LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is being sent to you as a shareholder(s) of **Capman Financials Limited** (hereinafter referred to as "CFL" or the "Company" or the "Target Company"). If you require any clarification about the action to be taken, you may consult your Stockbroker or Investment Consultant or the Manager to the Offer or the Registrar to the Offer. In case you have recently sold your shares in CFL, please hand over this Letter of Offer and the accompanying Form of Acceptance - cum - Acknowledgement, Form of Withdrawal and Transfer Deed to the member of the Stock Exchange through whom the said sale was effected.

Mr. Ramesh K. Bodra residing at 37, Diamond Nagar, Opp. Mira Nagar, Varachha Road, Surat -395006, Tel No. -0261-4090104; Fax No.-0261-4090108 ; **Mr. Jagdish K. Bodra** residing at 37, Diamond Nagar, Opp. Mira Nagar, Varachha Road, Surat -395006, Tel No. - 0261-4020430, Fax. No. - 0261- 2334604; **Mr. Mafatbhai D Siroya** residing at 28, Harish Nagar Society,Nr. Tapsil Society, Varachha Road, Surat – 395006, Tel No. - 0261-2563656; **Mr. Mukeshbhai M. Italia**, residing at 19, Gurunagar Society, Opp. Baroda Prestige, Varachha Road, Surat – 395006, Tel No. - 0261-2579269; and **Mr. Maheshbhai B. Hirpara** residing at 201, Treveni Apartment, Jalalpore, Navsari – 396445, Mobile No.: 9825560666;

(hereinafter collectively referred to as "The Acquirers")

MAKE A CASH OFFER AT RS. 10.50 PER FULLY PAID UP EQUITY SHARE OF RS. 10/- EACH ("OFFER PRICE")
(The price calculated as per the provisions of regulations 20 (4) and 20 (5) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, and subsequent amendments thereto)
TO ACQUIRE 8,80,950 EQUITY SHARES
Representing 25% of the total issued, subscribed and paid up equity share capital and 25% of the voting rights of
Capman Financials Limited
Registered Office and Corporate office: 11-A, Anupam Consultants, 66, Tamarind Lane, 3rd floor, Fort, Mumbai - 400 023
Tel No. +91-22-66344781/+91-22-66155990, email: capmanfinancialsltd@hotmail.com

Please Note:

1. This Offer is made pursuant to provisions of regulations 10 and 12 and in compliance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (hereinafter referred to as "Regulations") and subsequent amendments thereto.
2. The Offer is not conditional.
3. The Offer is not a competitive bid**.**
4. The Offer is subject to the Acquirers obtaining the approval of RBI under FEMA to acquire shares tendered and accepted under the Offer, if any, from all the non-resident Indian/ OCB shareholders of CFL. As on the date of this Letter of Offer, the Offer is subject to statutory and regulatory approvals as mentioned in para 8.1.c, and, also it will be subject to any other statutory or regulatory approvals that may become applicable prior to completion of the Offer.
5. Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the Public Announcement/ Letter of Offer, can withdraw the same upto three working days prior to the date of the "Closure of the Offer". The request for such withdrawal should reach to the designated centers before 4 p.m. on Wednesday, 29th December , 2010 by filing the Form of Withdrawal attached herewith.
6. Upward revision/ withdrawal of Offer, if any, would be informed by way of Public Announcement on or before Thursday, 23rd December, 2010 in respect of such changes in all the newspapers in which the original Public Announcement was made. The Acquirers shall pay the revised price for all the shares tendered at any time during the Offer and which are accepted by the Acquirers under the Offer.
7. If the aggregate of the valid response exceeds 8,80,950 shares, then, the Acquirers shall accept the shares equal to the Offer size i.e. 8,80,950 shares, on a proportionate basis, in consultation with the Manager to the Offer, in accordance with regulation 21(6) of the Regulations.
8. No Competitive bid has been announced as on the date of this Letter of Offer
9. The procedure of acceptance of this Offer is set out in Section 8 of this Letter of Offer. A Form of Acceptance – cum - Acknowledgement and an Instrument of Transfer are enclosed with this Letter of Offer.
10. A Copy of the Public Announcement released on Monday, 9th August, 2010 and a copy of this Letter of Offer (including Form of Acceptance - cum - Acknowledgement and Form of Withdrawal is available on SEBI website at **http://www.sebi.gov.in** Form of Acceptance – cum - Acknowledgement may be downloaded from the said website and used as an application
11. The Acquirers shall make payment consideration to the shareholders latest by Monday, 17th January, 2011**.** The Offer may be withdrawn in terms of regulation 27 of the Regulations in the event the requisite statutory approvals, if any are refused. In the event of such withdrawal, the same would be notified in the form of a Public Announcement in the same newspapers where the original Public Announcement appeared

All further correspondence, if any, should be addressed to the Registrar to the Offer at the address mentioned below:

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
VIVRO **Vivro Financial Services Private Limited** Contact Person: **Mr. Ashok Mehta** "Manu Mansion", 16/ 18, Shahid Bhagat Singh Road, Opp. Old Customs House, Fort, Mumbai – 400 023. Tel: +91-22-22657364/ 22624656/ 22658397 Fax: +91-22-22658406 E-Mail: investors@vivro.net	**Sharepro Services (India) Pvt. Ltd.** Contact Person: **Mr. Ganesh Rane** 13AB, Samhita Warehousing Complex, 2nd Floor, Sakinaka Telphone Exchange Lane, Off Andheri Kurla Road, Sakinaka, Andheri (E), Mumbai - 400072 Tel No.-022-67720300/400 Fax No. 022-28591568 E-mail: capman.offer@shareproservices.com
OFFER OPENS ON: Wednesday, December 15, 2010	**OFFER CLOSES ON : Monday, January 3, 2011**

SCHEDULE OF MAJOR ACTIIVITIES OF THE OFFER:

ACTIVITY	Original DAY & DATE	Revised DAY & DATE
Public Announcement	Monday, August 09, 2010	Monday, August 09, 2010
Specified Date (for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer would be sent	Monday, September 06, 2010	Monday, September 06, 2010
Last Date for Competitive Bid	Monday, August 30, 2010	Monday, August 30, 2010
Day by which Letter of Offer to be dispatched to the Shareholders	Wednesday, September 22, 2010	Friday, December 10, 2010
Date of Opening of the Offer	Friday, October 01, 2010	Wednesday, December 15, 2010
Last Date for Revising the Offer Price/No. of Shares	Monday, October 11, 2010	Thursday, December 23, 2010
Last Date up to which the Shareholders may withdraw	Friday, October 15, 2010	Wednesday, December 29, 2010
Date of Closure of the Offer	Wednesday, October 20, 2010	Monday, 3rd January 2011
Date by which acceptance/ rejection would be communicated and the corresponding payment for the acquired shares and/ or the unaccepted shares/ share certificates will be dispatched/ credited.	Thursday, November 04, 2010	Monday, January 17, 2011

Risk Factors:

Given below are the risk factors related to the Target Company, proposed Offer and association with the Acquirers:

Risk Factors associated with the Target Company/ Industry:

1. The Acquirers make no assurance with respect to the market price of the equity shares of the Target Company during/ after the Offer and disclaims any responsibility with respect to any decision by any shareholder on whether to participate or not to participate in the Offer.

Risk Factors associated with the Open Offer:

1. Where the numbers of equity shares offered for sale by the shareholders are more than the equity shares agreed to be acquired by the Acquirers, the Acquirers shall accept the Offers received from the shareholders on a proportional basis in consultation with the Manager to the Offer. Hence, there is no certainty that all equity shares tendered by the shareholders in the Offer will be accepted, in case there is oversubscription of the Offer.

2. In the event of regulatory approvals (if any) not being received in a timely manner or litigation leading to a stay on the Offer, or SEBI instructing that the Offer should not proceed, the Offer process may be delayed beyond the schedule indicated in this Letter of Offer. Consequently, the payment of consideration to the shareholders whose equity shares have been accepted in the Offer as well as the return of the equity shares not accepted by the Acquirers may be delayed. Shareholders should note that after the last date for withdrawal of acceptances under the Offer i.e. Wednesday, 29th December, 2010, shareholders who have lodged the equity shares will not be able to withdraw them even if the acceptance of equity shares under the Offer and dispatch of consideration gets delayed. The tendered equity shares and documents will be held by the Registrar to the Offer, until such time as the process of acceptance of tenders and the payment of consideration is completed.

3. The equity shares tendered in the Offer will be held in trust by the Registrar to the Offer till the completion of the Offer formalities, and the shareholders will not be able to trade such equity shares. During such period there may be fluctuations in the market price of the equity shares. Accordingly, the Acquirers make no assurance with respect to the market price of the equity shares both during the Offer period and upon the completion of the Offer, and disclaim any responsibility with respect to any decision by any shareholder on whether to participate or not to participate in the Offer.

4. In the event of oversubscription of the Offer, the acceptance of the equity shares tendered will be on a proportionate basis and will be contingent on the level of subscription. However, in the event that the RBI approval is refused for one or more shareholders in respect of whom prior RBI approval is required, the basis of acceptance will be revised and additional equity shares will be accepted by the Acquirers from resident shareholders and such non-resident shareholders in respect of whom no prior RBI approval is required or non-resident shareholders in respect of whom RBI approval is received and consideration shall be paid for such accepted shares as per the provisions under regulation 22(12) of the Regulations.

Risk factors associated with the Acquirers

1. The Offer to the shareholders of CFL is for substantial acquisition of shares along with acquisition of control, and it is made in accordance with regulations 10 and 12 of the SEBI (SAST) Regulations. Post this offer the Acquirers will have significant ownership of shares of CFL and control over it. Further, there is no assurance with respect to the continuation of the past trend in the financial performance of CFL.

TABLE OF CONTENTS

1 DEFINITIONS / ABBREVIATIONS

Acquirers	Mr. Ramesh K. Bodra, Mr. Jagdish K. Bodra, Mr. Mafatbhai D Siroya, Mr. Mukeshbhai M. Italia, and Maheshbhai B. Hirpara
ASE	Ahmadabad Stock Exchange Limited
BSE	Bombay Stock Exchange Limited, Mumbai
CDSL	Central Depository Services (India) Limited
Company/ Target Company/ CFL	Capman Financials Limited
Date of Closure of Offer	Monday, 3rd January, 2011
DP	Depository Participant
Eligible Person(s) for the Offer	All owners (registered or unregistered) of the equity shares of CFL (other than the Acquirers and parties to the Share Purchase Agreement and the promoter who is not party to SPA) anytime before the Date of Closure of the Offer.
Escrow Bank	HDFC Bank Limited, Maneckji Wadia Building, Nanek Motwani Marg, Fort, Mumbai-400023
FEMA	Foreign Exchange Management Act, 1999
Form of Acceptance/ FOA	Form of Acceptance – cum – Acknowledgement
FOW	Form of Withdrawal
JSEL	Jaipur Stock Exchange Limited
Letter of Offer (LOO)	This Letter of Offer
Manager/ Manager to the Offer/ Merchant Banker/ Vivro	Vivro Financial Services Private Limited
MPSE	Madhya Pradesh Stock Exchange Limited
Non-Resident Shareholders	Non-Resident Indians, OCBs holding equity shares of CFL
NSDL	National Securities Depository Limited
NSE	National Stock Exchange Limited
Offer	Open Offer for the acquisition of 8,80,950 equity shares of Rs. 10/- each fully paid up, representing 25.00% of the total issued, subscribed and paid up equity share capital and 25.00% of the voting capital of CFL at the Offer Price being made by the Acquirers to the shareholders of CFL.
Offer Price	Rs. 10.50 per fully paid up equity share determined pursuant to regulation 20(4) and 20(5) of the Takeover Regulations.
PA	Public Announcement dated Monday, 9th August, 2010
Registrar / Registrar to the Offer	Sharepro Services (India) Pvt. Ltd.
RBI	Reserve Bank of India
SEBI / Board	Securities and Exchange Board of India
shares	equity shares having face value of Rs. 10/- each of CFL.
Sellers	Mr. Suresh Chandra Kookada, Chetak Polypack Pvt. Ltd., Mr. Nitin Kumar Chaplot, Mr. Nikhil S. Kookada, Suresh Kookada HUF, Truevalue Exports Pvt. Ltd., Kookada Finance Pvt. Ltd. and Mr. Neeraj S. Kookada cumulativey holding 9,87,937 equity shares of CFL representing 28.03% of the total paid up share capital of CFL
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
SPA	Share Purchase Agreement entered into between the Acquirers and Sellers on 6th August, 2010 to acquire 9,87,937 fully paid up equity shares of Rs. 10/- each representing, 28.03% of total paid up equity share capital and of voting capital of CFL at a price of Rs. 10/- (Rupees Ten only) per fully paid equity share payable in cash
Specified Date	Date for the purpose of determining the names of the shareholders, as appearing in the Register of Members of CFL to whom the Letter of Offer will be sent i.e. Monday, 6th September, 2010
Takeover Regulations/ Regulations/ Takeover code	Securities And Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto.

2 DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE FILING OF THE DRAFT LETTER OF OFFER WITH 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 THE 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 CAPMAN FINANCIALS LIMITED, TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF THE ACQUIRERS OR OF 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 THE ACQUIRERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MANAGER TO THE OFFER 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 – VIVRO FINANCIAL SERVICES PRIVATE LIMITED HAS SUBMITTED DUE DILIGENCE CERTIFICATE DATED 9TH AUGUST, 2010 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDMENTS THERETO. THE FILING OF THE LETTER OF OFFER DOES NOT HOWEVER ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

3 DETAILS OF THE OFFER

3.1 Background of the Offer

3.1.1 This Offer is being made by **Mr. Ramesh K. Bodra** residing at 37, Diamond Nagar, Opp. Mira Nagar, Varachha Road, Surat -395006, Tel No. -0261-4090104, Fax No.-0261- 4090108**; Mr. Jagdish K. Bodra** residing at 37, Diamond Nagar, Opp. Mira Nagar, Varachha Road, Surat -395006, Tel No. - 0261-4020430, Fax. No. - 0261- 2334604**; Mr. Mafatbhai D Siroya** residing at 28, Harish Nagar Society,Nr. Tapsil Society, Varachha Road, Surat – 395006, Tel No. - 0261-2563656**; Mr. Mukeshbhai M. Italia** residing at 19, Gurunagar Society, Opp. Baroda Prestige, Varachha Road, Surat – 395006, Tel No. - 0261-2579269**;** and **Mr. Maheshbhai B. Hirpara** residing at 201, Treveni Apartment, Jalalpore, Navsari – 396445, Mobile No.: 9825560666**;** (hereinafter collectively referred to as "Acquirers") to the equity shareholders of Capman Financials Limited, a company incorporated under the Companies Act, 1956, having its Registered Office at 11-A, Anupam Consultants, 66, Tamarind Lane, 3rd floor, Fort, Mumbai - 400023, in compliance with the regulations 10 and 12 of the Regulations. The prime objective of the Offer by the Acquirers is for substantial acquisitions of shares and voting rights accompanied with change in management and control of CFL.

3.1.2 On 6th August, 2010, the Acquirers have entered into Share Purchase Agreement (hereinafter referred to as "SPA" or "Agreement") to acquire from **Mr. Suresh Chandra Kookada** S/o. Mr. Sohanlal Kookada, aged 52 Years and residing at 301, Labh Samruddhi, 85, Bajaj Road, Vile Parle (West), Mumbai-400 056; **M/s. Suresh Kookada HUF** represented by its Karta Mr. Suresh Chandra Kookada and having address at 301, Labh Samruddhi, 85, Bajaj Road, Vile Parle (West), Mumbai-400 056; **Mr. Nitin Kumar Chaplot** S/o. Mr. Nemichand Chaplot, aged 35 years and residing at C-19, Kumbha Nagar, Chittorgarh-312001; **Mr. Nikhil S Kookada** S/o. Mr. Suresh Chandra Kookada, aged 24 Years and residing at 301, Labh Samruddhi, 85, Bajaj Road, Vile Parle (West), Mumbai-400 056; **Mr. Neeraj S Kookada**, S/o. Mr. Suresh Chandra Kookada, aged 21 Years and residing at 301, Labh Samruddhi, 85, Bajaj Road, Vile Parle (West), Mumbai-400 056; **Chetak Polypack Pvt. Ltd.** having its registered office at 301, Labh Samruddhi, 85, Bajaj Road, Vile Parle (West), Mumbai-400 056; **Truevalue Exports Pvt. Ltd.** having its registered office at 301, Labh Samruddhi, 85, Bajaj Road, Vile Parle (West), Mumbai-400 056; and **Kookada Finance Pvt. Ltd.** having its registered office at 2nd Floor, Siddhakala Apt., Manjrekarwadi, B' Cabin, Sane Guruji Marg, Naupada, Thane (West), - 400 602 (hereinafter referred to as "**Sellers**"), 9,87,937 (hereinafter referred to as "Sale Shares") fully paid up equity shares of Rs. 10/- each representing 28.03% of total outstanding paid up equity and voting share capital of CFL at a price of Rs. 10/- (Rupees Ten only) ["**Negotiated Price**"] per fully paid up equity share payable in cash.

