine only) and that they have sufficient liquid assets as on date to fulfill the monetary obligations under this Open Offer

4.11 Brief audited financial data of KGPL for the last 3 financial years and for the period ended September 30, 2016 are given hereunder :

Profit & Loss Account

(Rs. in lakhs)

Particulars	30/09/2016	31/03/2016	31/03/2015	31/03/2014
Income from operations	-	-	-	-
Other Income	122.08	175.00	(8.64)	65.39
Total Income	122.08	175.00	(8.64)	65.39
Total Expenditure	6.47	13.63	23.47	12.74
Extraordinary Items	-	-	-	-
PBDIT	115.61	161.37	(32.11)	52.65
Depreciation	-	-	-	-
Interest	114.20	64.52	-	-
PBT	1.41	96.85	(32.11)	52.65
Current Tax	0.43	18.52	-	6.17
Deferred Tax	-	-	-	-
Tax in respect of earlier year	-	-	-	-
PAT	0.98	78.33	(32.11)	46.48

Balance Sheet

(Rs. in lakhs)

Particulars	30/09/2016	31/03/2016	31/03/2015	31/03/2014
EQUITY AND LIABILITIES				
Shareholders' funds				
- Share Capital (including Preference Shares)	247.65	247.65	247.65	247.65
- Reserves & Surplus (excluding revaluation reserves)	3,540.08	3,539.10	3,470.10	3,476.13
- Share application pending allotment	-	-	-	-
Networth	**3,787.73**	**3,786.75**	**3,717.75**	**3,723.78**
Non current Liabilities				
- Long term borrowings	-	-	-	-
- Deferred tax liabilities (net)	-	-	-	-
- Other long term liabilities	-	-	-	-
- Long term provisions	0.16	0.17	0.17	0.17
Sub-total – Non-current liabilities	**0.16**	**0.17**	**0.17**	**0.17**
Current Liabilities				
- Short-term borrowings	1,301.76	2,880.82	-	
- Trade payables	3.02	0.75	0.72	0.72
- Other current liabilities	-	0.01	0.14	0.18
- Short-term provisions	24.84	21.00	14.17	13.77
Sub-total – Current liabilities	**1,329.62**	**2,902.58**	**15.03**	**14.67**
TOTAL – EQUITY & LIABILITIES	**5,117.53**	**6,689.50**	**3,732.96**	**3,738.62**
ASSETS				
Non-current Assets				
Fixed Assets	-	-	-	-
Non-current investments	2,193.82	2,217.11	2,247.74	2,305.28
Deferred Tax Assets (net)	-	-	-	-
Long-term loans and advances	240.55	764.56	879.54	820.88
Other non-current assets	-	-	-	-
Sub-total – Non-current assets	**2,434.37**	**2,981.67**	**3,127.28**	**3,126.16**
Current Assets				
Current investments	0.24	3.86	6.31	552.06
Inventories	-	-	-	-
Trade receivables	2.89	3.30	5.38	2.50
Cash and cash equivalents	29.49	8.46	555.54	29.05
Short term loans and advances	2,606.71	3,666.81	-	
Other Current Assets	43.79	25.40	38.45	28.85
Sub-total – Current assets	**2,683.12**	**3,707.83**	**605.68**	**612.46**
TOTAL – ASSETS	**5,117.53**	**6,689.50**	**3,732.96**	**3,738.62**

Other financial data

	30/09/2016	31/03/2016	31/03/2015	31/03/2014
Dividend (%)	-	-	-	-
Earnings Per Share (Rs.)	0.04	3.51	(1.44)	2.08
Return on Networth (%)	-	2.07%	-	1.25%
Book Value per Share (Rs.)	169.83	152.91	150.12	150.36

Contingent Liabilities – there are no contingent liabilities as on March 31, 2016 and September 30, 2016.

4.12 The interest of the Acquirer and the promoters/directors/shareholders of the Acquirer in the Target Company as on date are given below :

(a) Interest of the Acquirer

KGPL is one of the promoters of the Target Company and holds 69,97,716 Equity Shares constituting 21.18% of its paid capital in the Target Company. KGPL also holds 3,45,000 0.01% Cumulative Redeemable Non-convertible Preference Shares of Rs. 100/- each in the Target Company

(b) Interest of the Promoters, Directors and Shareholders of the Acquirer

Name	Capacity with Acquirer	Relationship with Target Company, its Promoters / Directors
Mr. Arvind Kumar Somany	Promoter, Director and Shareholder	Promoter, Managing Director and Shareholder; son of Mr. Surendra Kumar Somany
Mr. Surendra Kumar Somany	Promoter and Shareholder	Promoter, Chairman and Shareholder; father of Mr. Arvind Kumar Somany
Ms. Nalini Somany	Director and Shareholder	Wife of Mr. Surendra Kumar Somany; mother of Mr. Arvind Kumar Somany and Ms. Anupama Agarwal
Ms. Prasann Somany	Director and Shareholder	Wife of Mr. Arvind Kumar Somany
Ms. Devpriya Kanoria	Director and Shareholder	-
Ms. Anupama Agarwal	Director	Shareholder, sister of Mr. Arvind Kumar Somany; daughter of Mr. Surendra Kumar Somany and Ms. Nalini Somany
Ms. Nitya Somany	Shareholder	Daughter of Mr. Arvind Kumar Somany and Ms. Prasann Somany
Ms. Anuja Somany	Shareholder	Daughter of Mr. Arvind Kumar Somany and Ms. Prasann Somany
Ali Alharth Trading	Shareholder	-

4.13 The Acquirer is not prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as "SEBI Act") or under any of the Regulations made under the SEBI Act.

