LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This document ("Letter of Offer") is sent to you as an equity shareholder of Confidence Trading Company Limited ("CTCL" or the "Target Company"). If you require any clarifications about the action to be taken, you may consult your stock broker or investment consultant or Manager to the Offer or Registrar to the Offer. In case you have recently sold your shares in CTCL, please hand over this Letter of Offer, accompanying Form of Acceptance-cum-Acknowledgement and Form of Withdrawal and Transfer Deed to the member of the stock exchange through whom the sale was affected.

The Acquirer:

Mr. Suresh Kumar Somani

S/o Late Shri Rameshwar Lal Somani

Residential Address (USA): 61-55 98 Street # 12 F Rego Park, NY 11374 USA

Residential Address (India): 211 Manas Bhawan, 11 R.N.T. Marg, Indore, Madhya Pradesh

Tel. No. : (+91-731-2510040)

Email address: suresh@braintreeproducts.com

Makes a Cash Offer of Rs. 5/-(Rupees Five Only) Per Fully Paid up Equity Share to acquire 10,000 Fully Paid-Up Equity Shares Representing 20% Of the Voting Equity Capital of

Confidence Trading Company Limited (herein referred to as "CTCL")

(**Regd. Office: 2-C, 2nd Floor, Ram Mansion,**

No. 367 Pantheon Road, Egmore, Chennai-600008

Tel no.: (+91-44-43555227/229), Fax no.: (+91-44-28194595)

Email address: confidencetrading@in.com

ATTENTION:

1. This Offer is being made pursuant to the Regulations 10 & 12 of SEBI (Substantial Acquisition of Shares & Takeover) Regulations, 1997 ("SEBI (SAST) Regulations") and subsequent amendments thereof.

2. The Offer is not subject to any minimum level of acceptance by the shareholders of CTCL.

3. If there is any upward revision of the Offer Price by the Acquirer till the last date for revision viz. Monday, August 24, 2009 or withdrawal of the Offer, the same would be informed by way of a public announcement in the same newspapers in which the Public Announcement and the Corrigendum had appeared. Such revised Offer Price would be payable by the acquirer for all the shares tendered anytime during the Offer and accepted under the Offer.

4. Shareholders, who have accepted the Offer by tendering the requisite documents, in terms of the Public Announcement / Corrigendum / Letter of Offer, can withdraw the same up to three working days prior to the date of the closure of the Offer viz. August 28, 2009

5. There has been no competitive bid as on date of this Letter of Offer.

6. No other statutory approval is required for the Offer other than those mentioned in the clause 7.4 of this Letter of Offer.

7. The procedure for acceptance is set out in Clause 8 of this Letter of Offer.

8. In case of acceptance from non-resident shareholders, the acquirer would, after the closure of the offer, make the requisite applications to RBI to obtain its approval for transfer of such shares of CTCL to the acquirer.

9. A form of acceptance and form of withdrawal are enclosed with this Letter of Offer

10. A copy of the Public Announcement and Letter Of Offer (including form of acceptance-cum-acknowledgement and form of withdrawal) is also available on SEBI's website (www.sebi.gov.in)

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
Anand Rathi Advisors Limited 11th Floor, Times Tower, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai – 400013. Tel: +91 22 4047 7000 Fax: +91 22 4047 7070 Email: ctclopenoffer@rathi.com Website: www.rathi.com SEBI Registration No.: MB / INM000010478 **Contact Person: Ms. Shweta Rathi / Ms. Ruchi Rathi**	**Adroit Corporate Services Pvt. Ltd** 19/20, Jaferbhoy Industrial Estate, 1st Floor, Makwana Road, Marol Naka, Andheri (E), Mumbai - 400059 Tel.: +91 22 2859 0942 Fax : +91 22 2850 3748 Email :- veenashetty@adroitcorporate.com SEBI Registration No. : INR0000002227 **Contact Person : Ms Veena Shetty/ Mr. Suredner Gawade**

SCHEDULE OF THE MAJOR ACTIVITIES OF THE OFFER

Activities	Day and Date
Public Announcement Date	Friday, June 26, 2009
Specified date * (for the purpose of determining the names of shareholders to whom the LOO would be sent)	Friday, July 3, 2009
Last date for announcement of a competitive bid	Friday, July 17, 2009
Date by which LOO will be posted to shareholders	Monday, August 10, 2009
Date of Opening of the Offer	Friday, August 14, 2009
Last date for revising the offer price / number of Shares	Monday, August 24, 2009
Last date for withdrawing acceptance from the Offer	Friday, August 28, 2009
Date of Closure of the Offer	Wednesday, September 2, 2009
Date of communicating rejection / acceptance and payment of consideration for applications accepted	Thursday, September 17, 2009

Specified date is only for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer would be sent and all owners (registered or unregistered) of the shares of the Target Company (except parties to the Share Purchase Agreement) are eligible to participate in the Offer anytime before the closing of the Offer.

RISK FACTORS

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

I. Relating to the transactions

The Acquirer makes no assurance with respect to the market price of the Shares both during the Offer period and upon the completion of 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.

II. Risks Related to the Proposed Offer

1. The Acquirer and the Manager to the Offer accept no responsibility for statements made otherwise than in the Public Announcement or the Letter of Offer or in the advertisement or any materials issued by, or at the instance of the Acquirer and the Manager to the Offer, and anyone placing reliance on any other source of information would be doing so at his/her/their own risk.

2. If the provisions of the Takeover Code are not complied with, this Share Purchase Agreement shall not be acted upon, either by the Sellers or Acquirer.

3. The Shares tendered in the Offer will lie to the credit of a designated escrow account, till the completion of the Offer formalities.

4. In the case of over subscription in the Offer, as per SEBI (SAST) Regulations, acceptance would be determined on proportionate basis and hence there is no certainty that all the shares tendered by the shareholders in the Offer will be accepted.

5. Further, shareholders of the Target Company should note that after the last date of withdrawal i.e. dated Friday, August 28, 2009 the shareholders of the Target Company who have lodged the Shares would not be able to withdraw them even if the acceptance of Shares under the Offer and dispatch of consideration gets delayed. The tendered shares and documents would be held by the Registrar to the Offer, till such time as the process of acceptance of tenders and the payment of consideration is completed.

6. The transaction is subject to any future uncertainties which are beyond the control of the Acquirer.

7. The risk factors set forth above pertain to the Offer and do not relate to the present or future business or operations of CTCL or any other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in the participation by a shareholder in the Offer. The shareholders of CTCL are advised to consult their stockbroker

or investment consultant, if any, for further risks with respect to their participation in the Offer.

8. If any other statutory approvals become applicable prior to completion of the Offer, the Offer would also be subject to such other statutory approvals. Acquirer may not proceed with the Offer in the event any of the statutory approvals that are required are refused in terms of Regulation 27 of the SEBI (SAST) Regulations.