<table>
<tr><th>Name of the Sellers</th><th>Number of Shares to be sold of</th><th>% of the paid up Capital</th><th>Name of the Acquirers</th><th>Number of Shares to be acquired</th><th>% of the paid up Capital</th></tr>
<tr><td>Mr. Suresh Chandra Kookada</td><td>4,11,900</td><td>11.69</td><td rowspan="4">Mr. Jagdish K. Bodra</td><td rowspan="4">7,31,687</td><td rowspan="4">20.76</td></tr>
<tr><td>Chetak Polypack Pvt. Ltd.</td><td>99,826</td><td>2.83</td></tr>
<tr><td>Mr. Nitin Kumar Chaplot</td><td>84,700</td><td>2.40</td></tr>
<tr><td>Mr. Nikhil S. Kookada</td><td>23,011</td><td>0.65</td></tr>
<tr><td rowspan="2">Suresh Kookada HUF</td><td rowspan="2">1,48,250</td><td rowspan="2">4.21</td><td>Mr. Mafatbhai D. Siroya</td><td>30,000</td><td>0.85</td></tr>
<tr><td>Mr. Maheshbhai B. Hirpara</td><td>6,000</td><td>0.17</td></tr>
<tr><td>Truevalue Exports Pvt. Ltd.</td><td>1,26,850</td><td>3.60</td><td rowspan="2">Mr. Ramesh K. Bodra</td><td rowspan="2">2,09,250</td><td rowspan="2">5.94</td></tr>
<tr><td>Kookada Finance Pvt. Ltd.</td><td>82,400</td><td>2.34</td></tr>
<tr><td>Mr. Neeraj S. Kookada</td><td>11,000</td><td>0.31</td><td>Mr. Mukeshbhai M. Italia</td><td>11,000</td><td>0.31</td></tr>
<tr><td>Total</td><td>9,87,937</td><td>28.03</td><td></td><td>9,87,937</td><td>28.03</td></tr>
</table>

The Sellers shall exercise their voting rights in respect of the Sale Shares in the Company in such manner so as to give full effect to the provisions of the SPA and the Acquirers shall be entitled to exercise all rights in respect thereof including the right to vote after the successful completion of the Offer.

3.1.3 In terms of Clause 40A of the Listing Agreement with BSE, MPSE and JSEL, the Target Company is required to maintain at least 25% public shareholding for listing on a continuous basis. The Acquirers undertake to ensure compliance with the provisions of Clause 40A of the Listing Agreement.

3.1.4 Salient Features of the SPA

- The sale and purchase of the Sale Shares (9,87,937 fully paid-up equity shares of Rs. 10/- each of CFL) shall be subject to compliance with the provisions of the Takeover Regulations.
- The Sellers shall cause the Target Company to comply with the provisions of the Takeover Regulations to the extent applicable to the Company. In case of non-compliance with any of the provisions of the Takeover Regulations by the Company or the Sellers, this agreement for sale of the Sale Shares shall not be acted upon by either the Sellers or the Acquirers.
- The Sale Shares are fully paid up, duly authorized and free from all encumbrances and defects in title whatsoever and on completion of the Offer, the Acquirers shall get a good clear and marketable title to the Sale Shares.

3.1.5 Being party to the SPA, the Sellers will not participate in this Offer being made by the Acquirers.

3.1.6 The Offer is being made in accordance with regulations 10 and 12 of the Regulations, pursuant to substantial acquisition of equity shares accompanied with change in management and control in the Target Company as a consequence of execution of the SPA referred to in paragraph 3.1.2 above.

3.1.7 As on the date of the PA, the Acquirers are not holding any equity shares of CFL. The Acquirers have not acquired any equity shares of CFL during the 12 months period preceding the date of the PA.

3.1.8 The entire Shares proposed to be acquired under this Offer will be acquired by the Acquirers and no other persons/ entities propose to take part in the acquisition.

3.1.9 For the purpose of this Offer there is no Person Acting in Concert (“PAC”) with the Acquirers within the meaning of regulation 2(1)(e)of the Regulations.

3.1.10 Upon fulfillment of all the obligations by the Acquirers under the Takeover Regulations as certified by the Merchant Banker, the board of directors of the Target Company shall transfer the securities acquired by the Acquirers and shall also allow such changes in the board of directors as would give the Acquirers representation on the board and control over the Target Company.

3.1.11 The Acquirers, the Sellers and the Target Company have not been prohibited by SEBI from dealing in securities, in terms of direction issued under section 11B of the SEBI Act, 1992 and the subsequent amendments thereto or under any of the regulations made under the SEBI Act, 1992.

3.1.12 The Manager to the Offer, Vivro Financial Services Private Limited, does not hold any share in the Target Company. They declare and undertake that they shall not deal in the shares of the Target Company during the period commencing from the date of their appointment as Manager to the Offer till the expiry of 15 days from the date of Closure of the Offer.

3.1.13 The equity shares of CFL to be acquired, pursuant to the Offer shall be, free from all lien, charges, encumbrances and together with all rights attached thereto, including the rights to dividends or other distributions declared, made or paid.

3.2 Details of the Proposed Offer:

3.2.1 The PA was released on 9th August, 2010 in the following newspapers, in accordance with regulation 15 of the Takeover Regulations:

Newspapers	Language	Editions
Financial Express	English	All Editions
Jansatta	Hindi	All Editions
Navshakti	Marathi	Regional Edition

The PA dated Monday, 9th August, 2010 is also available on SEBI’s website at **http://www.sebi.gov.in**

The Acquirers are making an Offer to the public shareholders of CFL to all the shareholders whose names appear on the Register of Members on the Specified Date i.e. Monday, 6th September, 2010. and all owners (registered or unregistered) of the shares of the Target Company are eligible to participate in the Offer any time before the closure of the Offer, (other than the parties to the SPA and the promoter) to acquire up to 8,80,950 fully paid-up equity shares of Rs.10/- each of CFL representing 25% of the total outstanding voting equity share capital of CFL, at a price of Rs. 10.50 per fully paid-up equity share, payable in cash in terms of regulations 20 and 21 of the Regulations

3.2.2 The Offer is made at a cash price of Rs. 10.50 per fully paid up equity share of CFL. There is no differential pricing in the Offer. There are no partly paid up equity shares in the Target Company.

3.2.3 The Offer is not a competitive bid.

3.2.4 The Offer is not conditional on any minimum level of acceptance.

3.2.5 The Acquirers have not acquired any further equity shares of the Target Company after the date of PA i.e. Monday, 9th August, 2010 till the date of this Letter of Offer

3.2.6 The Offer is not as a result of any global acquisition resulting in indirect acquisition of CFL.

3.2.7 The Offer is subject to the terms and conditions as set out herein under in the LOO.

3.2.8 This Offer is subject to receipt of the statutory approvals mentioned in paragraph 8 of the LOO. The Offer may be withdrawn, in terms of regulation 27 of the Regulations, in the event the requisite statutory approval, if any, is refused. In the event of withdrawal, a PA will be published in the same newspapers in which the original PA was published, indicating reason for withdrawal of the Offer.

3.3 Object of the Acquisition/ Offer:

3.3.1 The Offer has been made pursuant to regulations 10 & 12 of SEBI (SAST) Regulations, 1997 as a result of substantial acquisition of shares and voting rights along with change in the control of the Target Company.

3.3.2 The Open Offer to the public shareholders of Target Company is made for acquiring 25% of the total equity share capital/ resultant voting rights of CFL. After completing the proposed Open Offer, the Acquirers will achieve substantial acquisition of equity shares and voting rights of the Target Company.

3.3.3 The Acquirers intend to carry on the existing business activities and also intend to pursue upcoming corporate business opportunities in the interest of the Target Company.

3.3.4 As on the date of PA, the Acquirers do not have any plans to dispose of or otherwise encumber any assets of the Target Company in the next two years except in the ordinary course of business of the Target Company and except to the extent required for the purpose of restructuring and/ or rationalization of operations, assets, investments, liabilities or otherwise of the Target Company.

4 BACKGROUND OF THE ACQUIRERS

4.1 Acquirers

4.1.1 **Mr. Ramesh K. Bodra**

4.1.1.1 Mr. Ramesh K. Bodra s/o Mr. Karamshibhai Bodra, aged 46 years, residing at 37, Diamond Nagar, Opp. Mira Nagar, Varachha Road, Surat- 395006; Tel.: -0261-4090104; Fax No.-0261- 4090108 and e-mail-id: ugamimpexpvt.ltd@gmail.com, has 18 years of experience in the textile industry. He is a SSC from Gujarat Board.

4.1.1.2 He is a director and a promoter of following unlisted companies

1) Ugam Impex Limited

The company was originally incorporated as on 30th January, 1996 with the Registrar of Companies, Gujarat, Dadra and Nagar Haveli, as a private limited company. The name of the company was changed to Ugam Impex Limited w.e.f. 11th February, 2010. The registered office of the company is 7, Ruby Trade Centre, Bldg. No 7, Savani Char Rasta, B/H Gitanjali Cinema, Varachha Road, Surat-

6, Gujarat. The CIN of the company is U51100GJ1996PLC030876. The company is engaged in the business of trading of yarn, fabric and diamond.

Financials of Ugam Impex Limited:

(Rs. in Lacs)

S. No.	Particulars	2007-2008 (Audited)	2008-2009 (Audited)	2009-2010 (Audited)	For Quarter ended June 30, 2010 (Certified by auditors)
1	Equity capital	59.7	121.1	337.2	337.2
2	Share Application Money	30.9	0.0	0.00516	0.00
3	Reserves (excluding revaluation reserves but including Security Premium)	84.4	656.3	3,780.00	3807.22
4	Total Income,	2,354.6	11,115.7	29,086	7806.22
5	Profit Before Tax	14.3	33.0	201.85	38.89
6	Profit After Tax (PAT),	13.5	18.9	98.50	27.22
7	Earnings Per Shares (EPS) in Rs.	2.3	1.6	7.48	0.81
8	Net Asset Value (NAV) in Rs.	29.64	64.26	122.10	122.90

The company is not a sick company within the meaning of the provisions contained in section 3(1)(o) of the SICA.

2) Guru-G Tex Print Pvt. Ltd.

The company was incorporated as private limited company as on 23rd September, 2009 with the Registrar of Companies as private limited company, Gujarat, Dadra and Nagar Haveli. The registered office of the company is 38, Diamond Nagar, Opp: Mira Nagar, Varachha Road, Surat-395006. The CIN of the company is U17120GJ2009PTC058173. The company is engaged in the business of trading of fabric.

Financials of Guru-G Tex Print Pvt. Ltd.:

(Rs. in Lacs)

S. No.	Particulars	2009-2010 (Audited)	For Quarter Ended June 30, 2010 (Certified by auditors)
1	Equity capital	73.5	73.5
2	Share Application Money	1,370.00	1370.00
3	Reserves (excluding revaluation reserves but including Security Premium)	684.62	721.54
4	Total Income,	4,692.80	4932.15
5	Profit Before Tax	47.79	53.33
6	Profit After Tax (PAT),	31.87	37.17
7	Earnings Per Shares (EPS) in Rs.	4.33	5.06
8	Net Asset Value (NAV) in Rs.	102.88	107.94

The company is not a sick company within the meaning of the provisions contained in section 3(1)(o) of the SICA.

4.1.1.3 He is Proprietor of M/s. Soham Impex.

4.1.1.4 He is not a director and promoter of any listed company.

4.1.2 Mr. Jagdish K. Bodra

4.1.2.1 Mr. Jagdish K. Bodra s/o Mr. Karamshibhai Bodra, aged 40 years, residing at 37, Diamond Nagar, Opp. Mira Nagar, Varachha Road, Surat- 395006; Tel.: -0261-4020430, Fax. No.0261- 2334604 e-mail-id: jagdish@rajintl.co.in, has 16 years of experience in the textile industry. He is B.Sc. Chemistry from South Gujarat University.

4.1.2.2 He is a director and a promoter in

1) Raj International Ltd.

The company was incorporated as on 30th January, 1996 with the Registrar of Companies- Mumbai, as a private limited company with the name Raj International Private Limited. The name of the company was changed to Raj International Limited w.e.f. 13th August, 2008. The registered office of the company is A-1803, Samarpan, Kanakia Spaces, Western Express Highway, Borivali (East), Mumbai - 400101. The CIN of the company is U17110MH1996PLC096702. The company is in the business of trading of yarn, fabrics and Diamond and manufacturing & export of jewellery.

Financials of Raj International Ltd.

(Rs. in Lacs)

S. No.	Particulars	2007-2008 (Audited)	2008-2009 (Audited)	2009-2010 (Audited)	For Quarter Ended June 30, 2010 (Certified by auditors)
1	Equity capital	499.70	546.40	792.02	985.95
2	Share Application Money	0	0	2,909.01	0.00
3	Reserves (excluding revaluation reserves but including Security Premium)	286.06	1,130.57	5,425.67	8,866.49
4	Total Income,	10,528.48	21,392.91	65,582.19	53,540.63
5	Profit Before Tax	80.94	175.98	986.98	864.32
6	Profit After Tax (PAT)	52.21	190.70	854.49	725.77
7	Earnings Per Shares (EPS) in Rs.	1.04	3.50	10.81	7.36
8	Net Asset Value(NAV) in Rs.	15.72	30.71	78.50	99.93

The company is not a sick company within the meaning of the provisions contained in section 3(1)(o) of the SICA.

2) Raj Polyfilms Pvt. Ltd.

The company was incorporated in 01st October, 2009 with the Registrar of Companies, Gujarat, Dadra and Nagar Havelli as a private limited company. The registered office of the company is 519, Trade Center, B/h Ashoka Tower, Ring Road, Surat – 395002. The CIN of the company is U17120GJ2009PTC058226. The company is in the business of trading of grey fabrics.

Financials of Raj Polyfilms Pvt. Ltd.

(Rs. in lacs)

S. No.	Particulars	2009-2010 (Audited)	For Quarter Ended June 30, 2010 (Certified by auditors)
1	Equity capital	1.00	1.00
2	Reserves (excluding revaluation reserves)	1.24	5.34
3	Total Income,	659.60	557.65
4	Profit Before Tax	1.86	6.16
5	Profit After Tax(PAT),	1.24	4.10

6	Earnings Per Shares (EPS) in Rs.	12.46	41.00
7	Net Asset Value(NAV) in Rs.	21.60	63.40

The company is not a sick company within the meaning of the provisions contained in section 3(1)(o) of the SICA.

3) Raj Synthetics Pvt. Ltd.

The company was incorporated as on 16th March, 1995 with the Registrar of Companies, Gujarat, Dadra and Nagar Havelli as a private limited company. The registered office is 501, Trade Center, Behind Ashoka Tower, Ring Road, Surat, 395002. The CIN of the company is U17119GJ1995PTC025042. The company is in the business of trading of yarn and commission agent.

Financials of Raj Synthetics Pvt. Ltd.

(Rs. in lacs)

S. No.	Particulars	2007-2008 (Audited)	2008-2009 (Audited)	2009-10 (Audited)	For Quarter Ended June 30, 2010 (Certified by Auditors)
1	Equity capital	7.928	7.928	7.928	7.928
2	Reserves (excluding revaluation reserves)	36.17	36.14	37.17	37.17
3	Total Income,	229.20	1170.01	1027.83	728
4	Profit Before Tax	35.18	2.10	0.95	0.00
5	Profit After Tax(PAT),	24.10	-0.02	1.02	0.00
6	Earnings Per Shares (EPS) in Rs.	30.40	-0.03	1.29	0.00
7	Net Worth	44.09	44.07	45.098	45.098
8	Net Asset Value(NAV)	55.61	55.59	56.88	56.88

The company is not a sick company within the meaning of the provisions contained in section 3(1)(o) of the SICA.

4) Ugam Impex Ltd.

The details are as mentioned in 4.1.1.2 herein above.

5) Raj Medicare Gujarat Pvt. Ltd.

The company was incorporated as on 01st October, 2009 with the Registrar of Companies Gujarat, Dadra and Nagar Havelli as a private limited company. The registered office of the company is in 503, Trade Center, B/h. Ashoka Tower, Ring Road, Surat 395002. The CIN of the company is in U24230GJ2009PTC058227. The company is in the business of trading, manufacturing, exporting and importing of drugs, ointments, injectibles, etc.

Financials of Raj Medicare Gujarat Pvt. Ltd.

(Rs. in lacs)

S. No.	Particulars	2009-2010 (Audited)	For Quarter Ended June 30, 2010 (Certified by Auditors)
1	Equity capital	1.00	1.00
2	Reserves (excluding revaluation reserves)	0.00	5.36
3	Total Income,	14.4	67.15
4	Profit Before Tax	0.00	8.04
5	Profit After Tax(PAT),	0.00	5.36
6	Earnings Per Shares (EPS) in Rs.	0.00	53.66
7	Net Asset Value(NAV) in Rs.	-7.23	46.4

The company is not a sick company within the meaning of the provisions contained in section 3(1)(o) of the SICA.

6) Raj Fabtex Gujarat Pvt. Ltd.

The company was incorporated as on 29th September, 2009 with the Registrar of Companies, Gujarat, Dadra and Nagar Havelli as a private limited company. The registered office of the company is 501, Trade Center, B/h. Ashoka Tower, Ring Road, Surat 395002. The CIN of the company is U17120GJ2009PTC058208. The company is in the business of trading of fabrics.

Financials of Raj Fabtex Gujarat Pvt. Ltd.

(Rs. in lacs)

S. No.	Particulars	2009-2010 (Audited)	For Quarter Ended June 30, 2010 (Certified by Auditor)
1	Equity capital	1.00	1.00
2	Reserves (excluding revaluation reserves)	2.41	6.20
3	Total Income,	540.50	685.73
4	Profit Before Tax	3.644	5.69
5	Profit After Tax (PAT),	2.41	3.79
6	Earnings Per Shares (EPS) in Rs.	24.10	37.90
7	Net Asset Value(NAV) in Rs.	33.41	72

The company is not a sick company within the meaning of the provisions contained in section 3(1)(o) of the SICA.

7) Raj Infraspace Gujarat Pvt. Ltd.