5. BACKGROUND OF THE TARGET COMPANY

5.1 Share Capital Structure of the Target Company

Equity Shares

Paid-up Equity Shares	No. of Shares/voting rights	% of shares/voting rights
Fully paid-up Equity Shares	3,30,33,000	100.00
Partly paid-up Equity Shares	-	-
Total paid-up Equity Shares	3,30,33,000	100.00
Total voting rights	3,30,33,000	100.00

Preference Shares

Paid-up Preference Shares	No. of Shares/voting rights	% of shares/voting rights
Fully paid-up Preference Shares	9,75,000	100.00
Partly paid-up Preference Shares	-	-
Total paid-up Preference Shares	9,75,000	100.00
Total voting rights	-	-

5.2 All the shares of the Target Company are listed and permitted for trading on BSE and NSE. They are not suspended for trading.

5.3 There are no outstanding convertible instruments / partly-paid up Equity Shares in the Target Company.

5.4 Composition of the Board of Directors : [please confirm the designation]

Name	DIN	Designation
Surendra Kumar Somany	00001131	Chairman
Arvindkumar S Somany	00024903	Managing Director
Srikant Bhairaveshwar Bhat	00650380	Whole Time Director
Malay Harshadbhai Shah	01394920	Independent Non-executive Director
Brijkishore Ramniwas Hurkat	02005896	Independent Non-executive Director
Nisha Loyalka	07094208	Independent Non-executive Director

Mr. Surendra Kumar Somany and Mr. Arvindkumar S Somany are promoters of KGPL Industries & Finvest Private Limited, Acquirer and one of the the promoter of the Target Company. Apart from them, none of the Directors of the Target Company represents the Acquirers

None of the aforesaid individuals would be participating in the Open Offer. Further, Mr. Surendra Kumar Somany and Mr. Arvindkumar S Somany have recused themselves and would not be participating in the Board proceedings of the Target Company in matter(s) concerning or relating to the Open Offer

5.5 The Target Company was originally started as a partnership firm in the year 1930 under the name and style of M/s R.B. Rodda & Co. It was later incorporated as a limited Company on March 29, 1940 at Kolkata under the name R.B. Rodda & Company Limited. Five years later, the management of the Company was taken over by Somany brothers. Subsequently, the name of the target Company was changed to Soma Textiles & Industries Limited and a fresh Certificate of Incorporation consequent to change of name was obtained on January 21, 1992 from the Registrar of Companies, West Bengal at Kolkata. The registered office of the Target Company is presently situated at 2 Red Cross Place, Kolkata – 700 001.

5.6 Pursuant to Open Offer made during November 2007, the Acquirer, KGPL Industries & Finvest Private Limited (formerly known as Krishnaa Glass Private Limited) alongwith persons acting in concert, acquired substantial holding in the Target Company and was categorised as part of the Promoter group.

5.7 Company had a spinning unit at Baramati which was sold under Slump Sale after the approval of lenders in FY 2013-14. Save for this, there have been no merger/de-merger / spin off during the last 3 years involving the Target Company.

5.8 **Financial Highlights of the Target Company**

The brief audited financial details of the Target Company for the last 3 Financial Years are as under :

Profit & Loss

(Rs. in lakhs)

Particulars	31/03/2016	31/03/2015	31/03/2014
Income from operations	17,023.68	22,553.80	27,292.64
Other Income	156.52	274.81	499.12
Total Income	17,180.20	22,828.61	27,791.76
Total Expenditure	16,588.93	23,513.69	27,058.81
PBDIT	591.27	(685.08)	732.95
Depreciation	679.38	1,827.28	2,361.64
Interest	2,258.98	2,251.83	1,316.15
Profit before exceptional items & tax	(2,347.09)	(4,764.19)	(2,944.84)
Prior period Income / (expenses)	-	-	(14.08)
Exceptional items	561.54	389.13	865.97
Extraordinary items	-	-	324.06
PBT	(1,785.54)	(4,375.06)	(1,768.89)
MAT Credit	-	-	18.10
Deferred Tax	369.00	1,017.00	417.00
Tax in respect of earlier years	(6.12)	-	-
PAT	(1,422.66)	(3,358.06)	(1,333.79)

Balance Sheet

(Rs. in lakhs)

Particulars	31/03/2016	31/03/2015	31/03/2014
EQUITY AND LIABILITIES			
Shareholders' funds			
Share Capital *	4,297.75	4,297.75	4,297.75
Reserves & Surplus	(3,055.33)	(1,632.68)	1,925.09
Networth	**1,242.42**	**2,665.07**	**6,222.84**
Noncurrent Liabilities			
Long-term borrowings	15,080.12	2,514.70	5,643.98
Other long-term liabilities	200.07	201.34	2,244.92
Long-term provisions	482.82	443.09	385.78
Sub-total – Non-current liabilities	**15,763.01**	**3,159.13**	**8,274.68**
Current Liabilities			
Short-term borrowings	-	10,174.55	11,471.28
Trade payables	1,360.52	1,747.82	1,719.17
Other current liabilities	4,529.18	5,390.53	2,207.75
Short-term provisions	118.65	101.71	102.84
Sub-total – Current liabilities	**6,008.35**	**17,414.61**	**15,501.04**
TOTAL – EQUITY & LIABILITIES	**23,013.78**	**23,238.81**	**29,998.56**