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DEFINITIONS

Acquirer	Mr. Suresh Kumar Somani
CTCL or Target Company	Confidence Trading Company Limited
Act	The Companies Act, 1956
Business Hours	Collection Timings for all the locations mentioned above will be 10.00 A.M. to 1.00 P.M. & 2.00 P.M. to 4.30 P.M. during Monday to Friday only and on Saturday 10.00 A.M. to 1.00

	P.M.
BSE	Bombay Stock Exchange Limited
Eligible Shareholders	All existing shareholders (other than party to the Share Purchase Agreement) of CTCL whose names appear in the register of members of CTCL as on, specified date Friday, July 3, 2009 and also persons who acquire any Equity Shares of CTCL at any time prior to the closure of the Offer.
EPS	Earning Per Share
Escrow Account	Escrow account opened in the name and style of "CTCL ESCROW ACCOUNT OPEN OFFER" with the Escrow Bank, established in accordance with Regulation 28 of the SEBI (SAST) Regulations by the Acquirer.
Escrow Bank	HDFC Bank Limited, Maneckji Wadia Building, Ground Floor, Nanik Motwani Marg, Fort Mumbai – 400001
FEMA	Foreign Exchange Management Act, 1999
FOA or Form of Acceptance	Form of Acceptance cum Acknowledgement
FOW or Form of Withdrawal	Form of Withdrawal cum Acknowledgement
LOO	Letter of Offer
Manager to the Offer or ARAL	Anand Rathi Advisors Limited
Negotiated Price	Rs. 1/- (Rupee One Only)
NRI(s)	Non-Resident Indians
Non-Resident Shareholders	NRIs, OCB and FIIs holding the equity shares of Confidence Trading Company Limited
NT	Not traded
OCB	Overseas Corporate Bodies
Offer or The Offer	The offer for acquisition of 10,000 fully paid up equity shares of the face value of Rs.10/- each representing 20% of the paid up and voting equity share capital of the Target Company at a price of Rs. 5/-(Rupees Five only) per Equity Share payable in cash
Offer Period	From Friday June 26, 2009 to Wednesday, September 17, 2009
Offer Price	Rs. 5/- (Rupees Five only) per Equity Share
Public Announcement/PA	Announcement of the Offer by the Acquirer, made by the Manager to the Offer on behalf of the Acquirer dated Friday, June 26, 2009.
RBI	Reserve Bank of India
RONW	Return on Net worth
Registrar to the Offer	Adroit Corporate Services Private Limited
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
SPA	Share Purchase Agreement dated Wednesday June 24, 2009
Specified Date	Friday, June 3, 2009
SEBI (SAST) Regulations or The Regulations	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereof

Note: *All terms beginning with a capital letter used in this Letter of Offer, but not otherwise defined herein, shall have the meanings ascribed thereto in the Regulations.*

1. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE 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 LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF CONFIDENCE TRADING COMPANY LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF THE ACQUIRER(S), PERSON(S) ACTING IN CONCERT OR OF THE TARGET 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 ACQUIRER(S) IS 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 ACQUIRERS DULY DISCHARGES THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER, ANAND RATHI ADVISORS LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED JULY 07, 2009 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDMENTS THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

2. DETAILS OF THE OFFER

2.1. Background of the Offer

2.1.1. The offer is being made by the Acquirer under Regulations 10 and 12 of SEBI (SAST) Regulations for substantial acquisition of shares and voting rights and change in control of the Target Company as a strategic investment and with an objective to be part of management control.

2.1.2. The Acquirer has entered into an Share Purchase Agreement ("SPA") dated June 24, 2009 to acquire 36,500 fully-paid equity shares ("Sale Shares") of CTCL representing 73% of the issued and paid up equity share capital of CTCL from Ms. Sridevi Chimalamarri referred to as ("the Seller") who is the existing promoter of CTCL, for a consideration of Re. 1/- (Rupee One only) per equity share to be paid in cash amounting to an aggregate consideration of Rs. 36,500/- (Rupees Thirty Six Thousand and Five Hundred only). The acquisition subsequent to entering into the SPA resulted the triggering of the SEBI (SAST) Regulations. The Acquirer does not hold any equity shares/voting rights in the target company as on the date of public announcement other than to be acquired under the SPA.

2.1.3. The Salient features of the SPA are:

a) The Seller holds 36,500 fully paid up equity shares of CTCL representing 73% of the issued and paid up equity capital of CTCL.
b) The Seller has agreed to sell and the Acquirer have agreed to purchase 36,500 fully paid up equity shares of Rs.10/- each ("Sale Shares") representing 73% of the present issued and voting share capital of the Target Company at a price of Rs.1/- per share for cash aggregating Rs.36,500/-. On acquisition of above shares acquirer would become the promoter of the Company; and consequently the Seller shall cease to be promoter of the Company.
c) If the Acquirers or the Seller, in pursuance of the SPA, fail to comply with the provisions of the Regulations, the SPA shall not be acted upon by the Acquirer or the Seller.
d) There is no non-compete fee agreement between the Acquirer and the Seller.
e) The Acquirer has nominated Mr. Anand Baheti S/o Shri Mahesh Kumar Baheti, R/o 68, Dravid Nagar Indore on April 17, 2009 as his duly constituted attorney in law for entering into SPA and to complete open offer formalities under SEBI (SAST) Regulations and amendments thereof, and to do all such other things, acts and deeds as may be necessary, incidental to or consequential upon exercise of the powers herein delegated to him.
f) The seller has nominated Mr. Krishna Rao as his duly constituted attorney in law to execute transfer/sale o shares, offered under SPA in favor of acquirer or to do all the relevant, direct or indirect work related to open offer.

2.1.4. The SPA, by its own terms, shall be effective only upon the certification by the Manager to the Offer that the formalities related to the open offer have been duly completed.

2.1.5. Pursuant to entering into SPA dated June 24, 2009, the shareholding/voting rights of the acquirer shall increase by 73% (i.e. more than 15% in a financial year) and require the Acquirer to make an open offer under provision of Regulation 10 &12 of the SEBI (SAST) Regulation.

2.1.6. On SPA becoming effective, the voting rights of acquirer would be 36,500 equity shares representing 73% of the issued and paid up capital and voting rights of CTCL. Assuming full acceptance to this Offer, their shareholding would further increase to 46,500 equity shares representing 93% of the issued and paid up capital and voting rights. This Offer will result in change of control of the Target Company.

2.1.7. The Acquirer, the Seller or the Target Company has not been prohibited by SEBI from dealing in securities in terms of directions issued u/s 11B of the SEBI Act or under any of the Regulations made under the SEBI (SAST) Regulations.

2.1.8. The Acquirer intends to make changes in the Board of Directors of the Target Company in terms of Regulation 22(7) of SEBI (SAST) Regulations 1997 which allows the acquirer, as he has deposited 100% consideration for the open offer.

2.1.9 The Promoters of CTCL and their holding as on the date of Public Announcement:

Name of the Promoter	Number of Shares	Shares as a percentage of total paid up capital
Ms Sridevi Chimalamarri	36,500	73%
Total	**36,500**	**73%**

2.1.10 The Acquirer has not acquired any shares in the current financial year and in last 12 months prior to the date of PA.

2.2. Details of the proposed Offer

2.2.1. The Public Announcement (PA) dated June 26, 2009 was published in all the editions of the following newspapers in accordance with Regulation 15 of SEBI (SAST) Regulations:

Newspapers	Language	Editions
Business Standard	English	All Editions
Business Standard	Hindi	All Editions
Makkal Kural	Tamil	Tamil Edition

The PA is available on the SEBI website, www.sebi.gov.in.

2.2.2. This offer is being made by the Acquirer to the public shareholders (other than parties to the SPA) of the Target Company to acquire up to 10,000 fully paid-up equity shares of the face value of Rs. 10/- each of the Target Company representing 20% of the voting paid up equity share capital of the Target Company. This offer is being made pursuant to Regulation 10 & 12 of the Regulations at a price of Rs. 5/- per fully paid up equity share (the "offer price") payable in cash in terms of regulation 20 and 21 of the Regulations (the "Offer" or "Open Offer").