The company was incorporated as on 23rd September, 2009 with the Registrar of Companies, Gujarat, Dadra and Nagar Havelli as a private limited company. The registered office of the company is 501, Trade Center, Behind Ashoka Tower, Ring Road, Surat. 395002. The CIN of the company is U45201GJ2009PTC058174. The company is in the business of builders, contractors, designers, architects, constructors of all types.

Financials of Raj Infraspace Gujarat Pvt. Ltd.

(Rs. in lacs)

S. No.	Particulars	2009-2010 (Audited)	For Quarter Ended June 30, 2010 (Certified by Auditor)
1	Equity capital	1.00	1.00
2	Reserves (excluding revaluation reserves)	-2.76	-2.76
3	Total Income,	0.0	0.00
4	Profit Before Tax	-4.19	0.00
5	Profit After Tax (PAT),	-2.76	0.00
6	Earnings Per Shares (EPS) in Rs.	0.00	0.00
7	Net Asset Value (NAV) in Rs.	-18.3	0.00

The company is not a sick company within the meaning of the provisions contained in section 3(1)(o) of the SICA.

8) Raj Amusement Gujarat Pvt. Ltd.

The company was incorporated as on 29th September, 2009 with the Registrar of Companies Gujarat, Dadra and Nagar Havelli as a private limited company. The registered office of the company is 501, Trade Center, B/h Ashoka Tower, Ring Road, Surat – 395002. The CIN of the company is U55101GJ2009PTC058210. The company is in the business of running hotels, lodging and boarding and also dealing in all amusement, recreation and entertainment of all kinds.

Financials of Raj Amusement Gujarat Pvt. Ltd.

(Rs. in lacs)

S. No.	Particulars	2009-2010 (Audited)	For Quarter Ended June 30, 2010 (Certified by Auditor)
1	Equity capital	1.00	3.12
2	Reserves (excluding revaluation reserves)	-0.93	-0.93
3	Total Income,	0.00	0.00
4	Profit Before Tax	-1.40	0.00
5	Profit After Tax (PAT)	-0.93	0.00
6	Earnings Per Shares (EPS) in Rs.	0.00	0.00
7	Net Asset Value (NAV) in Rs.	0.00	7.00

The company is not a sick company within the meaning of the provisions contained in section 3(1)(o) of the SICA.

9) Raj Dimjewel Ornaments Pvt. Ltd.

The company was incorporated as on 29th September, 2009 with the Registrar of Companies Gujarat, Dadra and Nagar Havelli as a private limited company. The registered office of the company is 501, Trade Center, B/h Ashoka Tower, Ring Road, Surat – 395002. The CIN of the company is U36910GJ2009PTC058212. The company is in the business of trading of precious and semi precious metals as well as stones.

Financials of Raj Dimjewel Ornaments Pvt. Ltd.

(Rs. in lacs)

S. No.	Particulars	2009-2010 (Audited)	For Quarter Ended June 30, 2010 (Certified by Auditor)
1	Equity capital	1.00	1.00
2	Reserves (excluding revaluation reserves)	0.00	0.00
3	Total Income,	0.0	0.00
4	Profit Before Tax	0.00	0.00
5	Profit After Tax(PAT),	0.07	0.00
6	Earnings Per Shares (EPS) in Rs.	0.00	0.00
7	Net Asset Value(NAV) in Rs.	8.44	8.44

The company is not a sick company within the meaning of the provisions contained in section 3(1)(o) of the SICA.

10) Raj Gar-Fab Pvt. Ltd.

The company was incorporated as on 29th September, 2009 with the Registrar of Companies Gujarat, Dadra and Nagar Havelli as a private limited company. The registered office of the company is 501, Trade Center, B/h Ashoka Tower, Ring Road, Surat – 395002. The CIN of the company is U17120GJ2009PTC058209. The company is in the business of trading of fabrics.

Financials of Raj Gar-Fab Pvt. Ltd.

(Rs. in lacs)

S. No.	Particulars	2009-2010 (Audited)	For Quarter Ended June 30, 2010 (Certified by Auditor)
1	Equity capital	1.00	1.00
2	Share Application Money	90.85	90.85
3	Reserves (excluding revaluation reserves but including Security Premium)	1.02	4.62
4	Total Income,	465.70	621.77
5	Profit Before Tax	1.55	5.41
6	Profit After Tax (PAT),	1.02	3.60
7	Earnings Per Shares (EPS) in Rs.	10.20	36.00
8	Net Asset Value (NAV) in Rs.	9.2	45.30

The company is not a sick company within the meaning of the provisions contained in section 3(1)(o) of the SICA.

11) SVS Tex O Fab Pvt. Ltd.

The company was incorporated as on 06th February, 2010 with the Registrar of Companies Gujarat, Dadra and Nagar Havelli as a private limited company. The registered office of the company is E-4247 / 48, Millennium market, Ring Road, Surat - 395002. The CIN of the company is U17120GJ201PTC059458. The company is in business of trading of yarn and fabrics.

Financials of SVS Tex O Fab Pvt. Ltd.

(Rs. in lacs)

S. No.	Particulars	2009-2010 (Audited)	For Quarter Ended June 30, 2010 (Certified by Auditor)
1	Equity capital	399.36	399.36
2	Reserves (excluding revaluation reserves but including Security Premium)	631.61	649.51
3	Total Income	2,655.60	3540.56
4	Profit Before Tax	20.56	26.85
5	Profit After Tax(PAT)	14.20	17.90
6	Earnings Per Shares (EPS) in Rs.	0.36	0.44
7	Net Asset Value(NAV) in Rs.	25.73	26.16

The company is not a sick company within the meaning of the provisions contained in section 3(1)(o) of the SICA.

12) Ugam Finvest (India) Pvt. Ltd.

The company was incorporated as on 18th October, 1996 with the Registrar of Companies Gujarat, Dadra and Nagar Havelli as a private limited company. The registered office of the company is 37 Diamond Nagar, Opp. Mira Nagar, Varachha Road, Surat 395006. The CIN of the company is U65910GJ1996PTC030958. The company is in the business of financing.

Financials of Ugam Finvest (India) Pvt. Ltd.

(Rs. in lacs)

S. No.	Particulars	2007-2008 (Audited)	2008-2009 (Audited)	2009-10 (Audited)	For Quarter Ended June 30, 2010 (Certified by Auditor)
1	Equity capital	1.00	1.00	1.00	1.00
2	Reserves (excluding revaluation reserves)	-0.71	-1.54	-1.29	-1.30
3	Total Income,	1.96	0.00	1.10	0.00
4	Profit Before Tax	0.77	-0.83	0.99	-0.01
5	Profit After Tax(PAT),	0.77	-0.83	0.86	-0.01
6	Earnings Per Shares (EPS) in Rs.	7.70	0.00	8.60	0.00
7	Net Asset Value(NAV) in Rs.	2.90	-5.40	-4.2	-4.3

The company is not a sick company within the meaning of the provisions contained in section 3(1)(o) of the SICA.

13) Modern Moviee Pvt. Ltd.

The company was incorporated as on 10th April, 2000 with the Registrar of Companies Gujarat, Dadra and Nagar Havelli as a private limited company. The registered office of the company is B-201, Takshasheela Appt., Khodiyar Nagar, Varachha, Road, Surat-395006. The CIN of the company is U32301GJ2000PTC037762. The company is in the business of exhibitors and financiers of Cinematography films.

Financials of Modern Moviee Pvt. Ltd.

(Rs. in lacs)

S. No.	Particulars	2007-2008 (Audited)	2008-2009 (Audited)	2009-2010 (Audited)	For Quarter Ended June 30, 2010 (Certified by Auditor)
1	Equity capital	1.12	1.12	1.12	1.12
2	Reserves (excluding revaluation reserves and Including Security Premium)	-1.03	0.65	-0.26	-0.167
3	Total Income	51.82	79.31	120.82	19.83
4	Profit Before Tax	0.33	0.38	0.38	0.09
5	Profit After Tax (PAT)	0.16	0.18	0.38	0.09
6	Earnings Per Shares (EPS) in Rs.	1.45	1.64	3.44	0.83
7	Net Asset Value (NAV) in Rs.	0.80	15.80	7.59	8.50

The company is not a sick company within the meaning of the provisions contained in section 3(1)(o) of the SICA.

14) R J Square Link Pvt. Ltd.

The company was incorporated as on 13th July, 2009 with the Registrar of Companies Gujarat, Dadra and Nagar Havelli as a private limited company. The registered office of the company is Creative House Plot No 1 to 8 Sai Krupa Society Opp. Prime Co. Op Bank, Fulpada, A.K Road, Surat -395008. The CIN of the company is U17120GJ2009PTC057515. The company is in the business of trading of yarn.

Financials of R J Square Link Pvt. Ltd.

(Rs. in lacs)

S. No.	Particulars	2009-2010 (Audited)	For Quarter Ended June 30, 2010 (Certified by Auditor)
1	Equity capital	181.00	181.00
2	Reserves (excluding revaluation reserves and Including Security Premium)	738.25	764.68
3	Total Income,	6,343.24	3913.70
4	Profit Before Tax	53.99	39.59
5	Profit After Tax (PAT),	28.84	26.43
6	Earnings Per Shares (EPS) in Rs.	1.01	1.46
7	Net Asset Value (NAV) in Rs.	50.72	52.25

The company is not a sick company within the meaning of the provisions contained in section 3(1)(o) of the SICA.

4.1.2.3 He is also a partner in M/s. Nityanand Synthetics and M/s.Raj Synthetics.

4.1.2.4 He is not a director and promoter of any listed company.

4.1.3 Mr. Mafatbhai D. Siroya

4.1.3.1 Mr. Mafatbhai D. Siroya Son of Mr. Devrajbhai Siroya, aged 42 years, residing at 28, Harish Nagar Society,Nr. Tapsil Society, Varachha Road, Surat - 395006; Tel.: 0261-2563656; e-mail-id: mafatsiroya@yahoo.com has experience of more than 18 years in Advertising and Printing Industries. He is GDA from Gujarat University. He has experience of more than 18 years in Advertising and Printing Industries.

4.1.3.2 He is a partner in M/s. Lipi Publicity, M/s. Lipi Offset and M/s. Lipi Corporation.

4.1.3.3 He is not a director and promoter of any listed and unlisted company.

4.1.4 Mr. Mukeshbhai M. Italia

4.1.4.1 Mr. Mukeshbhai M. Italia Son of Mr. Manjibhai Italia, aged 41 years, residing at 19, Gurunagar Society, Opp. Baroda Prestige, Varachha Road, Surat- 395006; Tel.: 0261-2579269; e-mail-id: - mukeshitalia@yahoo.com. He is a Commerce Graduate from Gujarat University. He has an experience of 16 years in textile industry.

4.1.4.2 He is a partner in M/s. Kudrat Creation, M/s. Kudrat Exim, M/s. Italia Corporation, M/s. Italia International, M/s. Siddhi Vinayak Corporation and M/s. TDI Industries.

4.1.4.3 He is not a director and promoter of any listed and unlisted company.

4.1.5 Mr. Maheshbhai B. Hirpara

4.1.5.1 Mr. Maheshbhai B. Hirpara Son of Mr. Babubhai Hirpara, aged 44 years, residing at 201, Treveni Apartment, Jalalpore, Navsari - 396445; Mobile No.: 9825560666;, has 18 years of experience in construction business. He holds Diploma in Civil Engineering from Bombay Technical Board.

4.1.5.2 He is a partner in M/s. Shivani Construction.

4.1.5.3 He is not a director and promoter of any listed and unlisted company.

4.2 The net worth of the Acquirers

Ms. Indu Toshniwal, proprietor of Indu Toshniwal & Associates, Chartered Accountants (Membership No. 404371), having office at 407- Parth Apartments, Near Neelam Bagh, Piplod, Surat 395007, Mobile No. 9327962386, and e-mail-id- induca@gmail.com, has certified vide her certificates that the net worth of the Acquirers are as under :

Sr. No.	Name of the Acquirers	Certificate date	Net worth as on 31/03/2010 (Rs. in Lacs)
1	Mr. Ramesh K. Bodra	July 27, 2010	389.75
2	Mr. Jagdish K. Bodra	July 27, 2010	414.98
3	Mr. Mafatbhai D. Siroya	July 27, 2010	9.32
4	Mr. Mukesbhai M. Italia	July 27, 2010	75.49
5	Mr. Mahesbhai B. Hirpara	July 31, 2010	13.56

4.3 Relationships amongst Acquirers with each other:

Mr. Ramesh K. Bodra and Mr. Jagdish K. Bodra are brothers. There is no relationship amongst the other Acquirers.

4.4 The Acquirers have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, and the subsequent amendments thereto or under any of the regulations made under the SEBI Act, 1992.

4.5 There are no legal cases pending against the Acquirers.

4.6 Acquirers, in terms of regulations 10 and 12 of the Regulations, have not entered into any separate agreement for acquiring 8,80,950 shares of Rs. 10/- each being 25% under the Offer. The Acquirers have agreed mutually to acquire the Shares under the Offer in the proportion as under:

Name of the Acquirers	Number of Shares to be acquired through SPA	% of the paid up Capital	Mutual ratio
Mr. Jagdish K. Bodra	7,31,687	20.76	74.06
Mr. Mafatbhai D. Siroya	30,000	0.85	3.04
Mr. Maheshbhai B. Hirpara	6,000	0.17	0.61
Mr. Ramesh K. Bodra	2,09,250	5.94	21.18
Mr. Mukeshbhai M. Italia	11,000	0.31	1.11
	9,87,937	**28.03**	**100.00**

Mutual ratio has been derived keeping 9,87,937 (the SPA shares) representing 28.03% of the total paid up equity share capital of the Target Company as 100 and the pro rata of the equity shares undertaken to acquire the SPA shares by each of the Acquirers under the Offer.

The Acquirers have not entered into any separate agreement to acquire the shares under the Offer but the Acquires have mutually agreed to acquire the shares received in the Offer in the same mutual ratio as agreed under the SPA to acquire the SPA shares.

4.7 The Acquirers agree and undertake that they are severally and collectively responsible for payment obligations under the Offer as well as under the SPA in the same proportion as mentioned in para 4.6.

4.8 As on the date of the PA, the Acquirers are not holding any equity shares of CFL. The Acquirers have not acquired any equity shares of CFL during the 12 months period preceding the date of the PA.

The Acquirers have not acquired a single share of CFL in the past so Chapter II compliance of the Takeover Regulations is/ was not applicable to them.

4.9 DISCLOSURE IN TERMS OF REGULATION 16(ix)

4.9.1 This Offer is being made in compliance with regulations 10 and 12 of the Regulations pursuant to the execution of the SPA as detailed in Para 3.1.2 above for substantial acquisition of shares/ voting rights accompanied with change in management and control of the Target Company.

4.9.2 In terms of regulation 16(ix) of the Regulations the Acquirers do not have any plans to dispose off or otherwise encumber any assets of the Target Company in the succeeding two years from the Date of the Closure of the Offer, except in the ordinary course of business with the prior approval of the shareholders of the Target Company.

4.10 FUTURE PLANS/ STRATEGIES OF THE ACQUIRERS WITH REGARD TO THE TARGET COMPANY:

The Acquirers intend to carry on the existing business activities and also intend to pursue upcoming corporate business opportunities in the interest of the Target Company. The Acquirers reserve the right to modify the present structure in a manner which is useful to the larger interests of the shareholders. Any change in the structure that may be effected will be in accordance with the applicable laws.

5 DELISTING OPTION TO THE ACQUIRERS IN TERMS OF REGULATION 21 (2)

Assuming full acceptances, the Offer would not reduce the public shareholding below the minimum limit prescribed by SEBI, After the completion of the Offer and assuming full acceptances in the Offer the Acquirers will hold 18,68,887 representing 53.03% of the total outstanding equity share capital of CFL.

The Acquirers do not have any intention to delist the Target Company in the next 3 years.

6 BACKGROUND OF CAPMAN FINANCIALS LIMITED ("CFL" or "Target Company")
[Note: The Information under this section is sourced from the Target Company and also from the public sources.]

Brief History and Location of the Company

6.1 CFL was incorporated under the Companies Act 1956, on 20th May 1993 as a private limited company with the name Capman Financials Private Limited under the certificate of incorporation number- 11-72083 issued by the office of Registrar of Companies, Bombay. Subsequently CFL was changed to public limited company w.e.f. 25th October, 1994 to Capman Financials Limited. The CIN of CFL is L65920MH1993PLC072083.

6.2 Capman Financials Limited is registered as a Non Banking Financial Institution holding certificate of registration from Reserve Bank of India vide its registration certificate No. 13.00382 dated March, 23, 1998. CFL is a non deposit accepting NBFC.

6.3 The Registered Office and Corporate Office of CFL is situated at 11-A, Anupam Consultants, 66, Tamarind Lane, 3rd Floor, Fort, Mumbai - 400 023, Tel No.- 022-66344781, 022-66155990 e-mail-id capmanfinancialsltd@hotmail.com. The registered office of CFL was changed as mentioned below:

Sr. No.	Date of Change	From	To
1	29.07.1993	402, Chartered House, Marine Lines, Bombay - 400 002	106, A. S. Dias Bldg., 268/272, Dr. C. H. Street, Marine Lines, Bombay - 400 002
2	31.07.2002	106, A. S. Dias Bldg., 268/272, Dr. C. H. Street, Marine Lines, Mumbai - 400 002	104, A. S. Dias Bldg., 268/272, Dr. C. H. Street, Marine Lines, Mumbai - 400 002
3	07.04.2008	104, A. S. Dias Bldg., 268/272, Dr. C. H. Street, Marine Lines, Mumbai - 400 002	11-A, Anupam Consultants, 66, Tamarind Lane, 3rd Floor, Fort, Mumbai - 400 023

6.4 CFL is currently engaged in the business of financing Activities, dealing in shares and securities and derivatives and investment activities.