ASSETS			
Non-current Assets			
Fixed Assets	3,982.10	4853.33	7,108.19
Capital work in progress	-	5.72	24.46
Non-current investments	34.22	34.22	34.42
Deferred tax (net)	2,026.08	1,657.08	550.08
Long-term loans and advances	10,887.38	10,072.14	9,630.70
Other non-current assets	-	1.50	13.86
Sub-total – Non-current assets	**16,929.78**	**16,623.99**	**17,361.71**
Current Assets			
Inventories	1,770.95	3,295.18	6,877.59
Trade receivables	1,767.32	1,933.94	4,306.77
Cash and cash equivalents	1,128.93	115.46	324.31
Short term loans and advances	74.96	82.67	73.42
Other Current Assets	1,341.84	1,187.57	1,054.78
Sub-total – Current assets	**6,084.00**	**6,614.82**	**12,636.85**
TOTAL – ASSETS	**23,013.78**	**23,238.81**	**29,998.56**

** including 0.01% Cumulative Redeemable Non-convertible Preference Shares.*

Other Financial Data

Particulars	31/03/2016	31/03/2015	31/03/2014
Dividend (%)	-	-	-
Earnings Per Share (Rs.)	-	-	-
Return on Networth (%)	-	-	-
Book Value per Share (Rs.)	2.89	6.20	14.48

Unaudited financial results of the Target Company, for the six months period ended September 30, 2016 are as under (*based on financials as filed with BSE and Limited Review by the Statutory Auditors*)

Particulars	(Rs. in lakhs)
Income from operations	7,868
Other Income	96
Total Income	7,964
Total Expenditure	7,262
PBDIT	702
Depreciation	217
Interest/finance cost	1,077
Exceptional Items	(109)
PBT	(701)
Provision for Tax	-
(Loss) / Profit After Tax	(387)#
Share Capital	4,298

Including Extra ordinary items of Rs. 314 Lakhs.

5.8 Pre and Post - Offer Share holding pattern of the Target Company shall be as follows:

Category of the shareholder	Shareholding prior to the acquisition and offer (A)		Shares agreed to be acquired which triggered off the Regulation (B)		Shares to be acquired in open offer (Assuming full Acceptance) (C)		Shareholding after the acquisition and offer pursuant to the Regulations i.e. (A)+(B)+(C)=(D)		Remarks
	Nos	%	Nos	%	Nos	%	Nos	%	
(1) Promoter Group									-
Sarvopari Investment Pvt Ltd	40,07,244	12.13	-	-	-	-	40,07,244	12.13	
Surendra Kumar Somany	29,65,695	8.98			-	-	29,65,695	8.98	
Surendra Kumar Somany HUF	14,02,579	4.25			-	-	14,02,579	4.25	
Arvind Kumar Somany	7,28,217	2.20			-	-	7,28,217	2.20	
Arvind Kumar Somany HUF	1,26,631	0.38			-	-	1,26,631	0.38	
Nandita Patodia	24,920	0.08			-	-	24,920	0.08	
Anupama Agarwal	24,239	0.07			-	-	24,239	0.07	
Total (1)	**92,79,525**	**28.09**	-	-	-	-			
(2) Acquirer									
KGPL Industries & Finvest Pvt Ltd (also one of the Promoters)	69,97,716	21.18	-	-	85,88,580	26.00	1,55,86,296	47.18	
COMBINED HOLDING OF (1) AND (2)	**1,62,77,241**	**49.28**	**-**	**-**	**85,88,580**	**26.00**	**2,48,65,821**	**75.28**	
(3) Parties to agreement other than 1 & 2	-	-	-	-	-	-	-	-	
Total (3)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
(4) Public									
a)FIs/MFs/FII/Banks	49,99,344	15.13	-	-					
b) Others	1,17,56,415	35.59	-	-					
Total (4)	**1,67,55,759**	**50.72**	**-**	**-**	**(85,88,580)**	**(26.00)**	**81,67,179**	**24.72**	
Total (1+2+3+4)	**3,30,33,000**	**100.00**	**-**	**-**	**-**	**-**	**3,30,33,000**	**100.00**	

Notes

1. The actual Post-Offer Shareholding of Public would depend on the response and acceptance of the shareholders to this Open Offer.
2. As on September 30, 2016, there were 10,777 shareholders in the Target Company.

5.9 Upon 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 (Regulations) Rules as amended and the Listing Agreement entered into between the Target Company and the Stock Exchange. However, the Acquirer undertakes to take necessary steps to facilitate compliances of the Target Company with the relevant provisions of the Listing Agreement within the period mentioned therein.

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1 Offer price

6.1.1 The shares of the Target Company are listed on BSE and NSE.

6.1.2 The annual trading turnover of Equity Shares of Soma Textiles & Industries Limited for the period from March 2013 to February 2014 (being the preceding 12 calendar months prior to the month in which PA was ought to have been made) is given below :

Name of stock Exchange	Total no. of share traded during the 12 calendar months prior to the month in which PA was ought to have been made	Total No. of listed Shares	Annual Trading turnover (in terms of % to total listed shares)
BSE	**5,98,298**	**3,30,33,000**	**1.81%**
NSE	**1,31,675**	**3,30,33,000**	**0.40%**

Based on parameters set out in Regulation 2(j) of SEBI SAST Regulations, the Equity Shares of the Target Company are infrequently traded.