2.2.3 The Acquirer does not hold any equity shares/voting rights in the target company as on the date of public announcement other than to be acquired under the SPA, those as mentioned in paragraph 2.1.2 above. After the proposed acquisition of shares through the SPA, his shareholding would be 36,500 equity shares representing 73% of the voting capital. Assuming full acceptance to the Offer, his shareholding would further increase to 46,500 equity shares representing 93% of the voting capital.

2.2.4 The Acquirer has not acquired any equity shares of the Target Company during the twelve months preceding the date of the PA.

2.2.5 The Offer is not conditional on any minimum level of acceptance by the shareholders of the Target Company.

2.2.6 This is not a competitive bid.

2.2.7 The Offer is subject to the terms and conditions mentioned hereinafter and the terms and conditions that will be set out in the Letter of Offer in relation to the Offer (the "Letter of Offer" or "LOO").

2.2.8 It is proposed that the Acquirer will acquire the equity shares from this Offer in equal proportion. The Equity Shares of the Target Company will be acquired free from all liens, charges and encumbrances and together with the rights attached thereto, including all rights to divided, bonus and rights offer declared thereof.

2.2.9 The Manager to the Offer does not hold any equity shares of the Target Company as on the date of this Letter of Offer. They declare and undertake not to deal in the shares of 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 Offer.

2.2.10 The Offer is not as a result of global acquisition resulting in indirect acquisition of the Target Company

2.2.11. Mr. Suresh Kumar Somani is the sole acquirer and there are no PACs for the purpose of this offer.

2.2.12 This Offer will result in the change of control of the Target Company.

2.2.13 There shall be change in composition of Board of directors after a period of 21 days from the date of PA.

2.2.14 The Acquirer has not acquired any shares in CTCL after the date of PA and upto the date of Letter of Offer.

2.3. Object of the Acquisition

2.3.1. The acquirer intends to make substantial acquisition of fully paid up equity shares and voting rights and management control of the Target Company

2.3.2. The Offer is being made pursuant to and in compliance with Regulation 10 & 12 and other provisions of the SEBI (SAST) Regulations.

2.3.3. Assuming full acceptance of this Offer, the promoter group holding in the Target Company would further increase to 93%

2.3.4 The Acquirer undertakes not to sell, dispose of or otherwise encumber any substantial assets of the Target Company except with the prior approval of the shareholders of the Target Company and in accordance with and subject to the applicable laws, permissions and consents, if any.

2.3.5 As on the date of LOO, the acquirer has no intention to delist the Target Company for the next 3 years.

3. BACKGROUND OF THE ACQUIRER

Information about the Acquirer – Mr. Suresh Kumar Somani

3.1.1 Mr. Suresh Kumar Somani, S/O Late Shri Rameshwar Lal Somani, aged 42, is residing at 61-55 98 Street # 12F Rego Park, NY 11374 USA. Residential Address (India): 211 Manas Bhawan, 11 R.N.T. Marg, Indore, Madhya Pradesh. Phone No.: +91-731-2510040. His Pan No. is BKFPS2922D. He is a Non-Resident Indian.

3.1.2 Mr. Suresh Kumar Somani has over twenty years experience in Finance, System Development, Supply Chain, Commercial Planning and Operations Management. He also has several years of experience with one of the leading big six accounting and consulting firms. His specific areas of expertise include Finance, Accounting, CRM, Supply Chain, Business Intelligence, Inventory Management, Manufacturing, Shop Floor, Banking, International Trade, Foreign Exchange Trading and Investments and Securities. Mr. Somani is responsible to manage offshore development operations and creation of the portfolio of products and services. He holds a CA from the Institute of Chartered Accountants of India and his Membership No. is 44005

3.1.3 M/S Narendra Bhandari & Co., Chartered Accountants (signed by Mr. Narendra Bhandari, Partner, Membership No. 073961) and office at 120, Manas Bhawan, 1st Floor, 11, R.N.T Marg, Indore – 452 001 (M.P.), has issued a certificate dated 15th April 2009, that the net worth of Mr. Suresh Kumar Somani is Rs. 55,44,923.87/- (Rupees Fifty Five Lakhs Forty Four Thousand Nine Hundred and Twenty Three and Eighty Seven Paise Only).

3.1.4 The Acquirer has nominated Mr. Anand Baheti S/o Shri Mahesh Kumar Baheti, R/o 68, Dravid Nagar Indore, as his duly constituted attorney in law for entering into SPA and to complete open offer formalities under SEBI (SAST) Regulations, and do all such other things, acts and deeds as may be necessary, incidental to or consequential upon exercise of the powers herein delegated to him.

3.1.5 Acquirer is the whole-time director in Braintree Advisory & Consulting Group Pvt. Ltd.

3.1.6 Brief un-audited financials for nine months ending December 31, 2008 of Braintree Advisory & Consulting Group Private Limited is as under:

Name of Company	Braintree Advisory & Consulting Group Pvt. Ltd (formerly known as Fintech Solution Private Limited)
Date of incorporation	22nd March, 2000
Nature of Business	Provide IT solutions, Consulting services, Business planning and Business process improvement services and solutions that sustain business growth, improve productivity, efficiency and profitability while managing the risks of their clients.

(Amount in Rs.)

Particulars	**2008**	**2007**	**2006**
Equity capital, Reserves (excluding revaluation reserves),	3,640,647	1,722,248	1,464,635
Total Income	5,393,450	5,897,116	3,927,850
PAT	7,459	57,613	383
EPS	0.01	0.09	0.00

As certified by M/S Narendra Bhandari & Co., Chartered Accountants (signed by Mr. Narendra Bhandari, Partner, Membership No. 073961) and office at 120, Manas Bhawan, 1st Floor, 11, R.N.T Marg, Indore – 452 001 (M.P.).

Braintree Advisory and Consulting Private Limited is not a sick unit under the provisions of the Sick Industrial Companies Act, 1985.

3.1.7 Neither the acquirer nor any of his representatives is on the board of the Target Company.

3.1.8 Mr. Suresh Kumar Somani has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended (the "SEBI Act") or under any other regulation made under the SEBI Act.

Provisions of Chapter II are not applicable to the acquirer as the acquirer has not acquired any shares of CTCL except as per the SPA dated June 24, 2009.

3.1.9 **Disclosure in terms of Regulation 16(ix)**

The Acquirer does not intend to dispose of or otherwise encumber any assets of the Target Company in the successive two years, except to the extent that may be required in the ordinary course of business of the Target Company.

Further, the Acquirer undertakes not to sell, dispose off or otherwise encumber any substantial assets of CTCL, except with the prior approval of shareholders of CTCL. Notwithstanding the above, it will be the responsibility of the Board of Directors of CTCL to make appropriate decisions in these matters, in accordance with the requirements of the business of CTCL and in line with opportunities or changes in the economic scenario from time to time. Such approvals and decisions will be governed by the provisions of the relevant regulations or any other applicable laws at the relevant time.

3.1.10. **Future plans/strategies of the Acquire with regard to the Target Company**
The acquirer intends to continue the same line of business as that of CTCL.