6.5 Share Capital Structure of CFL:

The present Authorized share capital of the Company is Rs. 4,00,00,000 (Rupees Four Crores only) divided into 39,50,000 (Thirty Nine Lacs and Fifty Thousand) equity shares of Rs. 10/- (Rupees Ten only) each and 50,000 12% non- cumulative redeemable preference shares of Rs. 10 each. The issued, subscribed and paid up Equity Share Capital of the Company is Rs. 3,52,38,000 (Rupees Three Crores Fifty Two Lacs and Thirty Eight Thousand only) consisting of 35,23,800 (Thirty Five Lacs Twenty Three Thousand and Eight Hundred) equity shares of Rs.10/- each.

Particulars	No. of shares	Face Value	Voting rights [%]
Fully Paid up Equity Shares	35,23,800	10	100
Partly Paid up Equity Shares	--	--	---
Total Paid up Equity Shares	35,23,800	10	100
Total voting rights in Target Company	35,23,800	10	100

6.6 **Capital build-up of CFL since inception:**

Date of allotment	Equity Shares		Cummulative Paid-up Equity Share Capital	Cummulative Paid-up Equity Share Capital (Rs.)	Mode of allotment	Identity of Allottees (Promoters/ Ex. Promoters/ Others)	Status of compliance
	No. of shares	% of total share capital					
On incorporation 20th May, 1993	200	0.01	200	2,000	Signatories to the Memorandum for cash	Signatories to the Memorandum	Provisions of Companies Act, 1956 complied with
17th Nov, 1993	2,03,350	5.77	2,03,550	20,35,500	Allotted to promoters, friends, relatives & associates	Promoters, friends, relatives & associates	Provisions of Companies Act, 1956 complied with
29th March,1994	22,500	0.64	2,26,050	22,60,500	Allotted to promoters, friends, relatives & associates	Promoters, friends, relatives & associates	Provisions of Companies Act, 1956 complied with
15th July, 1994	68,000	1.93	2,94,050	29,40,500	Allotted to promoters, friends, relatives & associates	Promoters, friends, relatives & associates	Provisions of Companies Act, 1956 complied with

20th October, 1994	45,950	1.30	3,40,000	34,00,000	Allotted to promoters, friends, relatives & associates	Promoters, friends, relatives & associates	Provisions of Companies Act, 1956 complied with
25th November, 1994	1,85,000	5.25	5,25,000	52,50,000	Allotted to promoters, friends, relatives & associates	Promoters, friends, relatives & associates	Provisions of Companies Act, 1956 complied with
16th January, 1995	8,75,000	24.83	14,00,000	1,40,00,000	Allotted to promoters, friends, relatives & associates	Promoters, friends, relatives & associates	SEBI guidelines on public Issue & Provisions of Companies Act, 1956 complied with
21st March, 1995	21,23,800	60.27	35,23,800	3,52,38,000	Public Issue	public	SEBI guidelines on public Issue & provisions of Companies act, 1956 complied with
Total	**35,23,800**	**100.00**	**35,23,800**	**3,52,38,000**			

6.7 The equity shares of CFL are listed on BSE (Scrip Code: 511720), JSEL and MPSE. CFL has paid the listing fees till date to BSE, JSEL and MPSE. Originally the shares were listed on BSE, JSEL, MPSE, Ahmedabad Stock Exchange Limited (ASE) and Hyderabad Stock Exchange Limited (HSE). The equity shares of CFL have been delisted from ASE w.e.f 31.03.2005 vide its letter no. ASE / 2005/103 dated 6th April, 2005. HSE has been derecognized by SEBI since 2007. CFL is regularly complying the applicable provisions of the listing agreement and no penal action has been taken by any stock exchange.

CFL has fully complied with the provisions of the Chapter II of the Regulations.

6.8 CFL has appointed Sharepro Services (India) Pvt. Ltd. as registered RTA w.e.f. 22nd April, 2002. Prior to Sharepro Services (India) Pvt. Ltd. CFL itself was doing the work of Registrar and Transfer Agent. At the time of IPO of CFL Sriven Corporate Services Private Limited was the Registrar to the issue.

6.9 CFL has entered into the Tri-partite Agreement w.e.f 13th November 2001 with NSDL and Sharepro Services (India) Pvt. Ltd.. CFL has also executed the Tri-partite Agreement w.e.f. 29th June, 2001 with CDSL and Sharepro Services (India) Pvt. Ltd.. The equity shares of CFL are traded in demat mode and the marketable lot is 1 share. The ISIN No. of CFL is INE862D01019.

6.10 There are no partly paid up equity shares in CFL. There are no outstanding instruments in the nature of warrants/ fully convertible debentures/ partly convertible debentures etc. which are convertible into equity shares at any later date. There are no shares under lock-in period.

6.11 **Compliance Status of promoters/ Sellers of CFL under Chapter II of the Regulations**:

The promoters / sellers of CFL have complied with the provisions of the Chapter II of the Regulations except Upvan Securities Pvt. Ltd. and Mrs. Asha Ratan Khiara (Buyer and the Seller) have not complied with Regulation 7(1A) and 7(2) of the SEBI (SAST) Regulations, 1997 as on 17.09.2008 .

6.12 CFL has confirmed that it has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992 and subsequent amendments thereto or under any other regulations made under the SEBI Act, 1992.

6.13 There was no merger/ de-merger, spin off during last 3 years involving the Target Company.

6.14 CFL is not a sick company within the meaning of the provisions contained in section 3(1)(o) of the SICA.

6.15 Details of the Board of Directors of CFL as on the date of the PA:

Name, Designation and Address of the Directors	Date of Appointment	No. & % of Shares held in CFL	Qualification	Experience	Directorship in other companies
Mr. Suresh Chandra Kookada **(Non-Executive Director)** 301, Labh Samruddhi, 85, Bajaj Road, Vile Parle (W) Mumbai - 400 056 Tel.(o) 022 66344781 **DIN - 01738594**	29th March, 1994	4,11,900 (11.69%)	B.Com. FCA, ACS	He has an experience of around 28 years in financial accounting and taxation.	1. Truevalue Exports Pvt. Ltd. 2. Chetak Polypack Pvt. Ltd.
Mr. Raj Mal Mogra **(Independent Non-Executive Director)** Bldg.19, 805/806, Inradarshan Off. Link Road Oshiwara Andheri (W), Mumbai - 400 053 Tel No. – 022-22666098 **DIN- 00870988**	12th June, 1995	Nil	B.Com. LLB. FCA. ACS	He has an experience of 28 years in the corporate consultancy	1. Ginni Gold Financials Pvt. Ltd. 2. Global School of Financial Planning Pvt. Ltd. 3. Trinity Academy for Corporate Training Ltd. 4. South Pole Securities Ltd. 5. Kusum Trades Pvt. Ltd.
Mr. Pratap Salian **(Independent Non-Executive Director)** 311, Paras Darshan Modi Patel Street Bhyander (West) Pin - 401101 Tel No.- 022-66155990 **DIN- 00590124**	14th March, 2003	400 (0.011%)	M.Com. LLB.ACS	He has an experience of around 22 years in secretarial, legal and corporate planning.	Nil
Mrs. Jyoti Agrawal **(Non-Exceutive Director)** D-701, Soni Sarovar Old MHB Colony Gorai Road Borivali (West) Mumbai - 400 091 Tel. No. : 022-28691890 **DIN- 02549524**	24th February, 2003	Nil	B.Com. ACA	She has an experience of around 11 years in Corporate financial accounting and Taxation	Spysoft Solutions Pvt. Ltd.

None of the Directors of CFL represent the Acquirers.

6.16 In terms of regulation 22(9) there are no persons representing or having interest in the Acquirers, who are on the Board of Directors of the Target Company nor are they insider within the meaning of SEBI (Insider Trading Regulations) 1992.

6.17 **Brief Audited Financials of CFL**

Audited financials of CFL for last three financial years:

(a) Profit and Loss Statement:

(Rs. in Lacs)

Particulars	**31st March 2008 (Audited)**	**31st March 2009 (Audited)**	**31st March 2010 (Audited)**	**Period Ended June 30, 2010 (Certified by Auditors)**
Income from operation	33.96	37.48	36.50	9.59
Profit/ (Loss) on sale of Investments	0.10	0.00	-11.54	0.00
Profit/ (Loss) on sale of shares	0.04	-2.35	24.04	12.66
Profit/ (Loss) on derivatives trade	0.00	0.00	-2.08	0.00
Total Income	**34.10**	**35.13**	**46.92**	**22.25**
Expenses				
Administrative and other expenses	12.93	8.23	5.42	2.34
TOTAL	**12.93**	**8.23**	**5.42**	**2.34**
Profit/ Loss Before Depreciation Interest and Tax (PBIDT)	**21.17**	**26.90**	**41.50**	**19.91**
Depreciation	0.09	0.09	0.10	0.01
Interest	0.00	0.00	0.00	0.00
Profit/ Loss Before Tax (PBT)	**21.08**	**26.81**	**41.40**	**19.90**
Provision for Taxes	3.67	9.17	6.29	6.13
Provision for fringe benefit tax	0.02	0.02	0.00	0.00
Deferred Tax	6.07	-0.87	9.91	0.00
MAT credit entitlement adjustments	0.00	-3.47	0.00	0.00
Profit/ Loss After Tax (PAT)	**11.32**	**21.96**	**25.20**	**13.77**
Add: Deferred Tax for earlier years	0.00	9.04	0.00	0.00
Add: MAT credit entitlement for earlier years	0.00	0.57	0.00	0.00
Less: Taxation of earlier years	0.00	0.02	0.04	0.00
Less: Prior Period items	0.00	0.00	0.75	0.00
Less: Transfer to reserve fund	2.26	4.39	5.04	0.00
Profit/ Defecit carried forward from PY	**-1.80**	**7.26**	**34.42**	**53.79**
Net profit transferred to Balance sheet	**7.26**	**34.42**	**53.79**	**67.56**

(b) Balance Sheet Statement

(Rs. in Lacs)

Particulars	**31st March 2008 (Audited)**	**31st March 2009 (Audited)**	**31st March 2010 (Audited)**	**Period Ended June 30, 2010 (Certified by Auditors)**
Paid up Equity Share Capital	352.38	352.38	352.38	352.38
Reserves & Surplus (excluding revaluation reserve)	27.06	58.62	83.02	96.79
deferred tax liability	0.04	0.02	0.04	0.04
Total	**379.48**	**411.02**	**435.44**	**449.21**
Application of Funds:				
Net Fixed Assets	0.16	0.07	0.23	0.22
Investments	44.88	44.88	0.00	0.00
Net Current Asset	334.44	356.18	435.21	448.99
Deferred tax asset	0.00	9.89	0.00	0.00
Total	**379.48**	**411.02**	**435.44**	**449.21**
Networth	**379.44**	**411.00**	**435.40**	**449.17**

(c) Other Financial Data

Other Financial Data	31st March 2008 (Audited)	31st March 2009 (Audited)	31st March 2010 (Audited)	Period Ended June 30, 2010 (Certified by Auditor)
Dividend (%)	Nil	Nil	Nil	Nil
EPS (Rs.)	0.32	0.62	0.71	0.39
Return on Net worth (%)	2.99	5.34	5.79	3.07
Book Value Per Share (Rs.)	10.77	11.66	12.36	12.75

(**Source:** Based on the Audited Balance Sheet of CFL for the year ended 31st March 2008, 31st March 2009, 31st March 2010 and certified by Auditor for the Period Ended June 30, 2010)

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The formulas are

EPS = Profit after Tax / outstanding equity shares
Book Value per share = Net worth/ outstanding equity shares
Return on Net worth (%) = (Profit After Tax / Net worth)*100

Note: 1. There is no change in the accounting policy in last 3 financial years:

2. **A. Significant accounting policies of CFL:**

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The accounts have been prepared under historical cost convention, on the accrual basis of accounting and the same are in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956.

2. FIXED ASSETS

Fixed assets are stated at cost less accumulated depreciation.

3. DEPRECIATION

Depreciation is provided on straight line method on pro-rata basis at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956.

4. INVESTMENTS

Investment activity is one of the segments of the business activities carried on by the Company and the investments are dealt accordingly as follows:

i. Investments in quoted shares and securities are held and stated at cost and any gain or loss arising on sale of investments is accounted for in the year of sale.

ii. Investments in quoted shares and securities are either current investments or long term investments and any diminution in the value of such investments is provided for by transfer to a provision account.

iii. Investments in un-quoted shares and securities being long term investments are stated at cost. However provision for diminution, other than temporary, in the value of such investments, if any, is made to recognize a decline.

5. STOCK-IN-TRADE

Stock-in-Trade consists of Shares and Securities and the same is valued scrip- wise at cost or market value whichever is lower.

6. INCOME RECOGNITION

i. Profit or loss from dealing in shares and securities and derivatives are recognized on transaction dates.

ii. Profit or loss from sale of investments in shares and securities, whether held as current investment or long term investment, are recognized on transaction dates.

iii. Dividend income is accounted on receipt basis.

iv. Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

v. In respect of other heads of income, the Company follows the practice of accounting of such income on accrual basis subject to the prudential norms as may be applicable.

7. TAXATION

Provision for Current Income Tax payable for a year is made after considering exemptions / deductions as may be available and at the rates applicable under the Income Tax Act, 1961.

Deferred Tax Assets and Liabilities are recognized for the future tax consequences of timing differences, subject to the consideration of prudence and using the tax rates and tax laws that have been enacted. The carrying amount of deferred tax asset / liability is reviewed at each balance sheet date.

8. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit or loss, after taxation, for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is calculated by taking into account the weighted average number of shares outstanding during the period and further adjusted for the effects of all dilutive potential equity shares. However at present the company does not have any outstanding dilutive potential equity shares.

(B) Contingent Liabilities
There is no contingent liability in CFL.

6.18 Comparison and reasons for fall/rise in total income and Profit after Tax:

Financial Year 2008-09 vis-à-vis Financial Year 2007-08

The total income of the Target Company during the financial year 2008-09 was Rs. 35.13 lacs as compared to Rs. 34.10 lacs during the financial year 2007-08. The Profit After Tax for the financial year 2008-09 was Rs. 21.96 lacs as compared to Profit After Tax of Rs. 11.32 lacs for the financial 2007-08. There was an increase of total income.

Financial Year 2009-10 vis-à-vis Financial Year 2008-09

The total income of the Target Company during the financial year 2009-10 was Rs. 46.92 lacs as compared to Rs. 35.13 lacs during the financial year 2008-09. The Profit After Tax for the financial year 2009-10 was Rs. 25.20 lacs as compared to Profit After Tax Rs. 21.96 lacs for the financial 2008-09. There was an increase of total income.

6.19 Pre and Post- Offer Share Holding Pattern of CFL as on the date of LOO:

Shareholders' Category	Shareholding and voting rights prior to the SPA/ acquisition and Offer		Shares / voting rights agreed to be acquired which triggered off the Regulations		Shares/ voting rights to be acquired in Offer (assuming full acceptances)		Share holding / voting rights after the acquisition and Offer.	
	(A)		(B)		(C)		D = A+B+C	
	No.	%	No.	%	No.	%	No.	%
1. Promoter Group **a) Parties to SPA, if any**	9,87,937	28.03	(9,87,937)	(28.03)	Nil	Nil	Nil	Nil
b) Promoters other than 'a' above (Note 1)	10,000	0.28	Nil	Nil	Nil	Nil	Nil	Nil
Total (1) (a+ b)	**9,97,937**	**28.31**	**(9,87,937)**	**(28.03)**	**Nil**	**Nil**	**Nil**	**Nil**
2 (a). Main Acquirers:								
1)Mr. Ramesh K. Bodra,	Nil	Nil	2,09,250	5.94				
2)Mr. Jagdish K. Bodra,	Nil	Nil	7,31,687	20.76				
3)Mr. Mafatbhai D Siroya,	Nil	Nil	30,000	0.85				
4)Mr. Mukeshbhai M. Italia,	Nil	Nil	11,000	0.31				
5)Mr. Maheshbhai B. Hirpara	Nil	Nil	6,000	0.17				
Total	**Nil**	**Nil**	**9,87,937**	**28.03**	**8,80,950**	**25.00**	**18,68,887**	**53.03**
2 (b) PACs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total (2) (a+ b)	**Nil**	**Nil**	**9,87,937**	**28.03**	**8,80,950**	**25.00**	**18,68,887**	**53.03**
3. Parties to SPA other than 1 (a) and 2 above	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
4. Public (other than parties to SPA, Acquirers and PACs) **a) FIs/ MFs/ FIs/ Banks, SFIs**	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Others	**25,25,863**	**71.68**	Nil	Nil	(8,80,950)	(25.00)	16,54,913	46.97
Total (4) (a + b)	**25,25,863**	**71.68**	**Nil**	**Nil**	**(8,80,950)**	**(25.00)**	**16,54,913**	**46.97**
Grand Total (1+2+3+4)	**35,23,800**	**100.00**	Nil	Nil	Nil	Nil	**35,23,800**	**100.00**

Note-1- Mr. Manohar Singh Mogra holding 10,000 shares of CFL have not participated in the SPA and he will hold the shares post the open offer under the public category.