6.1.3 <u>Justification of offer price:</u>

The offer price of Rs. 7.50 per Equity Share of the Target Company has been determined after considering the following in terms of Regulations 8(1) and 8(2) of the SEBI SAST Regulations:

PARTICULARS	Price (Rs.)
1. Negotiated price (price at which 16,20,000 Equity Shares were acquired during March 2014 from open market)	2.65
2. Volume weighted average price paid/payable for acquisitions during the 52 weeks preceding March 14, 2014 (*the date when the PA was ought to have been made*)	2.65
3. Highest price paid/payable for acquisition during the 26 weeks preceding March 14, 2014 (*the date when the PA was ought to have been made*)	2.65
4. Volume weighted average market price of shares for a period of 60 trading days immediately preceding the date of public announcement	3.01
5. Fair Value determined in accordance with parameters of Regulation 8(2) (e)*	5.58
6. Highest of the above	5.58
7. Offer Price	7.50

* The fair value of Equity Shares is Rs. 5.58 (Rupees Five and Paise Fifty Eight only) as certified by M/s. S. Ganesh & Associates, Chartered Accountant, Firm Registration No. 111909W, having their office at No. 5, Aneesh Apartments, Azad Street, Near Shoppers Stop, Off. S.V. Road, Andheri (W), Mumbai 400 058; Tel: 022 26208083; e-mail : ganesh323@gmail.com; vide their certificate dated November 21, 2016 keeping in view the Hon'ble Supreme Court's decision in the Hindustan Lever Employee's Union vs. Hindustan Lever Limited, 1995 (83 Com Case 30)

The offer price has been arrived as under :

Fair Value as above	Rs. 5.58
Interest @ 10% on Rs. 5.58 for the period from June 9, 2014 (*being the estimated date of payment of consideration had the Acquirer made the PA on March 14, 2014)* till February 6, 2017 (*being the expected date of payment of consideration to the shareholders under the present open offer*)	Rs. 1.49
Total	Rs. 7.07
Rounded off	**Rs. 7.50**

6.1.4 The Manager to the Offer, Arihant Capital Markets Limited does not hold any Equity Shares in the Target Company on its own account, as at the date of LOF. The Manager to the Offer further declare and undertake that they will not deal on their own account in the Equity Shares of the Target Company during the Offer Period.

6.2 Financial arrangements:

6.2.1 Assuming full acceptance, the total fund requirements for this Offer is Rs. 6,44,14,350/- (Rupees Six Crore Forty Four Lakhs Fourteen Thousand Three Hundred and Fifty only).

6.2.2 In accordance with Regulation 17 of the SEBI SAST Regulations, the Acquirer has deposited Rs. 1,62,00,000/- (Rupees One Crore Sixty Two Lakhs only) by way of cash, being over 25% of the entire amount of the consideration (assuming full acceptance by the shareholders) in an Escrow Account with ICICI Bank Limited, Backbay Reclamation branch, Mumbai with exclusive authority to operate the account in favour of Arihant Capital Markets Ltd., the Manager to the Offer. The Acquirer has duly empowered the Managers to the Offer to realise the value of the Escrow Account in terms of Regulation 21(1) of the SEBI SAST Regulations

6.2.3 The Acquirer has adequate resources to meet the financial requirements of the Offer. The fund requirements will be met from existing sources/Net Worth. No separate borrowings from Indian Banks / Financial Institutions or sources such as NRIs are envisaged by the Acquirer. The Acquirer hereby declare and confirms that they have adequate and firm financial resources to fulfill the total financial obligation under the Offer

6.2.4 Mr. Venus B Shah, Partner, M/s Venus Shah & Associates, Chartered Accountants, having their office at 301-B, Vikas Commercial, Bhakti Marg, Mulund West, Mumbai 400 080 (Membership No. 109140; Firm Regn. No. 120878), Tel: 022 2562 0711; email:info@venusshah.com, has certified vide their certificate dated November 16, 2016 that the net worth of KGPL Industries & Finvest Private Limited as on September 30, 2016 is Rs. 37,87,73,059/- (Rupees Thirty Seven Crores Eighty Seven Lakh Seventy three Thousand and Fifty Nine only) and that they have sufficient liquid assets as on date to fulfill the monetary obligations under this Open Offer

6.2.5 Based on the above and in the light of the escrow arrangement, the Manager to the Offer is satisfied that firm arrangements have been put in place by the Acquirer to fulfill their obligations through verifiable means in relation to the Offer in accordance with the SEBI SAST Regulations.

7. TERMS AND CONDITIONS OF THE OFFER

7.1 **Operational terms and conditions :**

7.1.1 The Offer is not subject to any minimum level of acceptances from shareholders.

7.1.2 The Letter of Offer along with Form of Acceptance cum Acknowledgement will be mailed to all those shareholder(s) of the Target Company (except the Acquirer, Promoters, deemed PACs) whose name appear on the Register of Members and to the beneficial owners of the shares of the Target Company whose names appear on the beneficial records of the Depository Participant, at the close of business hours as on the Identified Date.

7.1.3 The Offer is subject to the terms and conditions set out in this Letter of Offer, the Form of Acceptance, the PA, the DPS and any other Public Announcements that may be issued with respect to the Offer.

7.1.4 The LOF along with the Form of Acceptance cum acknowledgement would also be available at SEBI's website, www.sebi.gov.in, and shareholders can also apply by downloading such forms from the website.