4. DISCLOSURE IN TERMS OF REGULATION 21 (2) OF THE SEBI (SAST) REGULATIONS, 1997

4.1 The Acquirer does not hold any equity shares/voting rights in the target company as on the date of public announcement other than to be acquired under the SPA as mentioned in paragraph 1.1 above. After the proposed acquisition of shares through the SPA, Acquirer shareholding would be 36,500 equity shares representing 73% of the voting capital. Assuming full acceptance to the Offer, Acquirer shareholding would further increase to 46,500 equity shares representing 93% of the voting capital

4.2 As per listing agreement with BSE, the Target Company is required to maintain at least 25% public shareholding for listing on continuous basis.

4.3 In the event, pursuant to this offer, the public shareholding in the Target Company falls below 25% of its outstanding equity share capital, The Acquirer will, in accordance with Regulation 21(2) of the SEBI (SAST) Regulations, facilitate the Target Company to raise the level of public shareholding to the level specified for continuous listing in the Listing Agreement with the Stock Exchanges within the specified time and in accordance with the prescribed procedure under clause 40A (viii) of the Listing Agreement and in compliance with the SEBI (SAST) Regulations and subsequent amendments thereto. As on the date of LOO, the acquirer has no intention to delist the Target Company for the next 3 years

5. BACKGROUND OF TARGET COMPANY

5.1 CTCL was incorporated on 16th September 1980 (as a private limited company) under the provisions of Companies Act 1956 and CIN No. is U51909TN1994PLC027874, it went public in December 1980.

The Company was originally incorporated in the state of Maharashtra and later on registered office was shifted to the state of Tamil Nadu with effect from June 24, 1994 and presently the registered office/Corporate Office of the company is situated at 2-C, 2nd Floor, Ram Mansion, No. 367 Pantheon Road, Egmore, Chennai 600008. Phone No.: +91-44-43555227/229 Fax: +91-44-28194595, Email: confidencetrading@in.com

5.2 CTCL is focused on bringing superior technology and lifestyle products and services to the Indian industries and consumers. By keeping in touch with the latest developments abroad, it attempts to bridge the gap between India and the rest of the world. CTCL specializes in trading activities in coffee, coffee related merchandise and equipment, lifestyle, fashion, heath and fitness related products.

5.3 The Authorized Share Capital of the Company as on the date of the PA is Rs. 5,00,000/- (Rupees Five Lakhs Only) divided in to 50,000 Equity Shares of Rs. 10/- each.

The total paid up equity capital of Target Company is Rs. 5,00,000 (Rupees Five Lakhs Only) divided into 50,000 equity shares of Rs.10/- each.

Paid up Equity shares of the Target company of Rs. 10/- each	**No. of Equity Shares/Voting Rights**	**% of Equity Shares/Voting Rights**
Fully paid up equity shares	50,000	100%
Partly paid-up equity shares	Nil	Nil
Total issued and paid up equity shares	50,000	100%
Total voting rights in the Target Company	50,000	100%

5.4 The Target Company has not dematerialized its shares and all the shares are in physical form. As per the CDSL and NSDL requirements, to convert shares from physical into the demat form, the net worth of the company should be a minimum of One Crore Rupees. Since the net worth of the CTCL is less than the eligibility criteria, the company cannot dematerialize its shares.

5.5 The following table provides capital build-up of CTCL since inception:

Date of Allotment	**No. of shares**	**Cumulative paid up**	**Mode of allotment**	**Identity of Allottees**	**Status of compliance**

	issued	capital (Rs.)		(Promoters/ex-promoters/others)	
Subscription to the MOA (16-09-1980)	7	70	Subscription to the MOA	Ex-promoters	NA
10-12-1980	49,993	499930	IPO (Cash)	Ex-promoters and Public	Complied
Total	**50,000**	**5,00,000**			

5.6 The equity shares of the Target Company are listed on BSE. BSE has suspended the trading in the shares of the Target Company due to non-compliance of the listing agreement with effect from February 03, 2003. The Equity shares of the Target Company are not admitted as permitted security on any other Stock Exchange. To resume/regularize listing, the target company has complied will all the compliances as mentioned in BSE letter dated December 02, 2008 along with fees as on May 14, 2009. As on the date of LOO the shares are suspended for trading at BSE.

5.7 There are no outstanding instruments in the nature of warrants/fully convertible debentures/ partly convertible debentures etc. which are convertible into equity at any later date.

5.8 The Target Company does not have any partly paid-up shares. The fully paid-up shares of the Target Company have 100% voting rights in the Target Company.

5.9 Status of Compliance under Chapter II and III:-

5.9.1. Sridevi Chimlamarri as a promoter of CTCL has in past not complied with regulation 7(1A) of Chapter II of SEBI (SAST) Regulations and 3(4) of Chapter I of SEBI (SAST) Regulation.

Report under regulation 3(4) for the year 2001-02 will be filed by Sridevi for inter-se transfer of 41950 shares of CTCL from Chinmoy Chains Private Limited.

5.9.2 Confidence Trading Company Limited (CTCL) has in past delayed in compliance with certain requirements under Chapter II of the SEBI (SAST) Regulations viz.; 8(3) & 8(4).

SEBI may initiate action against default for aforementioned non-compliance with provisions of the SEBI (SAST) Regulations and amendments thereof.

5.10 No punitive action against CTCL has been taken by Stock Exchange

5.11 No representative of the acquirer is on the Board of Directors of CTCL as on the date of PA.
5.12 The details of Board of Directors of CTCL as on the date of PA are as follows:

S.No.	Name of the Directors	Designation	Age	Profile of the Directors	Residential Address	Date of Appointment	DIN No.

				(experience and qualification)			
1	Mr. Sashi Chimalamarri	Director	55	B.Tech (Mechnical) and Post Graduate Diploma in Engineering having more than 30 years of experience in varied sector	No.9 T, II Cross Street, Venus Colony, Alwarpet, Chennai 600 018	29th March 2000	00844012
2	Ms. Sridevi Chimalamarri	Director	47	B.A., 20 years in administration.	No.9 T, II Cross Street, Venus Colony, Alwarpet, Chennai 600 018	29th March 2000	002422772
3	Mr. S Krishna Rao	Additional Director	57	B. Com, 33 years exp. in finance, EDP and secretarial work.	106/22 Golden Flats, Estate Road, Mogappair, Chennai 600 050	1st September 2008	00479451
4	Mr. S G F Melkhasingh	Additional Director	41	B. Com, 15 years exp. in marketing and sales.	No.16 Duraiswamy Street, K H Road, Ayanavaram, Chennai 600 023	1st September 2008	01676020

5.13. There has been no merger / demerger / spin-off during last 3 years involving the Target Company. There is no change of name since incorporation.