2. The total number of shareholders as on the date of PA is 3357.

6.20 Change in shareholding of the promoters as and when it happened

Sr. No.	Date of Transaction	Identity of Allottee(s)/ acquirer(s) / seller(s)	Mode of Allotment/ Acquisition/ sold	Allotted Shareholding of the allottee(s)/ Acquirer(s)/ Seller(s) before the instant allotment/ purchase / sale and the % of the same		No. of Shares allotted/ acquired/ sold	% of total voting capital of Target Company for the Shares mentioned in point 5	Shareholding of the allottee after the instant allotment/ purchase / sale and the % of the same		Shareholding of the promoter group before the instant allotment/ purchase / sale and the % of the same		Shareholding of the Promoter group after the instant allotment/ purchase/sale and the % of the same		Status of compliances with applicable regulations including SAST	Remarks
1	2	3	4	7	8	5	6	9	10	11	12	13	14	15	16
				No. of Shares	%			No. of Shares	%	No. of Shares	%	No. of Shares	%		
1	31.03.2004	Nitin Kumar Chaplot	Reclassification of promoter	0	0.00	5800	0.16	5800	0.16	782900	22.22	801100	22.73	NA	
		Nitin Kumar Chaplot		5800	0.16	12900	0.37	18700	0.53						
		Ankit Trading Pvt. Ltd.	Market Sale	40000	1.14	(500)	-0.01	39500	1.12						
				45800	**1.30**	**18200**	**0.52**	**64000**	**1.82**						
2	02.06.2004	Nitin Kumar Chaplot	Off Market Purchase	18700	0.53	66100	1.88	84800	2.41	801100	22.73	867200	24.61	NA	
3	10.06.2004	Nitin Kumar Chaplot	Off Market	84800	2.41	(100)	0.00	84700	2.40	867200	24.61	867100	24.61	NA	
4	30.06.2004	Truevalue Exports Pvt. Ltd.	Off Market Purchase	5000	0.14	11900	0.34	16900	0.48	867100	24.60	870000	24.69	NA	
		Rajendra Jain	Declassification from promoterGroup	5000	0.14	(5000)	-0.14	0	0						
		Hansa Kalyan Jain		4000	0.11	(4000)	-0.11	0	0						
				14000	**0.397298**	**2900**	**0.08**								
5	31.12.2004	Kookada Finance Pvt. Ltd.	Market Sale	33600	0.95	(1200)	-0.03	32400	0.92	870000	24.69	868800	24.66	NA	
6	31.03.2005	Suresh Kookada HUF	Off Market Purchase	0	0.00	15000	0.43	15000	0.43	868800	24.66	933600	26.49	NA	
		Truevalue Exports Pvt. Ltd.	Off Market Purchase	16900	0.48	49800	1.41	66700	1.89						
				16900	**0.48**	**64800**	**1.84**	**81700**	**2.32**						
7	16.05.2005	Renu Saboo	Off Market Purchase	5000	0.14	17600	0.50	22600	0.64	933600	26.49	951200	26.99	NA	
8	05.10.2005	Chetak Polypack Pvt. Ltd.	Market Purchase	0	0.00	100	0.00	100	0.00	951200	26.99	951300	27.00	NA	
9	14.12.2006	Nikhil S Kookada	Market Purchase	0	0.00	7450	0.21	7450	0.21	951300	27.00	958750	27.21	NA	
10	27.12.2006	Chetak Polypack Pvt. Ltd.	Market Purchase	100	0.00	7197	0.20	7297	0.21	958750	27.21	965947	27.41	NA	
11	09.01.2007	Chetak Polypack Pvt. Ltd.	Market Purchase	7297	0.21	5270	0.15	12567	0.36	965947	27.41	971217	27.56	NA	
12	14.02.2007	Chetak Polypack Pvt. Ltd.	Market Purchase	12567	0.36	4109	0.12	16676	0.47	971217	27.56	975326	27.68	NA	

Sr. No.	Date of Transaction	Identity of Allottee(s)/ acquirer(s) / seller(s)	Mode of Allotment/ Acquisition/ sold	Allotted Shareholding of the allottee(s)/ Acquirer(s)/ Seller(s) before the instant allotment/ purchase / sale and the % of the same		No. of Shares allotted/ acquired/ sold	% of total voting capital of Target Company for the Shares mentioned in point 5	Shareholding of the allottee after the instant allotment/ purchase / sale and the % of the same		Shareholding of the promoter group before the instant allotment/ purchase / sale and the % of the same		Shareholding of the Promoter group after the instant allotment/ purchase/sale and the % of the same		Status of compliances with applicable regulations including SAST	Remarks
13	28.06.2007	Chetak Polypack Pvt. Ltd.	Market Purchase	16676	0.47	18150	0.52	34826	0.99	975326	27.68	993476	28.19	NA	
14	25.03.2008	Ankit Trading Pvt. Ltd.	(Interse promoter transfer)	39500	1.12	(39500)	-1.12	0	0.00	993476	28.19	993476	28.19	NA	Interse transfer
		Suresh Kookada HUF		15000	0.43	39500	1.12	54500	1.55						
				54500	**1.55**	**0**	**0**	**54500**	**1.55**						
15	31.03.2008	Chetak Polypack Pvt. Ltd.	Off Market Purchase	34826	0.99	65000	1.84	99826	2.83	993476	28.19	1137676	32.29	NA	
		Truevalue Exports Pvt. Ltd.		66700	1.89	54200	1.54	120900	3.43						
		Suresh Kookada HUF		54500	1.55	25000	0.71	79500	2.26						
				156026	**4.43**	**144200**	**4.09**	**300226**	**8.52**						
16	15.04.2008	Truevalue Exports Pvt. Ltd.	Off Market Purchase	120900	3.43	5950	0.17	126850	3.60	1137676	32.29	1143626	32.45	NA	
17	18.07.2008	Nikhil S Kookada	Market Purchase	7450	0.21	6787	0.19	14237	0.40	1143626	32.45	1150413	32.65	NA	
18	15.09.2008	Asha Ratan Khiara	(Interse Transfer)	100000	2.84	(100000)	-2.84	0	0.00	1150413	32.647	1150413	32.65	7(1A) not compled with by the seller and acquirer	Interse transfer
		Upvan Securities Pvt. Ltd.		57500	1.63	100000	2.84	157500	4.47						
				157500	**4.47**	**0**	**0**	**157500**	**4.47**						
19	15.10.2008	Kookada Finance Pvt. Ltd.	Off Market Purchase	32400	0.92	50000	1.42	82400	2.34	1150413	32.65	1200413	34.07	NA	
20	31.12.2008	Suresh Kookada HUF	Off Market Purchase	79500	2.26	4050	0.11	83550	2.37	1200413	34.06	1081963	30.70	NA	
		Neeraj S Kookada		0	0.00	5000	0.14	5000	0.14						
		Upvan Trading Pvt. Ltd.	Declassification from promoterGroup	77500	2.20	(77500)	-2.20	77500	2.20						
		Suresh Chandra Kachhara		50000	1.42	(50000)	-1.42	50000	1.42						
				207000	**5.87**	**-118450**	**-3.361**	**216050**	**6.13**						
21	16.04.2009	Nikhil S Kookada	Off Market Purchase	14237	0.40	5000	0.14	19237	0.55	1081963	30.70	1086963	30.85	NA	
22	29.04.2009	Nikhil S Kookada	Off Market Purchase	19237	0.55	3000	0.09	22237	0.63	1086963	30.85	1089963	30.93	NA	Interse transfer
		Capman Capital Markets Ltd.	interse promoter transfer	164800	4.68	(6000)	-0.17	158800	4.51						
		Neeraj S Kookada		5000	0.14	6000	0.17	11000	0.31						
				189037	**5.36**	**3000**	**0.09**	**192037**	**5.45**						
23	15.06.2009	Suresh Kookada HUF	Off Market Purchase	83550	2.37	64700	1.84	148250	4.21	1089963	30.93	1154663	32.77	NA	
24	30.06.2009	Nikhil S Kookada	Market Purchase	22237	0.63	774	0.02	23011	0.65	1154663	32.77	1155437	32.79	NA	

Sr. No.	Date of Transaction	Identity of Allottee(s)/ acquirer(s) / seller(s)	Mode of Allotment/ Acquisition/ sold	Allotted Shareholding of the allottee(s)/ Acquirer(s)/ Seller(s) before the instant allotment/ purchase / sale and the % of the same		No. of Shares allotted/ acquired/ sold	% of total voting capital of Target Company for the Shares mentioned in point 5	Shareholding of the allottee after the instant allotment/ purchase / sale and the % of the same		Shareholding of the promoter group before the instant allotment/ purchase / sale and the % of the same		Shareholding of the Promoter group after the instant allotment/ purchase/sale and the % of the same		Status of compliances with applicable regulations including SAST	Remarks
		Altius Fincap Markets Ltd. (Capman Capital Markets Ltd)		158800	4.51	(158800)	-4.51	0	0						
25	30.11.2009	Suresh Chandra Kookada	interse promoter transfer	80000	2.27	158800	4.51	238800	6.78	1155437	32.79	1155437	32.79	Regulation 3 Report filed and 7 (1A) complied with, CFL complied with 7 (3)	Interse transfer
				238800	**6.78**	**0**	**0**	**238800**	**6.78**						
	01.12.2009	Sharad Saboo		78000	2.21	(78000)	-2.21	0	0.00						
	01.12.2009	Suresh Chandra Kookada		238800	6.78	78000	2.21	316800	8.99						
26			interse promoter transfer	**316800**	**8.99**	**0.00**	**0.00**	**316800**	**8.99**	1155437	32.79	1155437	32.79	Regulation 3 Report filed and 7 (1A) complied with, CFL complied with 7 (3)	Interse transfer
		Renu Saboo		22600	0.64	(22600)	-0.64	0	0.00						
		Suresh Chandra Kookada		316800	8.99	22600	0.64	339400	9.63						
27	02.12.2009		interse promoter transfer	**339400**	**9.63**	**0**	**0**	**339400**	**9.63**	1155437	32.79	1155437	32.79	Regulation 3 Report filed and 7 (1A) complied with, CFL complied with 7 (3)	Interse transfer
		Okay Tools Pvt. Ltd.		35000	0.99	(35000)	-0.99	0	0.00						
		Suresh Chandra Kookada		339400	9.63	35000	0.99	374400	10.62						
28	15.12.2009	Nasik Steel Pvt. Ltd.	interse promoter transfer	20000	0.57	(20000)	-0.57	0	0.00	1155437	32.79	1155437	32.79	Regulation 3 Report filed and 7 (1A) complied with, CFL complied with 7 (3)	Interse transfer
		Suresh Chandra Kookada		374400	10.62	20000	0.57	394400	11.19						
				768800	**21.82**	**0**	**0**	**768800**	**21.82**						
		Narendra Saboo		15000	0.43	(15000)	-0.43	0	0.00						
		Suresh Chandra Kookada	interse promoter transfer	394400	11.19	15000	0.43	409400	11.62						
		Kanchan Saboo		2500	0.07	(2500)	-0.07	0	0.00						
29	31.12.2009	Suresh Chandra Kookada		409400	11.62	2500	0.07	411900	11.69	1155437	32.79	997937	28.32	Regulation 3 Report filed and 7 (1A) complied with, CFL complied with 7 (3)	Interse transfer
		Altius Finserv Pvt. Ltd. (Upvan Securities Pvt. Ltd.)	Declassification from promoterGroup	157500	4.47	(157500)	-4.47	157500	4.47						
				978800	**27.78**	**-157500**	**-4.47**	**978800**	**27.78**						

6.20 The Status of compliance with the Listing requirements:

CFL has already paid the listing fees for the year 2010 - 2011 to BSE, JSEL and MPSE and the Target Company is complying with the listing agreement requirements. The Target Company has complied with the applicable provisions of Clause 49 of the Listing Agreement with the stock exchanges relating to Corporate Governance.

6.21 Details of pending litigation matters

1) CFL had advanced an unsecured loan of Rs.6,25,000/- to Mr. Kishan Mal Mohnot in the financial year 1996-97. The entire loan amount had been repaid by him during the financial year 2005-06.

A case of disproportionate asset was registered by the ACB-CBI, New Delhi against Mr. Praveen Chand Mohnot s/o Mr. Kishan Mal Manhot, who was an employee of Unit Trust of India (UTI) and was designated as Vice President. ACB-CBI filed a charge sheet against Mr. Praveen Mohnot and others on or about 15.12.2005 in the Sessions Court at Mumbai vide Case No.72 of 2005.

CFL and two directors namely Mr. Suresh Chandra Kookada and Mr. Sharad Saboo (resigned from directorship w.e.f. 14.03.2003) were also made party to the above mentioned case. CFL, Mr. Suresh Chandra Kookada and Mr. Sharad Saboo jointly filed an application for discharge from the case but the same was not allowed by the Sessions Court and against this order an appeal /revision application was filed in the Bombay High Court which.has been allowed on 21.10.2010. However copy of the order of the Honorable Bombay High Court is yet to be received. Accordingly the CFL and its directors as mentioned above have been discharged from the above stated legal case. Now no legal case is pending against the Company or the said directors in the above matter.

Except as mentioned hereinabove, there is no other litigation filed or pending by or against CFL or any of its directors / key personnel with respect to the business and affairs of CFL.

Current Status: 1. Copy of the Order of the Honorable Bombay High Court as per the court hearings completed on 21.10.2010 is yet to be received.

6.22 **Compliance Officer:**
There is no full time Company Secretary but Mr. Suresh Chandra Kookada, Director and also a qualified Company Secretary has been designated as the Compliance Officer of CFL.

Mr. Suresh Chandra Kookada,
Address: 11 A, Anupam Consultants,
66, Tamarind Lane, 3rd Floor, Fort, Mumbai 400023
Tel No. 022 - 66344781,

7 OFFER PRICE AND FINANCIAL ARRANGEMENTS

7.1 Justification of Offer Price

7.1.1 The equity shares of CFL are listed on BSE, JSEL and MPSE.

7.1.2 The Annualized Trading Turnover is more than 5% (by number of equity shares) of the total number of listed equity shares of the Target Company during the preceding six calendar months prior to the month in which the public announcement is made (i.e during February 2010 to July 2010) at BSE:

Name of Stock Exchange	Total No. of shares traded during the 6 calendar months prior to the month of PA (February 2010 to July 2010)	Total No. of listed shares	Annualized trading turnover (in terms of % of total listed shares)
BSE	1,02,749	35,23,800	5.83%

(Source:** official website of BSE:* ***www.bseindia.com*)*

7.1.3 As the equity shares of CFL are frequently traded at the BSE where they are listed/ permitted to be traded during the preceding six calendar months prior to the month of this Public Announcement and infrequently traded on JSEL and MPSE within the meaning of Explanation (i) to regulation 20(5) of the SEBI (SAST) Regulations, 1997, the Offer Price of Rs. 10.50 (Rupees Ten and Fifty Paise only) per fully paid up equity share of CFL in terms of regulations 20(4) & 20(5) of SEBI (SAST) Regulations, 1997 has been determined taking into consideration the following parameters:

	Particulars	Amount in Rs.
1.	Negotiated Price under the Share Purchase Agreement	10.00
2.	Highest Price paid by the Acquirers for acquisitions including by way of allotment in a public or rights or preferential issue during the 26 weeks prior to the date of PA	N.A
3.	The average of the weekly high and low of the closing prices of shares of Target Company on BSE, where it is most frequently traded, during the 26 weeks period preceding the date of the PA.	6.59
4.	The average of the daily high and low of the shares of the Target Company on BSE, where it is most frequently traded, during the 2 weeks period preceding the date of the PA.	8.05
5.	**Other Parameters**	Based on audited Accounts for the year ended 31.03.2010
a.	Return on Net Worth	5.79
b.	Book Value per Share (Rs.)	12.36
c.	Earning Per Share (Rs.)	0.71
d.	Price / Earnings ratio	13.04*
e.	Finance and Investment Industry Multiple (P/E)	21.22**

** as on 06/08/2010*
***(**Source**: Finance and Investment Industry - Trailing Twelve Months PE as on 06/08/2010 from Capitaline Software)*

7.1.4 The Offer price is calculated considering the provisions of Regulation 20(4) as a frequently traded because the equity shares of the Target Company are frequently traded in BSE. The price under the Regulation 20(4) is **Rs. 8.05**. BSE is the Designated Stock Exchange for the Target Company accordingly the offer price is calculated in accordance with the Regulation 20(4) as the equity shares of the Target Company are frequently traded on the BSE.

The equity shares of the Target Company are also listed in Jaipur Stock Exchange Limited (JSEL) and Madhya Pradesh Stock Exchange Limited (MPSEL). But these stock exchanges are not providing the trading platform to trade the scrips. Considering this aspect the equity shares of the Target Company may be considered as infrequently traded in JSEL and MPSEL. In order to ascertain the value of the equity shares of the Target Company under Regulation 20(5), the Chartered Accountant's valuation certificate was taken under Regulation 20(5) from Mr. Mahesh Manishankar Bhatt (Membership-034192) Chartered Accountant having office at 402, Star Manor Apts., Anand Road Extension, near Ruia Hall, Malad (W), Mumbai- 400064, Tel. No. +91-22-28813355, vide his certificate dated 7th August, 2010, in which it was stated that based on the decision of the Hon'ble Supreme Court Judgment in the Case of Hindustan Lever Employee Union vs. Hindustan Lever Limited [(1995) 83 CC 30] and with due regard to the erstwhile CCI Formula for valuation of shares the fair value of the fully paid up shares of CFL is **Rs. 10.15**.

Amt. in Rs.