7.1.5 While it would be ensured that the Letter of Offer is despatched by the due date to all the eligible shareholders as on the Identified Date, non-receipt of this Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever

7.1.6 The acceptance of the Offer must be unconditional and should be on the enclosed Form of Acceptance-cum-Acknowledgement sent along with the other documents duly filled in and signed by the applicant shareholder(s).

7.1.7 Any equity shares that are subject matter of litigation or are held in abeyance due to pending court cases/attachment orders/ restriction from other statutory authorities wherein the shareholder may be precluded from transferring the equity shares during pendency of the said litigation are liable to be rejected if directions/orders regarding these equity shares are not received together with the equity shares tendered under the Offer.

7.2 Locked in shares – There are no locked-in shares held by the public shareholders to whom this open offer is being made.

7.3 **Persons eligible to participate in the Offer**

Except the Acquirers, deemed PACs and the Promoters of the Target Company, all the registered shareholders of the Target Company and unregistered shareholders who own the Equity Shares of the Target Company any time prior to the Closure of Offer, including the beneficial owners of the shares held in dematerialised form, are eligible to participate in the Offer.

7.4 **Statutory and Other Approvals**

7.4.1 **As on the date of this Letter of Offer, no statutory approvals are required by the Acquirers to acquire the Equity Shares that are tendered pursuant to the Offer**. However, the Offer would be subject to all statutory approvals that may become applicable at a later date.

Non-resident equity shareholders who wish to tender their equity shares in the Target Company in this Offer will be required to submit all the applicable Reserve Bank of India (hereinafter referred to as "RBI") approvals that they would have obtained for acquiring, the equity shares of the Target Company. In the event such RBI approvals are not submitted, the Acquirer reserves the sole right to reject the equity shares tendered in the Offer.

7.4.2 In terms of Regulation 18(11) of the SEBI SAST Regulations, in the case of non-receipt of statutory approvals, SEBI has the power to grant extension of time for the purpose of making payment subject to, the Acquirer agreeing to pay interest to the Shareholders as may be directed by the SEBI.

8 PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

8.1 The Open Offer will be implemented by the Acquirer through Stock Exchange Mechanism made available by BSE in the form of separate window (Acquisition Window) as provided under the SEBI SAST Regulations and Circular CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015 issued by SEBI.

8.2 BSE shall be the Designated Stock Exchange for the purpose of tendering Shares in the Open Offer.

8.3 The facility for acquisition of shares through Stock Exchange mechanism pursuant to Offer shall be available on the Stock Exchange in the form of a separate window (Acquisition Window).

8.4 The Acquirer has appointed Arihant Capital Markets Limited (”Buying Broker”) for the Open Offer through whom the purchases and settlement of Open Offer shall be made during the tendering period. The Contact details of the buying broker are as mentioned below:

Arihant Capital Markets Limited
#1011, Solitaire Corporate Park,
Guru Hargovindji Marg, Chakala,
Andheri (E), Mumbai – 400 093
Tel : 022-42254800; Fax : 022-42254880
Email: mbd@arihantcapital.com
Contact Person: Mr. Amol Kshirsagar/ Mr. Ankur Sharma

8.5 All Shareholders who desire to tender their Shares under the Open Offer would have to approach their respective stock brokers (“Selling Broker”), during the normal trading hours of the secondary market during tendering period.

8.6 Separate Acquisition window will be provided by the stock exchange to facilitate placing of sell orders. The Selling Members can enter orders for demat Shares as well as physical Shares.

8.7 The cumulative quantity tendered shall be displayed on the exchange website throughout the trading session at specific intervals by the stock exchange during tendering period.

8.8 Procedure for tendering Equity Shares held in Dematerialised Form:

ii. The Equity Shareholders who are holding the Equity Shares in demat form and who desire to tender their Equity Shares in this Offer shall approach their broker /Selling Member indicating details of Shares they wish to tender in Open Offer.

iii. The seller Member would be required to transfer the number of Equity Shares by using the settlement number and the procedure prescribed by the Clearing Corporation of India Ltd. (Clearing Corporation) for the transfer of Equity Shares to the Special Account of the Clearing corporation before placing the bids/order and the same shall be validated at the time of order entry. The details of the Special Account of Clearing Corporation shall be informed in the issue opening circular that will be issued by BSE /Clearing Corporation.

iv. Shareholders will have to submit Delivery Instruction Slips (“DIS”) duly filled in specifying market type as “Open Offer” and execution date alongwith other details to their respective broker so that Shares can be tendered in Open Offer.

v. For Custodian participant order for demat Equity Shares early pay-in is mandatory prior to confirmation of order by the custodian. The Cutodians shall either confirm or reject orders not later than the close of trading hours on the last day of the offer period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed Custodian Participant orders, order modification shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.

vi. Upon placing the bid, the seller member(s) shall provide Transaction Registration slip (“TRS”) generated by the Exchange Bidding System to the shareholder. TRS will contain details of order submitted like Bid ID No., DP ID, Client ID, No of Shares tendered etc.

vii. In case of receipt of Shares in the special account of the Clearing Corporation and a valid bid in the exchange bidding system, the Open Offer shall be deemed to have been accepted, for demat Shareholders.

viii. The Eligible Persons will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Open Offer.