5.14. Brief audited financial details of CTCL for last three financial years ending 31st March: -

(Amount in Rs. Lakhs)

Profit & Loss Statement	**2009**	**2008**	**2007**
Income from operations	8.12	12.48	7.74
Other Income	-	0.01	0.16
Total Income	8.12	12.49	7.90
Total Expenditure.	7.76	12.10	7.84
Profit Before Depreciation Interest and Tax	0.36	0.38	0.06
Depreciation	Nil	Nil	Nil
Interest	Nil	Nil	Nil
Profit Before Tax	0.36	0.38	0.06
Provision for Tax	0.04	0.04	0.007
Profit After Tax	0.32	0.34	0.05
Balance Sheet Statement	**2009**	**2008**	**2007**
Sources of funds			
Paid up share capital	5.00	5.00	5.00
Reserves and Surplus (excluding revaluation reserves)			
Net Worth	(12.93)	(13.25)	(13.60)
Secured loans			
Unsecured loans	0.75	3.44	3.44
Total	5.75	8.44	8.44
Uses of funds			
Net fixed assets	Nil	Nil	Nil

Investments	Nil	Nil	Nil
Net current assets	(12.18)	(9.80)	(10.15)
Total miscellaneous expenditure not written off	17.93	18.25	18.59
Total	**5.75**	**8.44**	**8.44**

Other Financial Data	**2009**	**2008**	**2007**
Dividend (%)	Nil	Nil	Nil
Earning Per Share	0.64	0.68	0.10
Return on Net Worth (%)	**	**	**
Book Value Per Share (Rs.)	(25.86)	(26.5)	(27.2)

** The Company had negative net worth during these fiscals

As audited by Shabbir & Associates, Chartered Accountant (Signed by Mr. Shabbir Kakosiwala N, Proprietor, Membership No. 217421), having its office at 94, Broadway, Akbar House, Second Floor, Chennai-600 108 Tel No.(+91-44-25211084)

5.15 Reasons for rise/fall in PAT

2009 vs. 2008

The PAT of the company has decreased to Rs. 31,604/- in fiscal 2009 as compared to Rs.34,366/- in fiscal 2008 registering the decline of 8.04%. Such decline is mainly attributed to lower base of revenue in fiscal 2009 and increase in administrative expenses.

2008 vs. 2007

The PAT of the company has registered multifold growth in fiscal 2008 with Rs. 34,366/- as compared to Rs. 5,297/- in fiscal 2007. The reason of such growth has been mainly attributed to increase in total income of company, which has increased to Rs. 12,49,403/- in fiscal 2008 as compared to Rs. 7,90,939/-in fiscal 2007.

2007 vs. 2006

The Company has registered the PAT of Rs. 5,297/- in fiscal 2007 as compared to Rs.19,531/- in fiscal 2006. The reason for such fall in profits of the company is basically due to decline in total income of company which was Rs. 7,90,939/- in fiscal 2007 as compared to Rs.20,78,951/- in fiscal 2006.

5.16. Significant Accounting policies for the year ended 31.3.2009

a) Revenue Recognition:
Items of income & expenditure recognized on accrual basis except rates & taxes & filing fees which are accounted for on cash basis.

b) Fixed Assets
There are no fixed assets with the company

c) Depreciation of Fixed Assets
There is no depreciation during the year

d) Investments
The investments are stated at cost

e) Retirement benefit
Provision of for retirement benefit is not made and accounted on payment basis.

f) Taxation
Income tax expense comprises current Tax.
Deferred tax are not provided

5.17**.** The equity shareholding in CTCL before the Offer and after the Offer (assuming full acceptance of the Offer) is given in the table below

Shareholders' category	**Shareholding & voting rights prior to the agreement/ acquisition and offer**		**Shares /voting rights agreed to be acquired which triggered off the Regulations.**		**Shares/voting rights to be acquired in open offer (Assuming full acceptances)**		**Share holding / voting rights after the acquisition and offer.**	
	(A)		**(B)**		**(C)**		**(A)+(B)+(C)=(D)**	
	No.	%	No.	%	No.	%	No.	%
(1) Promoters Group								
Ms.Sridevi Chimalamarri	36,500	73%	(36,500)	(73%)	NIL	NIL	NIL	NIL
Total	36,500	73%	(36,500)	(73%)	NIL	NIL	NIL	NIL
(2) Acquirer								
Mr. Suresh Kumar Somani	-	-	36,500	73%	10,000	20%	46,500	93%
Total	**-**	**-**	**36,500**	**73%**	**10,000**	**20%**	**46,500**	**93%**
(3)Public (other than parties to agreement, Acquirer & PACs) *(indicates total number of shares under "Public" category*								
a. FIs/MFs/FIIs/Banks, SFIs/NRIs/FBs	-	-	-	-	-	-	-	-

b. Others	13,500	27%	13500	27%	(10,000)	(20%)	3500	7%
Total (4)(a+b)	**13,500**	**27%**	**13500**	**27%**	**(10,000)**	**(20%)**	**3500**	**7%**
GRAND TOTAL (1+2+3)	50,000	100%	50,000	100%	-	-	50,000	100%

5.18. The details of share capital build-up of Ms. Sridevi Chimalamarri are as follows:

Date	**Name**	**Opening Balance (No. of Shares) Balance**	**Opening % holding promoter group**	**No of shares acquired**	**No of shares sold**	**Identity of the person to whom sold**	**Mode of Acquisition/sale**	**Closing holding promoter group (No. of Shares**	**Increase /Decrease in percentage holding (+/- %)**	**Compliance**
2001-2002	Ms Sridevi Chimalamarri	41950*	83.90%	-	-	-	-	41,950	-	Not Complied with Regulation 3(4)
2003-2004	Ms Sridevi Chimalamarri	41,950	83.90%	**-**	5,450	Not Identifiable	Open Market	36,500	-11%	Not Complied with Regulation 7(1A)
Date	**Name**	**Opening Balance (No. of Shares) Balance**	**Opening % holding promoter group**	**No of shares acquired**	**No of shares sold**	**Identity of the person to whom sold**	**Mode of Acquisition/sale**	**Closing holding promoter group (No. of Shares**	**Increase /Decrease in percentage holding (+/- %)**	**Compliance**
2001-2002	Ms Sridevi Chimalamarri	41950*	83.90%	-	-	-	-	41,950	-	Not Complied with Regulation 3(4)
2003-2004	Ms Sridevi Chimalamarri	41,950	83.90%	**-**	5,450	Not Identifiable	Open Market	36,500	-11%	Not Complied with Regulation 7(1A)

*Inter-se Transfer and Market Purchase

Sridevi Chimlamarri as a promoter of CTCL has in past not complied with regulation 7(1A) of Chapter II of SEBI (SAST) Regulations and 3(4) of Chapter I of SEBI (SAST) Regulation.

Report under regulation 3(4) for the year 2001-02 will be filed by Sridevi for inter-se transfer of 41950 shares of CTCL from Chinmoy Chains Private Limited.

SEBI may initiate action against the aforementioned non-compliance with provisions of the SEBI (SAST) Regulations and amendments thereof.

5.19. **Status of Corporate Governance**

As per the information provided by the Target Company, provisions of Clause 49 of the Listing Agreement with the stock exchange dealing with Corporate Governance are not applicable for companies having a share capital less than Rs. 3 Cr. And net worth under Rs. 25 Cr. for the companies that are listed before the year 2004. As the companies paid-up capital is only Rs. 5,00,000/- (Rupees Five Lakhs only), the status of corporate governance is not applicable to the company.

5.20 The acquirer shall comply with the provisions of Clause 49 of the Listing Agreement with regard to Corporate Governance as and when it becomes applicable to the company.

5.21. There are no pending litigations against CTCL.

5.22. The name and details of compliance officers are as follows:

Mr. Krishna Rao
2-C, 2nd Floor, Ram Mansion,
No. 367 Pantheon Road, Egmore, Chennai-600008
Tel no.: (+91-44-43555227/229), Fax no.: (+91-44-28194595)
Email: confidencetrading@in.com

5.23. The total public shareholding of CTCL is 13,500 shares held by 53 shareholders as on the specified date.

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1 Offer Price

6.1.1 The Equity Shares of the Target Company are listed on BSE. The shares of the company are suspended from trading w.e.f. February 03, 2003. The Equity shares of the Target Company are not admitted as permitted security in any other Stock Exchange.

6.1.2 In accordance with Regulation 20(4), the Offer Price of Rs. 5/- (Rupees Five only) per equity share is justified in terms of Regulation 20(5) of SEBI (SAST) Regulations, 1997, in view of the following.