Method	Amount (Rs.) (x)	Weights (y)	Weighted Amount (X * Y)
1. Value of shares as per Net Assets Method (NAV)	12.36	1	12.36
2. Value of shares as per Earning Capitalization Method	4.13	2	8.26
3. Value of Shares as per Imputed Market Value Method	15.07	2	30.14
Total		5	**50.76**
Fair value of shares			**10.15**

As per the decision of the Hon'ble Supreme Court Judgment in the Case of Hindustan Lever Employee Union vs. Hindustan Lever Limited [(1995) 83 CC 30] the share price should be of fair value. Book value indicate a historical value so it does not reflect a fair value as per the Hon'ble Supreme Court Judgement as mentioned hereinabove. The weight of 1 is provided to Net Assets method. The equal and higher weight i.e. "2" is provided to value of shares as per Earning Capitalization Method and Value of Shares as per Imputed Market Value Method because the Target Company's operating activity is on continuous basis and the equity shares of the Target Company is also trading in BSE.

In view of the above facts it is submitted that the Offer Price of Rs.10.50 is far greater than the valuation of the equity shares arrived under the Regulation 20(4) which is Rs. 8.05 and under Regulation 20(5) which is Rs. 10.15. We therefore submit that the Offer Price of Rs. 10.50 is justified.

7.1.5 The weekly high and low of the closing prices of the equity shares of CFL during the 26 weeks period preceding the date of PA i.e. 9th August, 2010 as recorded on BSE are as under:

Week No.	Date	Maximum closing price	Minimum closing price	Average
1	08/02/2010 to 14/02/2010	3.55	3.55	3.55
2	15/02/2010 to 21/02/2010	Data not available		0.00
3	22/02/2010 to 28/02/2010	3.40	3.24	3.32
4	01/03/2010 to 07/03/2010	Data not available		0.00
5	08/03/2010 to 14/03/2010	3.57	3.40	3.49
6	15/03/2010 to 21/03/2010	4.31	3.74	4.03
7	22/03/2010 to 28/03/2010	4.10	4.10	4.10
8	29/03/2010 to 04/04/2010	Data not available		0.00
9	05/04/2010 to 11/04/2010	4.30	4.10	4.20
10	12/04/2010 to 18/04/2010	4.51	4.51	4.51
11	19/04/2010 to 25/04/2010	4.92	4.47	4.70
12	26/04/2010 to 02/05/2010	6.25	5.16	5.71
13	03/05/2010 to 09/05/2010	7.95	6.56	7.26
14	10/05/2010 to 16/05/2010	9.82	8.34	9.08
15	17/05/2010 to 23/05/2010	9.52	8.94	9.23
16	24/05/2010 to 30/05/2010	8.51	8.06	8.29
17	31/05/2010 to 06/06/2010	8.30	7.61	7.96
18	07/06/2010 to 13/06/2010	Data not available		0.00
19	14/06/2010 to 20/06/2010	8.30	8.30	8.30
20	21/06/2010 to 27/06/2010	8.30	8.20	8.25
21	28/06/2010 to 04/07/2010	8.60	8.05	8.33
22	05/07/2010 to 11/07/2010	8.41	7.65	8.03
23	12/07/2010 to 18/07/2010	8.64	7.84	8.24
24	19/07/2010 to 25/07/2010	8.27	8.05	8.16
25	26/07/2010 to 01/08/2010	7.90	7.65	7.78
26	02/08/2010 to 08/08/2010	9.26	7.70	8.48
Average				**6.59**

(Source: *official website of BSE:* ***www.bseindia.com****)*

7.1.6 The daily high and low of the price of the equity shares of CFL during 2 weeks period prior to the date of PA i.e. 9th August, 2010 as recorded on the BSE are as under:

Week No.	Date	High Price	Low Price	Average
1	26/07/10	7.90	7.65	7.78
	27/07/10	7.90	7.90	7.90
	29/07/10	7.80	7.75	7.78
	30/07/10	7.65	7.65	7.65
2	2/8/2010	7.70	7.60	7.65
	3/8/2010	8.00	7.50	7.75
	4/8/2010	8.40	8.40	8.40
	5/8/2010	8.82	8.29	8.56
	6/8/2010	9.26	9.26	9.26
Average				8.05

(Source:** official website of BSE:* ***www.bseindia.com*)*

7.1.7 The Offer Price of Rs.10.50 (Rupees Ten and Fifty Paise only) per share offered by the Acquirers to the shareholders of CFL under the proposed Offer is justified in terms of regulations 20(4) & 20(5) read with regulation 20(11) of the Regulations. In the opinion of the Manager to the Offer, the Offer Price is justified.

7.1.8 If the Acquirers acquire equity shares in the open market or through negotiations, after the date of PA and upto seven working days prior to the Date of Closure of the Offer at a price higher than the Offer Price stated herein, the highest price paid for such acquisition shall be payable for all equity shares tendered and accepted under this Offer as per regulation 20(7) of the Takeover Regulations.

7.1.9 There is no non-compete agreement hence no non-compete fee has been paid.

7.1.10 The Acquirers have not acquired any equity shares of CFL from the date of PA upto the date of the LOO.

7.2 Financial Arrangements:

7.2.1 The maximum purchase consideration payable by the Acquirers in case of full acceptance of offer i.e. 8,80,950 fully paid up equity shares is Rs. 92,49,975/- (Rupees Ninty Two Lacs Forty Nine Thousand Nine Hundred and Seventy Five Only) at a price of Rs. 10.50 (Rupees Ten and Fifty Paise only) per equity share (the “Offer Price”) payable in cash subject to the terms and conditions mentioned hereinafter.

7.2.2 The Acquirers have created an Escrow Account in the name and style of “CFL – Open Offer Escrow A/c” with HDFC Bank Limited at its branch office at Maneckji Wadia Building, Nanek Motwani Marg, Fort, Mumbai-400023 and has deposited Rs. 92,49,975/- (Rupees Ninty Two Lacs Forty Nine Thousand Nine Hundred and Seventy Five Only) being 100% of the total consideration payable under the Offer. The Acquirers have arranged a lien on the cash deposit in favour of the Manager to the Offer. The Manager to the Offer is authorised to realise the value of the escrow account in terms of the Regulations.

7.2.3 The Acquirers have adequate financial resources to meet the financial requirements of the Offer. The Acquirers have made firm financial arrangements in terms of regulation 16 (xiv) for the resources required to complete the Offer in terms of the Regulations. No borrowings from Banks/ Financial Institutions are being made for the purpose. The funds to be utilized shall be domestic and no foreign funds shall be utilised.

The Acquirers have deposited 100% of the total consideration required to be paid to the shareholders under the Offer, in the escrow account as mentioned in para 7.2.2.

7.2.4 Auditors’ Certification

Ms. Indu Toshniwal, proprietor of Indu Toshniwal & Associates, Chartered Accountants (Membership No. 404371), having her office at 407- Parth Apartments, Near Neelam Bagh, Piplod, Surat 395007, Mobile No. - 9327962386 and e-mail-id- induca@gmail.com, has certified vide her certificates dated 30th July, 2010 for Mr. Jagdish K. Bodra, dated 31st July, 2010 for Mr. Mukeshbhai M. Italia, dated 2nd August, 2010 for Mr. Mafatbhai D. Siroya and dated 3rd August, 2010 for Mr. Maheshbhai B. Hirpara and Mr. Ramesh K. Bodra, that sufficient financial resources are available with the Acquirers.

7.2.5 The Manager to the Offer, has satisfied itself that the Acquirers have sufficient funds to meet the obligations under the SPA and the Offer.

8. TERMS AND CONDITIONS OF THE OFFER

8.1 Statutory Approvals

a) The Offer is subject to the receipt of approval, if any, of RBI under the FEMA for the acquisition of the equity shares by the Acquirers from the non resident shareholders under the Offer. In case of acceptances from non residents, then the Acquirers shall make requisite application to the RBI after Closure of the Offer.

b) No approval from any Bank/ Financial Institution is required for the purpose of this Offer, to the best of the knowledge of the Acquirers.

c) As on the date of this Letter of Offer, no other statutory approvals are required to be obtained for the purpose of this Open Offer except a public notice of 30 days is required to be given before effecting the sale of, or transfer of the ownership by sale of shares, or transfer of control, whether with or without sale of shares. Such public notice shall be given by the NBFC and also by the transferor or the transferee or jointly by the parties concerned.

In compliance of this statutory requirement, the company has submitted to the office of the DNBS-RBI, a copy of the PA released on 09th August, 2010 which contains all the details and requirements of the public notice as stated above.

d) If any other statutory approvals become applicable at a later date, the Offer would be subject to such statutory approvals.

e) Barring unforeseen circumstances, the Acquirers would endeavour to obtain all the approvals within a period of 15 days from the date of Closure of the Offer. In case of delay in receipt of any statutory approval, if any, SEBI has power to grant extension of time to the Acquirers for the payment of the consideration to the tendering shareholders subject to the Acquirers agreeing to pay interest as directed by SEBI under regulation 22(12) of the Regulations. If the delay occurs due to willful default of the Acquirers in obtaining the requisite approval, if any, regulation 22(13) of the Regulations will become applicable under which amount lying in the escrow account shall be liable to be forfeited apart from the penalty as provided in the Regulations.

f) Locked-in Shares:

There are no locked-in shares in CFL.

8.2 Other Terms of the Offer

8.2.1 This is not a conditional Offer and there is no stipulation as to the minimum level of acceptance.

8.2.2 The Offer will be made to the shareholders of CFL and the Letter of Offer ("LOO") together with the Form of Acceptance cum Acknowledgement ("FOA"), Form of Withdrawal ("FOW") and Transfer Deed (for shareholders holding equity shares in the physical form) will be mailed to those shareholders of CFL (except Acquirers, and the Sellers under the SPA as stated in Para 3.1.2 hereinabove) whose names appear on the register of members of CFL and to the Beneficial Owners of the equity shares of CFL whose names appear as beneficiaries on the records of the respective Depository at the closure of business hours on Monday 6th September, 2010 (the "Specified Date"). Shareholders holding shares of CFL on or before the closure of the Offer are eligible to participate in the Offer.

8.2.3. Accidental omission to dispatch of LOO to any member entitled to this Offer or non-receipt of the LOO by any member entitled to this Offer shall not invalidate the Offer in any manner whatsoever.

8.2.4 The Acquirers can revise the price upwards up to 7 working days prior to the date of Closure of the Offer i.e. Thursday, 23rd December, 2010 and revision, if any, in the Offer Price would appear in the same newspapers where the original PA was published and same price would be paid to all the shareholders who tender their shares in the Offer.

8.2.5 No compensation either directly or indirectly is being given to the Sellers under the SPA apart from the consideration as mentioned in para 3.1.2 in the LOO.

Procedure for acceptance and settlement

8.2.6 The Acquirers have appointed Sharepro Services (India) Pvt. Ltd. as Registrar to the Offer. Shareholders who are holding shares in physical form (i.e. share certificates) and wish to tender their shares may send the FOA together with the Original Share Certificate(s) and Transfer Deed(s) duly signed to the Registrar to the Offer at the following address in an envelope subscribing the same with **"Open Offer Capman Financials Ltd."** either by hand delivery during normal business hours from Monday to Friday 11.00 a.m. to 4.00 p.m. (excluding Bank Holidays) or by Registered Post on or before the closure of the Offer i.e. Monday, January 3, 2011 in accordance with the instructions specified in the LOO and the FOA.

Sr. No.	Collection Centre	Address of Collection Centre	Contact Person / e-mail- ID	Telephone No. / Fax No.	Mode of Delivery
1.	Mumbai	Sharepro Services (India) Pvt. Ltd. 13-A/B Samhita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exchange Lane, Sakinaka, Andheri (M) Mumbai - 400 072	Mr. Ganesh Rane Mr. Anand Moolya capman.offer@shareproservices.com	Tel No.-022-67720300/ 400 Fax No. 022-28591568	Hand / delivery by post
2.	Mumbai	Sharepro Services (India) Pvt. Ltd. 912 Raheja Centre, Free Press Journal Road Nariman Point, Mumbai - 400 021	Mr. Ravi Bhandari sharepro@shareproservices.com	Tel. No.- 022-22825163	Hand / delivery by post
3.	Pune	Sharepro Services (India) Pvt. Ltd. 3 Chintamani Apartments, Lane No 13 off V G Kale path, 824/D Bhandarkar Road, Pune 411 004	Mr. Uday Inamdar Mr Vijay Yadav sharepropune@vsnl.net	Tel No. 020/25662855 Fax No.- 020-25662856	Hand / delivery by post
4.	Ahmedabad	Sharepro Services (India) Pvt. Ltd. Devnandan Mega Mall Office NO 416-420, 4th Floor, Opp Sanyas Ashram, Ashram Road, Ahmedabad - 380 006	Mr Girish Patel sharepro.ahmedabad@shareproservices.com	079-26582381-84	Hand delivery

8.2.7 The Registrar to the Offer has opened a Special Depository Account with Stock Holding Corporation of India Ltd. (Registered with NSDL). Beneficial owners and Shareholders holding shares in the dematerialized form will be required to send their FOA to the Registrar to the Offer as mentioned in Para 8.2.6 along with a photocopy of the delivery instructions in "Off-Market" mode or counterfoil of the delivery instruction in "Off-Market" mode, duly acknowledged by the Depository Participant ("DP"), in favour of **"Open Offer Capman Financials Ltd."** and filled in with the details given below:

DP Name	Stock Holding Corporation of India Ltd.
A/c Title	Open Offer Capman Financials Ltd.
DP ID Number	IN301330
Client ID Number	20894864
ISIN	INE862D01019
Depository	NSDL
Market	Off market

8.2.8 All owners of shares registered or unregistered (except the Acquirers, and parties to the SPA) who own the shares at any time prior to the Closure of the Offer are eligible to participate in the Offer. Unregistered owners/ shareholders who have not received LOO can send their application in writing, on a plain paper stating the name, address, number of shares held, number of shares offered to, distinctive numbers, folio no., together with documents stated at Para 8.2.6 above so as to reach the Registrar to the Offer on or before Monday, 3rd January, 2011 i.e. before the Closure of the Offer. In case of unregistered owners, the same should be accompanied by a copy of the contract note issued by the broker through whom they acquired their shares. No indemnity is required from the unregistered owners. Where the transfer deeds are signed by a constituted Attorney, a certified copy of the Power of Attorney shall also be lodged. In the case of body corporate/ limited companies, certified copy of the Memorandum and Articles of Association and copy of the Board Resolution authorizing the signatory, shall also be sent.

8.2.9 In case of non-receipt of the LOO, the eligible persons may send their consent, to the Registrar to the Offer, on a plain paper stating the name, address, number of shares held, number of shares offered, along with the document as mentioned above, so as to reach the Registrar to the Offer on or before the closure, i.e. Monday, 3rd January, 2011. In case of beneficial owners, they may send the application in writing to the Registrar to the Offer, on a plain paper stating the name, address, number of shares held, number of shares offered, DP Name, DP ID, Beneficiary Account Number and a photocopy of the delivery instruction in 'Off-Market' mode or counterfoil of the delivery instruction in 'Off-Market' mode, duly acknowledged by the DP, in favour of the Special Depository Account, so as to reach the Registrar to the Offer, on or before the Closure of the Offer, i.e. Monday, 3rd January, 2011. Such shareholders may also download the FOA from the website of SEBI i.e. http://www.sebi.gov.in which will be made available from the date of opening of the Offer i.e. Wednesday, 15th December, 2010

8.2.10 **The shareholders or Beneficial Owners should not send the FOA, original share certificate and Transfer Deed either to the Acquirers/ Target Company.**

8.2.11 Shareholders who have sent their shares for dematerialization need to ensure that the process of getting shares dematerialized is completed well in time so that the credit in the Escrow Account should be received on or before the Closure of the Offer i.e. Monday, 3rd January, 2011 else the application would be rejected. Shareholders having their depository account in CDSL have to use inter depository delivery instruction slip for the purpose of crediting their shares in favour of Special Depository Account with NSDL.

8.2.12 The Registrar to the Offer will hold in trust the shares, FOA, if any, and the transfer form(s) on behalf of the shareholders of CFL, who have accepted the Offer, until the cheques / drafts for the consideration and/ or the unaccepted shares / share certificates are dispatched/ returned.

8.2.13 Unaccepted Share Certificates, transfer forms and other documents, if any, will be returned by Registered Post at the shareholders/ unregistered owners' sole risk to the sole/ first shareholder as appearing in the Register of Members of CFL. Shareholders whose shares are held in dematerialized form to the extent not accepted will be intimated by post for the non acceptance.

8.2.14 Shares tendered by the shareholders in the Offer shall be free from lien, charges and encumbrances of any kind whatsoever. Shares, if any, that are subject matter of litigation wherein the shareholder(s) may be precluded from transferring the shares during the pendency of the said litigation are liable to be rejected in case directions/ orders regarding these shares are not received together with the shares tendered under the Offer. The LOO in some of these cases, wherever possible, would be forwarded to the concerned statutory authorities for further action at their end.

8.2.15 In terms of regulation 21(6) where the number of shares tendered in the Offer are more than the shares agreed to be acquired by the Acquirers, the Acquirers shall accept all valid application received from the shareholders on a proportionate basis, in consultation with the Manager to the Offer, taking due care to ensure that the basis of acceptance, is decided in a fair and equitable manner and does not result in non-marketable lots. The shares will be acquired in such a way that the acquisition from a shareholder shall not be less than the minimum marketable lot or the entire holding if it is less than the marketable lot. Market lot for the Target Company's equity shares is 1 (One only).