8.9 Procedure for tendering Equity Shares held in Physical Form:

i. The Equity Shareholders who are holding the Equity Shares in physical form and who wish to tender their Equity Shares in this Offer shall approach Selling Member and submit complete set of documents for verification procedure as mentioned below:
   (a) Form of Acceptance duly completed and signed in accordance with the instructions contained therein by sole/joint shareholders whose name(s) appears on the share certificate(s) and in the same order and as per the specimen signature lodged with the Target Company;
   (b) Original share certificate(s)
   (c) Valid share transfer deed(s) duly signed as transferor(s) by the sole/joint shareholder(s) in the same order and as per specimen signatures lodged with the Target Company and duly witnessed at the appropriate place.
   (d) Self attested PAN Card copy (in case of Joint holders, PAN card copy of all transferors)
   (e) Any other relevant document such as Power of Attorney, corporate authorization (including board resolution/ specimen signature)
   (f) Self attested copy of address proof such as valid Adhar Card, Voter ID, Passport

ii. The Seller Member(s) should place bids on the Exchange Platform with relevant details as mentioned on physical share certificate(s). The Seller Member(s) to print the Transaction Registration Slip (TRS) generated by the Exchange Bidding System. TRS will contain the details of order submitted like Folio No., Certificate No. Dist. Nos., No. of shares etc.

iii. The Seller Member/ Investor has to deliver the shares & documents along with TRS to the RTA. Physical Share Certificates to reach RTA within 2 days of bidding by Seller Member.

iv. Shareholders holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the Physical Shares in Open Offer shall be subject to verification by RTA. On receipt of the confirmation from RTA the bid will be accepted else rejected and accordingly the same will be depicted on the exchange platform.

v. In case any person has submitted Equity Shares in physical form for dematerialisation, such Equity Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Open Offer before Closing Date.

8.10 Procedure for tendering the shares in case of non receipt of Letter of Offer:

Persons who have acquired Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date, or unregistered owners or those who have acquired Equity Shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Offer.

In case the Equity Shares are in dematerialised form: An Eligible Person may participate in the Offer by approaching their broker / Selling Member and tender Shares in the Open Offer as per the procedure mentioned in point 8.8 above

In case the Equity Shares are in physical form: An Eligible Person may participate in the Offer by confirming their consent to participate in this Offer on the terms and conditions of this Offer as set out in the PA, this DPS and the LOF. They can participate by submitting an application on plain paper giving details regarding their shareholding and relevant documents mentioned in paragraph 8.9 of this LOF to the selling broker. Equity Shareholders must ensure that the Tender Form, along with the TRS and requisite documents (as mentioned in paragraph 8.9 of this LOF) should reach the Registrar of the Company before 5:00 PM on the Closing Date. If the signature(s) of the Equity Shareholders provided in the plain paper application differs from the specimen signature(s) recorded with the Registrar of the Company or are not in the same order (although attested), such applications are liable to be rejected under this Open Offer. Alternatively, such holders of Equity Shares may also apply on the form of acceptance-cum-acknowledgement in relation to this Offer annexed to the LOF, which may be obtained from the SEBI website (www.sebi.gov.in) or from Registrar to the Offer.

8.11 Settlement Process

i. On closure of the Offer reconciliation for acceptances shall be conducted by the Manager to the Offer and the Registrar to the Offer and the final list shall be provided to the Stock Exchanges to facilitate settlement on the basis of Shares transferred to the account of clearing Corporation.
ii. The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.
iii. The payment will be made to the Buying Broker for settlement. For Equity Shares accepted under the Open Offer, the Seller Member / Custodian Participant will receive funds payout in their settlement bank account. The Seller Members / Custodian Participants would pay the consideration to their respective clients.
iv. Trading Members should use the settlement number to be provided by the Clearing Corporation to transfer the Shares in favour of Clearing Corporation.
v. Excess demat shares or unaccepted demat Shares, if any, tendered by the Shareholders would be returned to the respective Seller Members by Clearing Corporation as part of the exchange payout process. In case of Custodian Participant orders, excess demat shares or unaccepted demat Shares, if any, will be returned to the respective Custodian Participant. The Seller Members / Custodian Participants would return these unaccepted shares to their respective clients on whose behalf the bids have been placed.
vi. Physical Shares, to the extent tendered but not accepted, will be returned back to the Shareholders directly by RTA.
vii. Every Seller Member, who puts in a valid bid on behalf of an eligible Person, would issue a contract note & pay the consideration for the Equity Shares accepted under the Open Offer and return the balance unaccepted demat Equity Shares to their respective clients. Buying Broker would also issue a contract note to the Acquirer for the Equity Shares accepted under the Open Offer.
viii. Shareholders who intend to participate in the Offer should consult their respective Seller Member for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Seller Member upon the Selling Shareholders for tendering Equity Shares in the Offer (secondary market transaction) . The consideration received by the selling Shareholders from their respective Seller Member, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Acquirer accept no responsibility to bear or pay such additional cost, charges and expenses((including brokerage) incurred solely by the selling shareholder.

8.12 Equity shares that are subject to any charge, lien or encumbrance are liable to be rejected except where 'no objection certificate' from lenders is attached with the Form of Acceptance.

8.13 The Letter of Offer along with the Form of Acceptance cum Acknowledgement would also be available at SEBI's website, www.sebi.gov.in, and shareholders can also apply by downloading such forms from the said website.

8.14 The Letter of Offer along with Form of Acceptance will be dispatched to all the eligible shareholders of the Target Company. In case of non receipt of the Letter of Offer, such eligible shareholders of the Target Company may download the same from the SEBI website (www.sebi.gov.in) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the equity shares of the Target Company

8.15 In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirer for payment of consideration to the shareholders of the Target Company who have accepted the Open Offer within such period, subject to Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18 (11) of the SEBI (SAST) Regulations, 2011.