S.No.	Particulars	Price (in Rs. Per

		Share)
(a)	Negotiated Price under the SPA	Re. 1/-
(b)	Highest Price paid by the Acquirer for acquisition, including by way of allotment in a public or rights or preferential issue during the twenty six week period prior to the date of Public Announcement	Not Applicable
(c)	Average of high / low of the closing price for every week for the last 26 weeks	Not Applicable
(d)	The average high/low for the last two weeks	Not Applicable
(e)	Other Financial Parameters	
	Return on Net Worth (%)	**
	Book Value per Share (Rs.)	(26.30)
	Earning per Share (Rs.)	0.56
	Price to Earning Multiple	Not Applicable

** Negative return on Net Worth.

The Acquirer voluntarily makes offer price of Rs. 5/- (Rupee Five only) per equity share which is justifiable under Regulation 20(11) of SEBI (SAST) Regulation, 1997.

Independent Merchant Banker Comfort Securities Pvt. Ltd. (SEBI Registered Category I Merchant Banker) having its registered office at A-301, Hetal Arch S.V. Road, Malad (W), Mumbai-400064 , SEBI Registration No. : INM000011328 had certified the financial parameters mentioned above.

6.1.3 If the Acquirer acquires the Equity Shares of the Target Company after the date of this PA and up to 7 working days prior to the closure of the Offer at a price higher than the Offer Price, then the highest price paid for such acquisition shall be payable for all the valid applications received under the Offer.

6.1.4. There is no non-compete fee agreement between the Acquirer and the Seller.

6.2 FINANCIAL ARRANGEMENTS

6.2.1 The total fund requirement or the maximum consideration for the Offer assuming full acceptance of the Offer would be Rs. 50,000/- (Rupees Fifty Thousand Only) i.e. consideration payable for acquisition of 10,000 fully paid equity shares of Target Company at an Offer Price of Rs. 5/- (Rupees Five Only) per equity share.

6.2.2 The Acquirer has adequate resources to meet the financial requirements of the offer in terms of Regulation 16 (xiv) of SEBI (SAST) Regulations. The Acquirer has made firm arrangements for the resources required to complete the offer in accordance with SEBI (SAST) Regulations. The Acquisition will be financed through own resources.

6.2.3 The Acquirer, ARFSL, and HDFC Bank Limited ("HDFC"), a banking corporation incorporated under the laws of India and having one of its branch offices at Maneckji Wadia Building, Ground Floor, Nanik Motwani Marg, Fort, Mumbai - 400001 India have entered into an Open Offer Escrow Agreement (the "Escrow Agreement") on June 24, 2009 in accordance with Regulation 28(1) of SEBI (SAST) Regulations 1997. The Manager to the Offer has been duly authorized by the Acquirer to operate and realize the value of the Escrow Account in terms of SEBI (SAST) Regulations.

6.2.4 Assuming full acceptance, the Acquirer has made a cash deposit (“Security Deposit”) of Rs. 50,000/- (Rupees Fifty Thousand only) (being 100% of the Maximum Consideration) in the Escrow Account with HDFC Bank at Maneckji Wadia Building, Ground Floor, Nanik Motwani Marg, Fort, Mumbai - 400001 India (“the Escrow Account"). ARAL has been duly authorized to realize the value of the aforesaid Escrow Account in terms of SEBI (SAST) Regulations.

6.2.5 Based on the above, ARAL is satisfied with the ability of Acquirer to implement the Offer in accordance with the SEBI (SAST) Regulations as firm financial arrangements are in place to fulfill the obligations under the Regulations.

6.2.6 In case of revision in the offer price, the acquirer will further deposit with the bank of difference amount between pervious open offer fund requirements and revised open offer fund requirements to ensure compliance with Regulation 28 of the SEBI (SAST) Regulations.

7. TERMS AND CONDITIONS OF THE OFFER

7.1 Operations terms

7.1.1. The LOO together with the form of acceptance and form of withdrawal will be mailed to those equity shareholders of CTCL (other than parties to the share purchase agreements) whose names appear on the register of members as on specified date at the close of the business hours on Monday, August 10, 2009.

7.1.2. All the owners of the shares, registered or unregistered (except parties to the shares purchase agreements) are eligible to participate in the Offer as per the procedure set out in Chapter 8 below. Eligible persons can participate in the offer by offering their shareholding in whole or in part. No indemnity is required from the unregistered owners.

7.1.3. Accidental omissions to dispatch LOO or none receipt or delay receipt of this LOO will not invalidate the offer in any way.

7.1.4. Subject to conditions governing this offer as mentioned in LOO, the acceptance of this offer by any shareholder (s) must be absolute and unqualified. Any acceptance to the offer, which is conditional or incomplete, is liable to be rejected without assigning any reason whatsoever.

7.1.5 The Acquirer is permitted to revise this Offer upwards up to seven working days prior to the date of closure of the Offer i.e. Monday August 24, 2009. In the event of such revision, an announcement will be made in the same newspapers where the PA has appeared and the revised offer price would be paid for all the equity shares tendered anytime during the Offer. In case of a revision in the Offer Price, the Acquirer would raise the amount in the Escrow Account to ensure compliance with Regulation 28 of the SEBI (SAST) Regulations.

7.2 Locked in Shares

There is no lock-in share in Target Company as on the date of Public Announcement.

7.3 Eligibility for accepting the offer

All owners (registered or unregistered) of Shares (except the parties to the agreement) are eligible to participate in the Offer anytime before the closing of the Offer. Unregistered owners can send their application in writing to the Registrar to the Offer, on a plain paper stating the name, address, number of shares held, number of shares tendered, distinctive numbers, folio number, together with the original share certificate(s), valid transfer deeds and the original contract notes issued by the broker through whom they acquired their shares. No indemnity is required from the unregistered owners.

7.4 Statutory Approvals

7.4.1 In case of delay in receipt of any statutory approval(s), SEBI has the power to grant an extension of time to Acquirer for payment of consideration to shareholders of the Target Company, subject to Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 22(12) of the SEBI (SAST) Regulations. Further, if the delay occurs on account of the willful default or neglect or inaction or non-action by Acquirer in obtaining the requisite approval(s), the amount held in the escrow account shall be subject to forfeiture and be dealt with in the manner provided in Regulation 28(12) of the SEBI (SAST) Regulations.

7.4.2 The Acquirer does not require any approvals from financial institutions or banks for the Offer.

7.4.3 As on the date of the Public Announcement, there are no other statutory approvals required to implement the Offer other than specified above. If any other statutory approvals become applicable prior to completion of the Offer, the Offer would also be subject to such other statutory approvals. Acquirer will not proceed with the Offer in the event any of the statutory approvals that are required are refused in terms of Regulation 27 of the SEBI (SAST) Regulations.

8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF OFFER

8.1 The Acquirer has appointed Adroit Corporate Services Private Limited, having its registered office at 19/20, Jaferbhoy Industrial Estate, 1st Floor, Makwana Road, Marol Naka, Fax No. 022 – 2850 3748, Andheri (E), Mumbai 400 059 as Registrar to the Open Offer ("Registrar to the Offer").

8.2 The Target Company has not dematerialized its shares and all the shares are in physical form. Hence, no special depository account has been opened for the purpose of this offer.