8.2.16 While tendering shares under the Offer, NRIs/ OCBs/ foreign shareholders will be required to submit the previous RBI Approvals (specific or general) that they would have obtained for acquiring shares of CFL. In case of previous RBI approvals not being submitted, the Acquirers reserve the right to reject the Offer. While tendering shares under the Offer, NRI/ OCBs/ foreign shareholders will be required to submit a Tax Clearance Certificate from the Income Tax authorities, indicating the amount of tax to be deducted by the Acquirers under the Income Tax Act, 1961 before remitting the consideration. In case the aforesaid Tax Clearance Certificate is not submitted, the Acquirers will arrange to deduct tax at the maximum marginal rate as may be applicable to the category of the shareholder under the Income Tax Act, 1961, on the entire consideration amount payable to such shareholder.

8.2.17 Applications which are complete in all respects and which reach to the Registrar to the Offer on or before the date of Closure of the Offer i.e. Monday, 3rd January, 2011 would be approved and accepted by the Acquirers. The intimation regarding acceptance of applications and payment of consideration will be dispatched to the shareholders by Registered/ Speed Post at the shareholder's sole risk. In case of joint holder(s) the Cheque/ Demand Draft will be drawn in the name of the First Holder and in case of unregistered owners of shares the consideration will be paid to the person whose name is stated in the contract note.

8.2.18 The payment consideration for the applications so accepted in the Offer, if any to the beneficiary account with Depository Participants shall be given within 15 days from the date of the Closure of the Offer. Credit for the consideration will be paid to the shareholders who have tendered shares in the Offer by ECS, (Electronic Clearing Services) Direct Credit ("DC"), or Crossed Account Payee Cheques/ Pay orders/ Demand Drafts, National Electronic Funds Transfer ("NEFT") and Real Time Gross Settlement ("RTGS")

8.2.19 In accordance with regulation 22(5)(A) of the Regulations, shareholders who have tendered requisite documents in terms of PA and LOO shall have the option to withdraw acceptance tendered up to 3 working days prior to the Closure of the Offer. The withdrawal option can be exercised by submitting the FOW (separately enclosed with the LOO which will be mailed to the shareholders of CFL as on the Specified Date being Monday, 06th September, 2010) together with copy of acknowledgment received from the Registrar to the Offer while tendering the acceptance together with following details:

- In case of physical shares: name, address, distinctive no., folio no., no. of shares tendered/ withdrawn.

- In case of dematerialized shares: name, address, no. of shares tendered/ withdrawn, DP name, DP-ID, Beneficiary Account No., photo copy for delivery instruction in "Off Market" mode or counter foil of the delivery instruction in "Off Market" mode, duly acknowledged by the DP in favour of the depository escrow account. In case of non-receipt of form of withdrawal, the withdrawal can be exercised by making an application on the plain paper along with the details mentioned above. Shareholders who have tendered shares in physical form and wish to partially withdraw their tenders, should also enclose valid shares transfer form(s) for the remaining equity shares (i.e. shares not withdrawn) duly signed by transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signature registered with CFL and duly witnessed at the appropriate place.

a) The withdrawal of shares will be available only for the shares certificates/ shares that have been received by the Registrar to the Offer.
b) The intimation of returned shares to the shareholders will be at the address as per the records of CFL.
c) The FOW should be sent to the Registrar to the Offer only, at the collection center mentioned in section 8.2.6 above.
d) In case of partial withdrawal of shares tendered in physical form, if the original shares certificates are required to be split, the same will be returned on receipt of shares certificate from CFL.
e) Partial withdrawal of tendered shares can be done only by the registered shareholders. In case of partial withdrawal, the earlier FOA will stand revised to that effect.
f) Unaccepted share certificates, transfer forms and other documents, if any, will be returned by Registered Post at the shareholders/ unregistered owners' sole risk to the sole / first shareholder.
g) The Registrar to the Offer will hold in trust the shares/ share certificates, shares lying in the credit of the special depository account, FOA, the transfer form(s) and FOW if any, on behalf of the shareholders of the (CFL) Target Company, who have accepted the Offer, until the Cheques/ Demand drafts /pay orders for the consideration and/ or the unaccepted shares/ share certificates are dispatched/ returned or credited back to the beneficial owners DP account.
h) In case any person has lodged shares for transfer and such transfer has not yet been effected, the concerned person may apply together with acknowledgement of the lodgment of shares for transfer. Such person should also instruct CFL and its Registrar and Transfer Agent to send the transferred shares certificate(s) directly to the collection center located at the centres mentioned above in para 8.2.6. The applicant should ensure that the certificate(s) reach the designated collection center not later than 4 PM on Monday, 3rd January, 2011.

In case of non-receipt of form of withdrawal, the withdrawal can be exercised by making an application on the plain paper along with the details mentioned above.

9. Payment of Consideration

a) The payment of consideration shall be made to those shareholders whose equity share certificates and/ or other documents are found valid and in order by the Acquirers, and the same shall be paid through a crossed account payee cheque/ demand draft/ pay order. The intimation regarding the acquisition (in part or full) or rejection of the shares tendered by the shareholders in acceptance of this Offer and the corresponding payment for the acquired shares and/ or share certificates for the rejected shares will be dispatched to the shareholders by registered post or by ordinary post as the case may be, at the shareholders'/ unregistered owner's sole risk within 15 days from the date of Closure of the Offer i.e. Monday, 3rd January, 2011.

b) All cheques/ demand drafts will be drawn in the name of the first holder, in case of joint holder(s). In case of unregistered owners of shares, payment will be made in the name of the person stated in the contract note. It will be desirable if the shareholders provide bank account details in the FOA for incorporation in the cheque / demand draft.

c) However, if the Acquirers are unable to make the payment to the shareholders within 15 days due to non-receipt of any statutory approval to which the Offer may be subject, SEBI may, if it is satisfied that non receipt of requisite statutory approval was not due to any willful default or neglect of the Acquirers or failure of the Acquirers to diligently pursue the applications for such approvals, grant extension of time for the purpose, subject to payment of interest to the shareholders at such rate for delay beyond 15 days, as may be specified by the Board.

Payment of Consideration through Electronic Mode

The Acquirers shall give credit of consideration for Equity Shares tendered in the Offer, if any, to the beneficiary account with Depository Participants within 15 days from the date of the Closure of the Offer. Credit for the consideration will be paid to the shareholders who have tendered shares in the Offer by ECS, Direct Credit or crossed account payee cheques/ pay orders/ demand drafts.

The payment of consideration, if any, would be done through various modes as given hereunder:

1. ECS – Payment of consideration would be done through ECS for applicants having an account at any of the following sixty eight centers:

1. Ahmedabad	2. Nashik	3. Sholapur	4. Gorakhpur
5. Bangalore	6. Panaji	7. Ranchi	8. Jammu
9. Bhubaneshwar	10. Surat	11. Tirupati (non-MICR)	12. Indore
13. Kolkata	14. Trichy	15. Dhanbad (non-MICR)	16. Pune
17. Chandigarh	18. Trichur	19. Nellore (non-MICR)	20. Salem
21. Chennai	22. Jodhpur	23. Kakinada (non-MICR)	24. Jamshedpur
25. Guwahati	26. Gwalior	27. Agra	28. Visakhapatnam
29. Hyderabad	30. Jabalpur	31. Allahabad	32. Mangalore
33. Jaipur	34. Raipur	35. Jalandhar	36. Coimbatore
37. Kanpur	38. Calicut	39. Lucknow	40. Rajkot
41. Mumbai	42. Siliguri (non-MICR)	43. Ludhiana	44. Kochi / Ernakulam
45. Nagpur	46. Pondicherry	47. Varanasi	48. Bhopal
49. New Delhi	50. Hubli	51. Kolhapur	52. Madurai
53. Patna	54. Shimla (non-MICR)	55. Aurangabad	56. Amritsar
57.Thiruvananthapuram	58. Tirupur	59. Mysore	60. Haldia (non-MICR)
61. Baroda	62. Burdwan (non-MICR)	63. Erode	64. Vijaywada
65. Dehradun	66. Durgapur (non-MICR)	67. Udaipur	68. Bhilwara

This mode of payment of consideration would be subject to availability of complete bank account details in the FOA. The payment of consideration in ECS mode is mandatory for applicants having a bank account at any of the above mentioned sixty eight centers, except where the applicant, being eligible, opts to receive refund through other modes as specified in the FOA

2. Direct Credit – Applicants having bank accounts with the same bank through which payment consideration shall be made shall also be eligible to receive consideration through direct credit in their respective bank accounts as mentioned in the FOA.

3. RTGS – Applicants having a bank account at any of the abovementioned sixty eight centers and whose payment consideration exceeds Rs. 1 lac, have the option to receive refund through RTGS. Such

eligible applicants who indicate their preference to receive consideration through RTGS are required to provide the IFSC code in the FOA. In the event the same is not provided, payment consideration shall be made through other electronic modes or by cheques, pay orders or demand drafts payable.

4. NEFT (National Electronic Fund Transfer) – Payment of consideration shall be undertaken through NEFT wherever the shareholders bank has been assigned the Indian Financial System Code (IFSC), which can be linked to a Magnetic Ink Character Recognition (MICR), if any, available to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of consideration, duly mapped with MICR numbers. Wherever the shareholder has registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of consideration will be made to the applicants through this method. The process flow in respect of consideration by way of NEFT is at an evolving stage and hence use of NEFT is subject to operational feasibility, cost and process efficiency.

5. For all other applicants, including those applicants whose payment consideration is not credited by ECS/ Direct credit due to technical errors or incomplete/incorrect bank account details, payment consideration will be dispatched through Speed Post/Registered Post. Such payment consideration will be made by cheques, pay orders or demand drafts payable at par at places where the address of the shareholder is registered. In case of payment consideration is rejected through the ECS/ Direct credit facility, the registrar would endeavor to dispatch the payment consideration within 3 working days of such rejection.

   The bank account details for ECS/ Direct Credit/ RTGS/ NEFT will be directly taken from the depository database or from the details as mentioned by the shareholders in the FOA.

10. DOCUMENTS FOR INSPECTION

The following documents are regarded as material documents and are available for inspection by the shareholders of CFL at the office of the Manager to the Offer i.e. Vivro Financial Services Pvt. Ltd., from 10.30 a.m. to 3.00 p.m. on any working day except Sundays, and Public / Bank Holidays until the Offer closes on Monday, 3rd January, 2011.

1) Certificate of Incorporation and the Memorandum of Association and Articles of Association of CFL.

2) Copy of the Share Purchase Agreement dated 6th August, 2010.

3) Published Copy of Public Announcement of Offer dated 9th August, 2010.

4) The Audited accounts of the Target Company for the period ended 31st March 2008, 2009 and 2010 and Certified accounts for the period ended June 30, 2010.

5) The certified financials of Raj International Ltd., Raj Polyfilms Pvt. Ltd., Raj Synthetics Pvt. Ltd., Ugam Impex .Ltd., Raj Medicare Gujarat Pvt. Ltd., Raj Fabtex Gujarat Pvt. Ltd., Raj Infraspace Gujarat Pvt. Ltd., Raj Amusement Gujarat Pvt. Ltd, Raj Dimjewel Ornaments Pvt. Ltd., Raj Gar-Fab Pvt. Ltd., SVS Tex O Fab Pvt. Ltd., Ugam Finvest (India) Pvt. Ltd., Modern Moviee Pvt. Ltd., R J Square Link Pvt. Ltd., and Guru-G Tex Print Pvt. Ltd. and Certified accounts for the period ended June 30, 2010.

6) Net worth Certificates issued by Ms. Indu Toshniwal, proprietor- Indu Toshniwal & Associates, Chartered Accountants (Membership No. 404371), 27th Jul, 2010 and 31st Jul, 2010 and adequacy certificates dated 30th Jul, 2010 for Mr. Jagdish K. Bodra, dated 31st Jul, 2010 for Mr. Mukeshbhai M. Italia, dated 2nd Aug, 2010 for Mr. Mafatbhai D. Siroya and dated 3rd Aug, 2010 for Mr. Maheshbhai B. Hirpara and Mr. Ramesh K. Bodra that sufficient financial resources are available with the Acquirers to meet their obligations under the Offer.

7) Letter from the Acquirers dated 12th July, 2010 regarding appointment of Vivro Financial Services Private Limited as Manager to the Offer.

8) Statement from the Escrow Bank confirming cash deposit of Rs. 92,49,975/- and a lien marked in favour of the Manager to the Offer.

9) Copy of SEBI letter No. CFD/DCR/TO/SKM/28244/10 dated December 01, 2010 issued in terms of proviso to the regulation 18(2) of the Regulations.

10) Due Diligence Certificate given by Vivro Financial Services Private Limited, Manager to the Offer dated 9th August 2010.

11) Copy of the MOU executed between the Acquirers and Registrar to the Offer dated 5th August, 2010 to appoint Sharepro Services (India) Private Limited as Registrar to the Offer.

12) Undertaking from the Acquires for the pending litigation and undertakings that no borrowings but the domestic fund is being utilised for the purpose of the Offer.

11. DECLARATION BY THE ACQUIRERS

11.1 The Acquirers, Mr. Ramesh K. Bodra, Mr. Jagdish K. Bodra, Mr. Mafatbhai D Siroya, Mr. Mukeshbhai M. Italia, and Maheshbhai B. Hirpara severally and jointly accept full responsibility for the information contained in this Letter of Offer.

11.2 The Acquirers would be responsible for ensuring compliance with the Takeover Regulations. The information relating to the Target Company has been obtained from publicly available information and from the Company.

For and on Behalf of the Acquirers

Mr. Ramesh K. Bodra

Mr. Jagdish K. Bodra

Mr. Mafatbhai D Siroya

Mr. Mukeshbhai M. Italia

Mr. Maheshbhai B. Hirpara

The person signing the Letter of Offer is duly and legally authorised person.

Place: Surat

Date: 6th December , 2010

Attached: **1. Form of Acceptance – cum – Acknowledgement**

2. Form of Withdrawal – cum- Acknowledgement

3. Transfer Deed

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FORM OF ACCEPTANCE - CUM - ACKNOWLEDGEMENT

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

(*Please send this Form of Acceptance-cum-Acknowledgement with enclosures to Registrar to the Offer i.e. Sharepro Services (India) Pvt. Ltd. at the address as mentioned in the Letter of Offer)*

(All terms and expression used herein shall have the same meaning as described thereto in Letter of Offer and please read the instructions mentioned below before filling in this form of acceptance.)

From:___________________________________

Name:___________________________________

Address:________________________________

____

OFFER	
Opens on:	**Wednesday, 15th December, 2010**
Last date of withdrawal:	**Wednesday, 29th December, 2010**
Closes on:	**Monday, 3rd January, 2011**

Tel No: (_____) ___________ Fax No.: (_____) _____________E-mail: __________________

To,
Sharepro Services (India) Pvt. Ltd.
13AB, Smhita Warehousing Complex, 2nd Floor,
Sakinaka Telphone Exchange Lane,
Off Andheri Kurla Road, Sakinaka,
Andheri (E), Mumbai - 400072

Dear Sir/ Madam

Re: Open Offer to acquire 8,80,950 equity shares of Rs. 10/- each, representing 25% of the total issued, subscribed and paid up equity share capital and 25% of the total voting equity share capital of Capman Financials Limited ("Target Company"/ CFL) at price of Rs. 10.50 (Rupees Ten and Fifty Paise only) per equity share ("Offer Price") payable in cash by Mr. Ramesh K. Bodra, Mr. Jagdish K. Bodra, Mr. Mafatbhai D Siroya, Mr. Mukeshbhai M. Italia, and Mr. Maheshbhai B. Hirpara (collectively referred to as the Acquirers)

1. I/ We refer to the Letter of Offer dated 6th December, 2010 constituting an Offer for acquiring the equity shares held by me/ us in **Capman Financials Limited.**

2. I/ We, the undersigned have read the Letter of Offer and understood its contents and unconditionally accepted the terms and conditions as mentioned therein.

SHARES HELD IN PHYSICAL FORM

3. I/ We accept the Offer and enclose the original Share certificate(s) and duly signed transfer deed(s) in respect of my/ our shares as detailed below:

Sr. No.	Folio No.	Certificate No.	Distinctive No.(s) From	To	No. of Shares
Total Number of shares					

SHARES HELD IN DEMAT FORM

4. I/ We, holding shares in demat form, accept the Offer and enclose a photocopy of the delivery instructions by my/ our DP in respect of my/our Shares as detailed below:

DP Name	DP ID	Client ID	Depository	Name of Beneficiary	No. of Shares

5. **I/ We have done an off-market transaction for crediting the equity shares to the special depository account with Stock Holding Corporation of India Limited styled "Open Offer Capman Financials**

Limited" whose particulars are:

DP Name: Stock Holding Corporation of India Limited	DP ID: IN301330	Client ID: 20894864

Enclosures (Please tick as appropriate, if applicable)

Please use additional sheet and authenticate the same in case of insufficient space.