9. MATERIAL DOCUMENTS FOR INSPECTION

Copies of the following documents are regarded as material documents and are available for inspection at 1011, Solitaire Corporate Park, 1st floor, Building No. 10, Guru Hargovindji Marg, Chakala, Andheri (E), Mumbai – 400 093, the Corporate Office of Arihant Capital Markets Limited, the Manager to the Offer. The documents can be inspected during normal business hours (11.00 A.M. to 3.00 P.M.) on all working days (except Saturdays and Sundays and Public/Bank Holidays) from the date of opening of the Offer up till the date of closure of the Offer.

a) Copy of certificates dated November 16, 2016 issued by Mr. Venus Shah, Partner of Venus Shah & Associates, Chartered Accountants certifying the net worth of KGPL Industries & Finvest Private Limited and adequacy of liquid resources to fulfil the monetary obligations under the Open Offer.

b) Annual Reports of the Target Company for the financial years 2013–14, 2014-15 and 2015-16 and limited reviewed financials for the period ended September 30, 2016

c) Copy of Certificate of Incorporation, Memorandum and Articles of Association of KGPL

d) Annual Reports of the KGPL for the financial years 2013-14, 2014-15 and 2015-16 and unaudited certified financials for the period ending September 30, 2016

e) Escrow Agreement dated November 15, 2016 entered into between ICICI Bank Limited, Arihant Capital Markets Limited and KGPL.

f) Copy of Memorandum of Understanding (MOU) dated November 16, 2016 executed between the Acquirer and the Managers to the Offer

g) Copy of Memorandum of Understanding (MOU) dated November 22, 2016 executed between the Acquirer and the Registrars to the Offer

h) SEBI Order No. WTM/RKA/EFD/83/2016 dated July 5, 2016 directing the Acquirer to make the Open Offer

i) Order dated September 28, 2016 issued by Hon'ble Securities Appellate Tribunal permitting the Acquirer time till December 31, 2016 to comply with the SEBI Order dated July 5, 2016

j) A copy of Public Announcement dated November 16, 2016.

k) Copy of Detailed Public Statement dated November 23, 2016.

l) SEBI observation Letter dated [●] bearing reference No. [●]

10. DECLARATION

1. In terms of Regulation 25(3) of the SEBI SAST Regulations, the Acquirer accept full responsibility for the information contained in the Letter of Offer, Form of Acceptance, Public Announcement and Detailed Public Statement and also for ensuring compliance with the SEBI SAST Regulations.

2. The Manager to the Offer hereby states that the person signing this Letter of Offer is the Acquirer and is also duly and legally authorised by the Board of Directors of the KGPL to sign this Letter of Offer.

Signed by the Acquirer
For KGPL Industries & Finvest Private Limited

Authorised Signatory

Date: November 30, 2016

Encl.:

1. Form of Acceptance cum Acknowledgement
2. Share Transfer Form

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*For Equity Shareholders holding shares in **DEMATERIALISED** form*

Tender Form

OFFER OPENS ON	[●]
OFFER CLOSES ON	[●]

For Registrar / collection centre use		
Inward No.	Date	Stamp

Status (*please tick appropriate box*)					
	Individual		FII		Insurance Co.
	Foreign Co.		NRI/OCB		FVCI
	Body Corporate		Bank / FI		Pension / PF
	VCF		Partnership/LLP		Others (*specify*)

To,
KGPL Industries & Finvest Private Limited ("Acquirer")
Mumbai

Dear Sirs,

Sub: Open Offer for acquisition of upto 85,88,580 Equity Shares of Rs. 10/- each of SOMA TEXTILES & INDUSTRIES LIMITED (Target Company) at a price of Rs. 7.50 per Equity Share

1. I / We (having read and understood the Letter of Offer issued by the Acquirers) hereby tender / Offer my / our Equity Shares in response to the Open Offer on the terms and conditions set Out below and in the Letter of Offer.
2. Details of Equity Shares held and tendered / offered under the Offer :

	In figures	**In words**
Equity Shares held as on Identified Date ([●])		
Number of Equity Shares Offered under the Open Offer		

3. I / We authorize you to buy Equity Shares offered (as mentioned above) and to issue instruction(s) to the Registrar to transfer the same in your name(s).
4. I / We hereby warrant that the Equity Shares comprised in this Tender Offer are offered under Open Offer free from all liens, equitable interest, charges and encumbrance.
5. I / We declare that there are no restraints/injunctions or other covenants of any nature which limits/restricts in any manner my/our right to tender Equity Shares under the Open Offer and that I/We am are legally entitled to tender the Equity Shares.
6. I/We agree that the Company will pay the Offer Price as per the Stock Exchange mechanism.
7. I/We agree to receive, at my own risk, the invalid/unaccepted Equity Shares under the Open Offer in the demat account from where I / We have tendered the Equity Shares in the Open Offer.
8. Details of Account with Depository Participant (DP):

Name of the Depository (tick whichever is applicable)		NSDL		CDSL
Name of the Depository Participant				
DP ID No				
Client ID				

9. Equity Shareholders Details:

	1st/Sole holder	Joint Holder 1	Joint Holder 2	Joint Holder 3
Full Name(s)				
PAN				
Address of the 1st/ sole holder				
Telephone of 1st / sole holder		e-mail id of 1st / sole holder		
Signature(s) *				

* *corporate must also affix rubber stamp and sign*

INSTRUCTIONS

1. This Offer will open on [●] and close on [●]
2. This Tender form has to be read along with the Letter of Offer and is subject to the terms and conditions mentioned in the Letter of Offer and this Tender Form.
3. Shareholders who desire to tender their equity shares in the electronic form under the Open Offer would have to do so through their respective selling member by indicating the details of equity shares they intend to tender under the Open offer.
4. The Shareholders will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Open Offer as may be decided by the Company / Registrar to the Offer, in accordance with the SEBI SAST Regulations.
5. All documents sent by Eligible Persons will be at their own risk. Eligible Persons are advised to safeguard adequately their interests in this regard.