8.3 The Shareholders of the Target Company who wish to avail of and accept the Offer shall send / deliver the form of Acceptance cum Acknowledgment along with all the relevant documents to the collection center of the Registrar to the Offer on or before the date of Closure of the Offer i.e. Wednesday, September 2, 2009 mentioned below in accordance with the procedure as set out in the Letter of Offer.

Address of Contact Person	Collection Centre Contact Numbers	Mode of Delivery
Adroit Corporate Services Private Limited, 19/20, Jaferbhoy Industrial Estate, 1st Floor, Makwana Road, Marol Naka, Fax No. 022 – 2850 3748, Andheri (E), Mumbai 400 059	Ms. Veena Shetty Tel. No. 022 – 28590942 Fax No. 022 – 2850 3748, E-mail: veenashetty@ adroitcorporate.com	Hand Delivery/Registered Post

Collection Timings for all the locations mentioned above will be 10.00 A.M. to 1.00 P.M. & 2.00 P.M. to 4.30 P.M. during Monday to Friday only and on Saturday 10.00 A.M. to 2.00 P.M. The centre will be closed on Sundays and Public holidays. **Neither the share certificate(s) nor transfer deed(s) nor the Form of Acceptance should be sent to the Sellers or the Acquirer or the Target Company or Manager to the Offer.**

8.4 Shareholders of the Target Company, who wish to avail of this Offer will have to forward the following documents to the office of the Registrar to the Offer by hand delivery or by registered post, as the case may be, so as to reach them on or before 1700 hours up to the date of closure of the offer i.e. Wednesday, September 2, 2009.

- Form of Acceptance, duly completed in all respects and signed by all the joint shareholders in the same order and as per the specimen signature(s) registered with CTCL.

- Relevant Original Share Certificate(s).

- Valid Share Transfer Deed(s) duly signed (in case the equity shares are held in joint names, by all the shareholders and in the same order as appearing in the Register of Members of CTCL or on the Share Certificate issued by CTCL) as per the specimen signature(s) lodged with CTCL. Please do not fill in any other details in the Share Transfer Deed. In the event that a shareholder needs additional Share Transfer Deed(s), the same can be obtained from the Registrar to the Offer as mentioned hereafter.

- Where the Transfer Deed(s) are executed by Constituted Attorney, attach a copy of the Power of Attorney duly certified as a True Copy by a Notary Public / Gazetted Officer.

8.5 In case the equity shares are held by a Company / Body Corporate, then a certified True Copy of a valid Board Resolution giving authority and certified true copy of the Memorandum and Articles of Association of such Company / Body Corporate should also be enclosed.

8.6 In case of Non-resident equity shareholders, Foreigners, Foreign Companies and Foreign Institutional Investors, photocopies of the approval(s) by the Reserve Bank of India for acquiring and holding equity share in CTCL. A copy of the No Objection Certificate / Tax Clearance Certificate if obtained from the Indian tax authorities by the shareholders (applicable to NRIs/OCBs/FIIs).

8.7 In case the equity shares stand in the name of a sole shareholder, who is deceased, the Notarized copy of the legal representation obtained from a Competent Court.

8.8 If the Registrar to the Offer does not receive the required documents for acceptance of Offer or form of acceptance but receives the original share certificate (s), valid transfer deed, and then the Offer will be deemed to have been accepted by such shareholder.

8.9 In case of non-receipt of the Letter of Offer, the eligible persons may (i) download the same from the SEBI website (http:/ /www.sebi.gov.in), (ii) obtain a copy of the same by writing to the Registrar to the Offer , or (iii) make an application to the Registrar to the Offer, on a plain paper stating the name, address, number of shares held, distinctive numbers, folio number, number of shares offered along with documents as mentioned above so as to reach the Registrar to the Offer on or before the close of the Offer, i.e., no later than Wednesday, September 2, 2009 or in case of beneficial owners, 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.

8.10 Applications in respect of Shares that are the subject matter of litigation wherein the shareholders of the Target Company may be prohibited from transferring the Shares during the pendency of the said litigation are liable to be rejected if the directions / orders regarding these Shares are not received together with the Shares tendered under the Offer.

8.11 Pursuant to Regulation 22(5A) of the SEBI (SAST) Regulations, equity shareholders of the Target Company desirous of withdrawing the acceptance tendered by them in the Offer may do so up to three (3) working days prior to the closing date of the Offer. The withdrawal option can be exercised by submitting the documents as per the instructions below, so as to reach the Registrar to the Offer at the collection centers mentioned above as per the mode of delivery indicated therein on or before Friday, August 28, 2009

(i) The withdrawal option can be exercised by submitting the Form of Withdrawal, which will be enclosed with the Letter of Offer.

(ii) In case of non-receipt of the Form of Withdrawal, the withdrawal option can be exercised by making an application on a plain paper along with the Name, Address, Distinctive numbers, Folio number, Number of shares tendered;

8.12 The Registrar to the Offer will hold in trust the shares/share certificates, shares held in credit of the special depository account, Form of Acceptance cum Acknowledgement, if any, and the transfer form(s) on behalf of the equity shareholders of the Target Company who have accepted the Offer, until the cheques/drafts for the consideration or the unaccepted shares/share certificates are dispatched/returned.

8.13 If the aggregate of the valid responses to the Offer exceeds the Offer size of 10,000 equity shares (representing 20% of the Equity Capital), then the Acquirer shall accept the valid applications received on a proportionate basis in accordance with Regulation 21(6) of the SEBI (SAST) Regulations.

8.14 Unaccepted share certificates, transfer forms and other documents, if any, will be returned by registered post/speed post at the shareholders'/unregistered owners' sole risk to the sole/first shareholder.

8.15 The payment of consideration for the applications so accepted in the offer, if any, 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 open offer by ECS, Direct Credit or crossed account payee cheque/pay order/demand draft, RTGS and EFT. It is desirable that shareholders provide bank details in the Form of Acceptance-cum-Acknowledgement, so that the same can be incorporated in the cheque / demand draft / pay order.

9. DOCUMENTS FOR INSPECTION

The following documents are regarded as material documents and are available for inspection at the residence of the Acquirer - between 10.30 A.M. to 5.00 P.M. on any working day, except Saturdays, Sundays and Holidays until the closure of the Offer.

9.1 Certificate of Incorporation and Memorandum and Articles of CTCL.

9.2 Copy of certificate from M/S Narendra Bhandari & Co., Chartered Accountants (signed by Mr. Narendra Bhandari, Partner, Membership No. 073961) and office at 120, Manas Bhawan, 1st Floor, 11, R.N.T Marg, Indore – 452 001 (M.P.), has issued a certificate that the Acquirer has sufficient means and capability for the purpose of the making Open Offer of size of Rs. 50,000/- (Rupees Fifty Thousand Only).

9.3 Annual Reports of CTCL for the financial years ended 2009, 2008 and 2007.

9.4 Confirmation Letter from HDFC Bank, Maneckji Wadia Building Ground Floor Nanak Motwani Marg, Fort Mumbai - 400001 (Maharashtra), India for the cash deposit of ("Security Deposit") of Rs 50,000 (Rupees Fifty Thousand only) being 100% of the total Consideration payable in accordance with SEBI (SAST) Regulations in Escrow Account under the name and title of CTCL Escrow Account Open Offer.

9.5 Copy of Share Purchase Agreement dated 24th June 2009.

9.6 Copy of Public Announcement published in the newspapers dated Friday, June 26, 2009.

9.7 Copy of SEBI Letter no.CFD/DCR/TO/SKM/171830/09 dated August 3, 2009 issued in terms of the Regulation 18(2) of the SEBI (SAST) Regulations.