☐	Power of Attorney	☐	Corporate authorization in case of companies along with Board Resolution and specimen signatures of authorized signatories
☐	Death Certificate/ Succession Certificate	☐	others(Please specify) ___________
☐	No objection Certificate and Tax Clearance Certificate under Income-Tax Act, 1961, for NRIs/ OCBs/ Foreign Shareholders as applicable		

6. I/ We confirm that the equity shares of Capman Financials Limited which are being tendered herewith by me/ us under this Offer are free from liens, charges and encumbrances of any kind whatsoever.
7. I/ We note and understand that the original share certificate(s) and valid share transfer deed will be held in trust for me/ us by the Registrar to the Offer until the time the Acquirers make payment of the purchase consideration as mentioned in the Letter of Offer.
8. I/ We also note and understand that the Acquirers will pay the purchase consideration only after verification of the documents and signatures.
9. I/ We authorize the Acquirers to send by registered post/ speed post/ UCP the draft/ cheque, in settlement of the amount to the sole/ first holder at the address mentioned above.
10. I/ We authorize the Acquirers to accept the equity shares so offered or such lesser number of equity shares which it may decide to accept in consultation with the Manager to the Offer and in terms of the Letter of Offer and I/ We further authorize the Acquirers to return to me/ us, equity share certificate(s) which is not found valid.
11. My/ Our execution of this Form of Acceptance shall constitute my/ our warranty that the equity shares comprised in this application are owned by me/ us and are transferred by me/ us free from all liens, charges, claims of third parties and encumbrances. If any claim is made by any third party in respect of the said equity shares, I/ We will hold the Acquirers, harmless and indemnified against any loss they or either of them may suffer in the event of the Acquirers acquiring these equity shares. I/ We agree that the Acquirers may pay the Offer Price only after due verification of the documents and signatures and on obtaining the necessary approvals as mentioned in the said letter of offer.
12. I/ We undertake to execute such further documents and give further assurance as may be required or expedient to give effect to my/our agreeing to sell the said equity shares.
13. So as to avoid fraudulent encashment in transit, Shareholder(s) should provide details of bank account of the first/sole shareholder and the cheque or demand draft will be drawn accordingly.
    Please indicate the preferred mode of receiving the payment consideration. (Please tick)
    1) Electronic Mode: --------------------------- 2) Physical Mode: -----------------------------
    Sr. No Particulars required Details

Name of Bank	Branch	City	Type of Account	Account Number
MICR Code		IFSC Code (for RTGS/ NEFT transfers)		

The Permanent Account No.(PAN No.) Allotted under the Income Tax Act 1961 is as under: -

	1st Shareholder	2nd Shareholder	3rd Shareholder
PAN No.			

Yours faithfully,
Signed and delivered

	FULL NAME (S) OF THE HOLDER	SIGNATURE (S)
First / Sole Holder		
1st Shareholder		
2nd Shareholder		
3rd Shareholder		

Note: In case of joint holdings, all shareholders must sign. In case of body corporate, the company seal should be affixed

Place: __________________
Date __________________

15. I/ We irrevocably authorize the Acquirers or the Manager to the Offer to send by registered post the draft / cheque, in settlement of purchase at my own risk and any excess share certificate, if any, to the Sole/first holder at the address mentioned below:

NAME AND COMPLETE ADDRESS OF THE SOLE/FIRST HOLDER (IN CASE OF MEMBER(S)), ADDRESS as Registered with the Company.
Name: ____
Address: ____
Place: ____________________
Date: ____________________
Tele No: ___________________

INSTRUCTIONS

1. In the case of dematerialized shares, the shareholders are advised to ensure that their Shares are credited in favour of the Special Depository Account, before the date of Closure of the Offer i.e. Monday**, 3rd January, 2011** The Form of Acceptance-cum-Acknowledgment of such demat shares not credited in favour of the Special Depository Account, before the Date of Closure of the Offer will be rejected.

2. Shareholders should enclose the following:

I. **For shares held in demat form:-**

Beneficial owners should enclose

i. **Form of Acceptance-cum-Acknowledgment** duly completed and signed in accordance with the instructions contained therein, as per the records of the Depository Participant (DP).

ii. **Photocopy of the delivery instruction** in “Off-market” mode or counterfoil of the delivery instruction in “Off-market” mode, duly acknowledged by the DP as per the instruction in the Letter of offer.

iii. In case of non-receipt of the aforesaid documents, but receipt of the shares in the Special Depository Escrow Account, the Acquirers may deem the Offer to have been accepted by the shareholder.

3. Registered Share holders should enclose the following:

I. For Shares held in physical form:-

Registered Shareholders should enclose

i) **Form of Acceptance-cum-Acknowledgment** duly completed and signed in accordance with the instructions contained therein, by all Shareholders whose names appear on the Share certificates.

ii) **Original Share certificate(s).**

iii) **Valid transfer deed(s)** duly signed as transferors by all registered Shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with CFL and duly witnessed at the appropriate place. A blank Share Transfer form is enclosed along with the Letter of Offer. Attestation, wherever required, (thumb impressions, signature difference, etc.) should be done.

If the Registrar to the Offer does not receive the documents listed above but receives the original share certificates and valid transfer deed from a registered shareholder, then the Offer will be deemed to have been accepted by such shareholders.

The details of buyer should be left blank failing which the same will be invalid under the Offer. All other requirements for valid transfer will be preconditions for valid acceptance.

II. **Unregistered owners should enclose**

i. **Form of Acceptance-cum-Acknowledgment** duly completed and signed in accordance with the instructions contained therein.
ii. **Original Share certificate(s)**.
iii. **Original broker contract note**.
iv. **Valid Share transfer deed(s)** as received from the market leaving details of buyer blank. If the same is filled in then the Share(s) are liable to be rejected.

4. The Share certificate(s), share transfer form(s) and the Form of Acceptance-cum-Acknowledgment should be sent only to the Registrar to the Offer and not to the Manager to the Offer or Acquirers or CAPMAN FINANCIALS LIMITED.

5. The Form of Acceptance-cum-Acknowledgment and other related documents should be submitted at the collection center of Sharepro Services (India) Private Limited as stated in the Letter of Offer.

6. It is mandatory for shareholders to indicate the bank account details at the appropriate place in the Form of Acceptance-cum-Acknowledgment and the consideration would be credited to the bank account of the sole/first shareholder. The payment would be made at par to all the shareholders.

7. Rejection of Shares

If the shares are rejected for any of the following reasons, the shares will be returned to the holder(s) along with all the documents received from them at the time of submission. Please Note that the following list is not exhaustive.

a. The signature(s) of the holder(s) do not match with the specimen signature(s) as per the records of CAPMAN FINANCIALS LIMITED.

b. The Transfer deed is not complete or that the signatures do not match with the specimen recorded with CAPMAN FINANCIALS LIMITED.

c. The number of shares mentioned in the Form of Acceptance-cum-Acknowledgment does not tally with the actual physical share certificate(s) submitted.

8. All documents/ remittances sent by or to shareholders will be at their own risk. Shareholders of Capman Financials Limited are advised to adequately safeguard their interests in this regard.

9. Neither The Acquirers, the Manager to the Offer, the Registrar to the Offer or Capman Financials Limited will be liable for any delay/ loss in transit resulting in delayed receipt/non-receipt by the Registrar of your Form of Acceptance-cum-Acknowledgment or submission of original physical Share certificate(s) due to inaccurate/ incomplete particulars/ instructions on your part, or for any other reason.

Applicants who cannot hand deliver their documents at the collection Center, may send their documents only by registered post, at their own risk, to the Registrar to the Offer at Sharepro Services (India) Pvt. Ltd., 13AB, Smhita Warehousing Complex, 2nd Floor, Sakinaka Telphone Exchange Lane, Off Andheri Kurla Road, Sakinaka, Andheri (E), Mumbai - 400072, so as to reach the Registrars to the Offer on or before the last date of acceptance i.e. Wednesday, 20th October, 2010.

10. Please read the enclosed Letter of Offer before filling up the form of Acceptance.

11. The Form of Acceptance should be filled up in English only.

12. Signature(s) other than in English, Hindi and thumb impression must be attested by notary public under his official seal.

13. Mode of tendering the Equity shares pursuant to the Offer

(i) The acceptance of the Offer made by the Acquirers is entirely at the discretion of the equity shareholders of CFL.

(ii) Shareholders of CFL to whom the Offer is being made, are free to Offer his/her/their shareholding in CFL for sale to the Acquirers, in whole or part, while tendering his/her/their equity shares in the Offer.

All queries in this regard to be addressed to the Registrar to the Offer at the following address quoting your Reference Folio No./ DP ID/ Client ID:

Sharepro Services (India) Pvt. Ltd.
(Unit: Capman Financials Limited)
Contact Person: **Mr. Ganesh Rane**
13AB, Smhita Warehousing Complex, 2nd Floor,
Sakinaka Telphone Exchange Lane,
Off Andheri Kurla Road, Sakinaka,
Andheri (E), Mumbai - 400072
Tel No.-022-67720300/400
Fax No. 022-28591568
E-mail: capman.offer@shareproservices.com

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Acknowledgment Slip: Capman Financials Limited – Open Offer (to be filled in by the shareholders)

Received from Mr./Ms./M/s____

Form of Acceptance cum Acknowledgement for CFL Offer as per details below: -

Physical Shares: Folio No. __________ No. of Certificates Enclosed ______ Certificate No.__________ Total No. of Shares Enclosed __________

Demat Shares: Client ID ___________________________

DP ID ___________________________

Copy of Delivery Instruction to DP ______________________________

Total No. of Shares Enclosed _________________________________

(Delete whichever is not applicable)

Date of Receipt: _____________ Stamp of collection center: Signature of Official:

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Note: All future correspondence, if any, should be addressed to Registrar to the Offer at the following Address.

Sharepro Services (India) Pvt. Ltd.
(Unit: Capman Financials Limited)
Contact Person: **Mr. Ganesh Rane**
13AB, Smhita Warehousing Complex, 2nd Floor,
Sakinaka Telphone Exchange Lane,
Off Andheri Kurla Road, Sakinaka,
Andheri (E), Mumbai - 400072
Tel No.-022-67720300/400
Fax No. 022-28591568
E-mail: capman.offer@shareproservices.com

FORM OF WITHDRAWAL

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

(*Please send this Form of Withdrawal with enclosures to Registrar to the Offer Sharepro Services (India) Private Limited at the address as mentioned in the Letter of Offer)*

THIS FORM SHOULD BE USED BY THE SHAREHOLDERS ONLY FOR EXERCISING THE WITHDRAWL OPTION AS PROVIDED IN THE LETTER OF OFFER

Offer	
Opens on:	**Wednesday, 15th December, 2010**
Last date of Withdrawal	**Wednesday, 29th December, 2010**
Closes on:	**Monday, 3rd January, 2011**

To,
Sharepro Services (India) Pvt. Ltd.
13AB, Smhita Warehousing Complex, 2nd Floor,
Sakinaka Telphone Exchange Lane,
Off Andheri Kurla Road, Sakinaka,
Andheri (E), Mumbai - 400072

Dear Sir/Madam,

Sub: **Open Offer to acquire 8,80,950 equity shares of Rs. 10/- each, representing 25% of the total issued, subscribed and paid up equity share capital and 25% of the total voting equity share capital of Capman Financials Limited ("Target Company"/ CFL) at price of Rs. 10.50 (Rupees Ten and Fifty Paise only) per equity share ("Offer Price") payable in cash by Mr. Ramesh K. Bodra, Mr. Jagdish K. Bodra, Mr. Mafatbhai D Siroya, Mr. Mukeshbhai M. Italia, and Mr. Maheshbhai B. Hirpara (collectively referred to as the Acquirers) - withdrawal of shares tendered in the Offer.**

I/ We refer to the Letter of Offer dated 6th December, 2010 for acquiring the Shares held by me/us in **CAPMAN FINANCIALS LIMITED.** I/ we, the undersigned, have read the Letter of Offer understood its contents and unconditionally accept the terms and conditions and procedures as mentioned therein.

I/ We have read the procedure for withdrawal of shares tendered by me/ us in the Offer as mentioned in the Letter of Offer and unconditionally agree to the terms and conditions mentioned therein.

I/ We hereby consent unconditionally and irrevocably to withdraw my/ our Shares from the Offer and

I/ We further authorize the Acquirers to return to me/ us, tendered Share certificate(s)/ Share(s) at my/ our sole risk.

I/ We note that upon withdrawal of my/ our shares from the Offer, no claim or liability shall lie against the Acquirers/ Manager to the Offer/ Registrar to the Offer.

I/ We note that this Form of withdrawal should reach the Registrar to the Offer at any of the collection centers mentioned in the Letter of Offer as per the mode of delivery indicated therein on or before the last date of withdrawal.

I/ We note that the Acquirers/ Registrar to the Offer shall not be liable for any postal delay/ loss in transit of the shares held in physical form and also for non-receipt of shares held in the dematerialized form in the DP account due to inaccurate/incomplete particulars/instructions.

I/ We also note and understand that the Acquirers shall return original Share certificate(s), share transfer deed(s) and Shares only on completion of verification of the documents and signatures and beneficiary position data as available from the Depository from time to time, respectively.

The particulars of the tendered Share(s) that I/We wish to withdraw are detailed below:

Folio no.	**Certificate No.**	**Distinctive Nos.**		**No. of Shares**
		From	**To**	
Tendered				
Withdrawn				
Total No. of equity shares				

(In case of insufficient space, please use additional sheet and authenticate the same)

I/ We hold the following shares in dematerialized form, have tendered the shares in the Offer and had done an off-market transaction for crediting the Shares to the Special Depository Account with **Stock Holding Corporation of India Limited** Styled "Open Offer Capman Financials Ltd." as per the following particulars:

DP Name: Stock Holding Corporation of India Limited	**DP ID: IN301330**	**Client ID: 20894864**

Please find enclosed a photocopy of the depository delivery instruction(s) duly acknowledged by the Depository Participant.

The particulars of the account from which my/ our shares have been tendered are as detailed below:

DP Name	**DP ID**	**Client ID**	**Depository**	**Name of Beneficiary**	**No. of Shares**

I/ We note that the Shares will be credited back only to the depository account, from which the shares have been tendered and necessary standing instructions have been issued in this regard. I/ We confirm that the particulars given above are true and correct.

In case of dematerialized Shares, I/ We confirm that the signatures of the beneficiary holders have been verified by the DP as per the records maintained at their end and the same have also been duly attested by them under their seal.

Yours faithfully,
Signed & Delivered

Full Name(s) of the holders	**Address**	**Signature**
First/Sole Holder		
Joint Holder 1		
Joint Holder 2		

Note: In case of joint holdings all shareholders must sign. A corporation must affix its common seal necessary Board Resolution should be attached.

Place: ______________________
Date: ______________________

INSTRUCTIONS

1. Shareholders are advised to ensure that the Form of Withdrawal should reach the Registrar to the Offer at the collection center mentioned In the Letter of Offer as per the mode of delivery indicated therein on or before the last date of withdrawal i.e. Wednesday,29th December, 2010.

2. Shareholders should enclose the following:

   i. **For Shares held in demat form:**

   Beneficial owners should enclose

   a. Duly signed and completed Form of Withdrawal.
   b. Acknowledgement slip in original/ Copy of the submitted Form of Acceptance - cum - Acknowledgement in case delivered by Registered A.D.
   c. Photocopy of the delivery instruction in "Off-market" mode or Counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the **DP.**

   ii. **Registered Shareholders should enclose**.

   a. Duly signed and completed Form of Withdrawal
   b. Acknowledgement slip in original/ copy of the submitted Form of acceptance- cum- Acknowledgement in case delivered by Registered A.D.
   c. In case of partial withdrawal, valid share transfer form(s) for the remaining Shares (i.e. Shares not withdrawn) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with Capman Financials Limited and duly witnessed at the appropriate place.

   iii. **Unregistered owners should enclose.**

   a. Duly signed and completed Form of Withdrawal.
   b. Acknowledgement slip in original/ Copy of the submitted Form of Acceptance-cum-Acknowledgement in case delivered by Registered A.D.

3. The withdrawal of Shares will be available only for the Share certificates/ the Shares that have been received by the Registrar to the Offer/ Special Depository Account.
4. The intimation of returned Shares to the shareholders will be at the address as per the records of the Target Company/ depository as the case may be.
5. The Form of Withdrawal should be sent only to the Registrar to the Offer.
6. In case of partial withdrawal of Shares tendered in physical form, if the original Share certificates are required to be split, the same will be returned on receipt of Share certificates from the Target Company. The facility of partial withdrawal is available only to registered shareholders.
7. Shareholders holding Shares in dematerialized form are requested to issue the necessary standing instruction for receipt of the credit in their DP account.
8. The Form of Withdrawal and other related documents should be submitted at the collection center of Sharepro Services (India) Private Limited as stated in the Letter of Otter.

Applicants who cannot hand deliver their documents at the collection center, may send their documents only by Registered Post, at their own risk, to the Registrar to the Offer at Sharepro Services (India) Private Limited. 13AB, Smhita Warehousing Complex, 2nd Floor, Sakinaka Telphone Exchange Lane, Off Andheri Kurla Road, Sakinaka, Andheri (E), Mumbai – 400072 so as to reach the Registrars to the Offer on or before the last date of acceptance i.e. Monday , 3rd January, 2011.

---TEAR ALONG THIS LINE--

Acknowledgment Slip: Capman Financials Limited – Open Offer (to be filled in by the shareholders)

Received from Mr./Ms./M/s ---

Form of Acceptance cum Acknowledgement for CFL Offer as per details below:

Physical Shares: Folio No.	No. of Certificates Enclosed	Certificate No.	Total
No. of Shares Enclosed			
Demat Shares: Client ID			
DP ID			
Copy of Delivery Instruction to DP			
Total No. of Shares Enclosed			
(Delete whichever is not applicable)			
Date of Receipt :	Stamp of collection center:	Signature of Official:	

--- Tear along this line ---

Note: All future correspondence, if any, should be addressed to Registrar to the Offer at the following Address.

Sharepro Services (India) Pvt. Ltd.
(Unit: Capman Financials Limited)
Contact Person: **Mr. Ganesh Rane**
13AB, Smhita Warehousing Complex, 2nd Floor,
Sakinaka Telphone Exchange Lane,
Off Andheri Kurla Road, Sakinaka,
Andheri (E), Mumbai - 400072
Tel No.-022-67720300/400
Fax No. 022-28591568
E-mail: capman.offer@shareproservices.com

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