*(For Equity Shareholders holding shares in **PHYSICAL** form)*

Tender Form

OFFER OPENS ON	[●]
OFFER CLOSES ON	[●]

For Registrar / collection centre use		
Inward No.	Date	Stamp

Status (*please tick appropriate box*)					
	Individual		FII		Insurance Co.
	Foreign Co.		NRI/OCB		FVCI
	Body Corporate		Bank / FI		Pension / PF
	VCF		Partnership/LLP		Others (*specify*)

To,
KGPL Industries & Finvest Private Limited ("Acquirer")
Mumbai

Dear Sirs,

Sub: Open Offer for acquisition of upto 85,88,580 Equity Shares of Rs. 10/- each of SOMA TEXTILES & INDUSTRIES LIMITED (Target Company) at a price of Rs. 7.50 per Equity Share

1. I / We (having read and understood the Letter of Offer issued by the Acquirers) hereby tender / Offer my / our Equity Shares in response to the Open Offer on the terms and conditions set Out below and in the Letter of Offer.
2. Details of Equity Shares held and tendered offered:

	In figures	**In words**
Equity Shares held as on Identified Date ([●])		
Number of Equity Shares Offered under the Open Offer		

3. I / We authorize you to buy Equity Shares offered (as mentioned above) and to issue instruction(s) to the Registrar to transfer the same in your name(s).
4. I / We hereby warrant that the Equity Shares comprised in this Tender Offer are offered under Open Offer free from all liens, equitable interest, charges and encumbrance.
5. I / We declare that there are no restraints/injunctions or other covenants of any nature which limits/restricts in any manner my/our right to tender Equity Shares under the Open Offer and that I/We am are legally entitled to tender the Equity Shares.
6. I/We agree that the Company will pay the Offer Price only after due verification of the validity of the documents and that the consideration may be paid as per SEBI notified Stock Exchange mechanism.
7. Details of Share Certificate(s) enclosed:

Serial	Folio No.	Share Certificate No.	Distinctive Nos.		No. of Shares
			From	To	
1					
2					
3					
Total					

In case the number of folios and share certificates enclosed exceed 3 nos., Please attach a separate sheet giving details in the same format as above

8. Details of other Documents (duly attested) (Please √ as appropriate, if applicable) enclosed:

	Power of Attorney		Previous RBI approvals for acquiring the Equity Shares of Soma Textiles & Industries Limited hereby tendered in the Open Offer
	Death Certificate		Succession Certificate
	Self attested copy of PAN		Corporate authorizations
	Others (please specify)		

9. Equity Shareholders Details:

	1st/Sole holder	Joint Holder 1	Joint Holder 2	Joint Holder 3
Full Name(s)				
PAN				
Address of the 1st/ sole holder				
Telephone of 1st / sole holder		e-mail id of 1st / sole holder		
Signature(s) *				

***** *corporate must also affix rubber stamp and sign*

INSTRUCTIONS

1. This Offer will open on [●] and close on [●]
2. This Tender Form has to be read along with the Letter of Offer and is subject to the terms and conditions mentioned in the Letter of Offer and this Tender Form.
3. Eligible Persons who wish to tender their Equity Shares in response to this Open Offer should submit the following documents to the selling member, who in turn would deliver the said documents along with the Transaction Registration Slip (TRS) to the RTA:
   a) The relevant Tender Form duly signed (by all Equity Shareholders in case shares are in joint names) in the same order in which they hold the shares.
   b) Original share certificates.
   c) Copy of the Permanent Account Number (PAN) Card.
   d) Transfer deed (Form SH-4) duly signed (by all Equity Shareholders in case shares are in joint names) in the same order in which they hold the shares.
   e) A self attested copy of address proof consisting of any one of the following documents i.e., valid Aadhaar Card, Voter Identity Card, Passport or driving license.
4. Eligible Persons should also provide all relevant documents in addition to above documents which may include (but not limited to):
   a) Duly attested Power of Attorney if any person other than the Eligible Persons has signed the relevant Tender / Offer Form.
   b) Notarized copy of death certificate / succession certificate / probated/Will, as applicable in case any Eligible Person has deceased.
   c) Necessary corporate authorisations, such as Board Resolution / Specimen Signature etc., in case of Companies.
5. All documents / remittances sent by or to Eligible Persons will be at their own risk and the Eligible Persons are advised to adequately safeguard their interests in this regard.
6. All documents as mentioned above shall be enclosed with the valid Tender Form otherwise the shares will be liable for rejection. The shares shall be liable for rejection on the following grounds amongst others:
   a) If any other company share certificates are enclosed with the Tender Form instead of the share certificate of the Company;
   b) Non-submission of Notarized copy of death certificate / succession certificate / probated/Will, as applicable in case any Eligible Person has deceased.
   c) If the Eligible Person(s) bid the shares but the Registrar does not receive the share certificate; or
   d) In case the signature in the Tender Form and Form SH-4 doesn't match as per the specimen signature recorded with Company / Registrar.