9.8 Copy of MOU dated Wednesday, June 24, 2009 between Anand Rathi Financial Services Limited, the Manager to the Offer and the Acquirer.

9.9 Copy of Escrow Agreement dated Wednesday, June 24, 2009 between Anand Rathi Financial Services Limited, HDFC Bank Limited and CTCL.

9.10 Copy of valuation report by Comfort Securities Private Limited certifying financial parameters for the purpose of calculating the offer price

10. DECLARATION BY THE ACQUIRER

The Acquirer accepts full responsibility for the information contained in this Letter of Offer and for ensuring compliance with the SEBI (SAST) Regulations. The Acquirer is responsible for his obligations in terms of the Regulations and also for their obligations as laid down in Regulations 22(6) of the Regulations.

All information contained in this document is as on the date of the Public Announcement, true unless stated otherwise.

Acquirer

Mr. Suresh Kumar Somani

(By his Constituted Attorney)

Place

Date

ENCLOSURES

1. Form of Acceptance cum Acknowledgement
2. Form of Withdrawal cum Acknowledgement
3. Blank Share Transfer Deed(s) in the case of shares held in Physical mode.

FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT

(All terms and expressions used herein shall have the same meaning as ascribed thereto in the Letter of Offer)

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION **(Please send this Form of Acceptance with enclosures to the Registrar to the Offer)**

OFFER OPENS ON	**:**	**Friday, August 14, 2009**
OFFER CLOSES ON	**:**	**Wednesday, September 2, 2009**
Please read the Instructions overleaf before filling-in this Form of Acceptance		

From:

FOR OFFICE USE ONLY
Acceptance Number
Number of equity shares offered
Number of equity shares accepted
Purchase consideration (Rs.)
Cheque/Demand Draft/Pay Order No.

Tel. No.: Fax No.: E-mail:

To,

Adroit Corporate Services Private Limited

19/20, Jaferbhoy Industrial Estate, 1st Floor, Makwana Road, Marol Naka,

Andheri (E), Mumbai - 400059

Dear Sirs,

Sub: Open Offer to acquire up to 10,000 equity shares representing 20.00 % of the total paid up capital / the voting share capital of Rs. 10/- each of Target Company at a price of Rs.5/- (Rupees Five only) per fully paid equity shares by Mr. Suresh Kumar Somani

I / We, refer to the Public Announcement dated June 26, 2009 and Letter of Offer dated August 7, 2009 for acquiring the equity shares held by me / us in **Confidence Trading Company Limited** / We, the undersigned have read the Letter of Offer and understood its contents including the terms and conditions as mentioned therein.

1. I / We, unconditionally offer to sell Mr. Suresh Kumar Somani (hereinafter referred to as the "Acquirer") the following equity shares in Confidence Trading Company Limited (hereinafter referred to as "CTCL"), held by me / us, at price of Rs. 5/- per fully paid-up equity share.

2. I/We and enclose the original share certificate(s) and duly signed valid Transfer Deed(s) in respect of my / our equity shares as detailed below (please enclose additional sheet(s), if required).

<table>
<tr><td colspan="4">Ledger Folio No……………………………… Number of share certificates attached………………..

Representing ……………………….. equity shares</td></tr>
<tr><td colspan="2">Number of equity shares held</td><td colspan="2">Number of equity shares offered</td></tr>
<tr><td>In figures</td><td>In words</td><td>In figures</td><td>In words</td></tr>
<tr><td></td><td></td><td></td><td></td></tr>
</table>

Sr. No.	**Share Certificate No.**	**Distinctive Nos.**		**No. of equity shares**
		From	**To**	
1				
2				
3				
Total no. of Equity Shares				

(In case the space provided is inadequate, please attach a separate sheet with details

3. I / We authorize the Acquirer to accept the equity shares so offered or such lesser number of equity shares that the Acquirer may decide to accept in consultation with the Manager to the Offer and in terms of the said Letter of Offer and I / we further authorize the Acquirer to apply and obtain on our behalf split of share certificate(s) as may be deemed necessary by them for the said purpose. I further authorize the Acquirer to return to me / us, equity share certificate(s) in respect of which the Offer is not found / not accepted, specifying the reason thereof.
4. 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 Acquirer, harmless and indemnified against any loss they or either of them may suffer in the event of the Acquirer acquiring these equity shares. I / We agree that the Acquirer may pay the Offer Price only after due verification of the document(s) and signature(s) and on obtaining the necessary approvals as mentioned in the said Letter of Offer.
5. I / We also note and understand that the shares/ Original Share Certificate(s) and Transfer Deed(s) will be held by the Registrar to the Offer in trust for me / us till the date the Acquirer makes payment of consideration or the date by which Shares/ Original Share Certificate(s), Transfer Deed(s) and other documents are dispatched to the shareholders, as the case may be.
6. I/We undertake to execute such further document(s) and give such further assurance(s) as may be required or expedient to give effect to my / our agreeing to sell the said equity shares.
7. I / We irrevocably authorize the Acquirer to send by Registered Post at my / our risk, the Cheque(s) / Demand Draft(s) / Pay Order(s) in settlement of consideration payable and excess share certificate(s), if any, to the Sole / First holder at the address given hereunder and if full address is not given below the same will be forwarded at the address registered with CTCL/D P :
8.

Name and complete address of the Sole/ First holder (in case of member(s), address as registered with Confidence Trading Company Limited

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Place: ---------------- Date: ----------------- Tel. No(s). : ---------------- Fax No.: ------------------

So as to avoid fraudulent encashment in transit, the shareholder(s) holding Shares in physical mode may provide details of bank account of the first/sole shareholder and the consideration cheque or demand draft will be drawn accordingly.

Bank Account No.: -------------------------------- Type of Account: -------------------------------
(Savings / Current / Other (please specify))

Name of the Bank: -- Name of the Branch and Address: --

The Permanent Account No. (PAN / GIR No.) allotted under the Income Tax Act, 1961 is as under:

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

Yours faithfully,

Signed and Delivered:

	FULL NAME (S) OF THE HOLDERS	SIGNATURE (S)
First/Sole Shareholder		
Joint Holder 1		
Joint Holder 2		

Note: *In case of joint holdings all the holders must sign. In case of body corporate, stamp of the company should be affixed and necessary Board Resolution should be attached.*

INSTRUCTIONS

1 Please read the enclosed Letter of Offer carefully before filling-up this Form of Acceptance.
2 The Form of Acceptance should be filled-up in English only.
3 Signature(s) other than in English, Hindi, Marathi, and thumb impressions must be attested by a Notary Public under his Official Seal.
4 **Mode of tendering the Equity Shares Pursuant to the Offer:**
   I. The acceptance of the Offer made by the Acquirer is entirely at the discretion of the equity shareholder of CTCL.
   II. Shareholders of CTCL to whom this Offer is being made, are free to offer his / her / their shareholding in CTCL for sale to the Acquirer, in whole or part, while tendering his / her / their equity shares in the Offer.

5. Business Hours : Mondays to Friday : 1030 hours to 1700 hours

: Saturday : 1030 to 1330 hours

Holidays : Sundays and Bank Holidays

ACKNOWLEDGEMENT SLIP

Open Offer to acquire up to 10,000 equity shares representing 20.00 % of the total paid up capital / the voting share capital of Rs. 10/- each of Target Company at a price of Rs. 5/- (Rupees Five Only) per fully paid equity share by Mr. Suresh Kumar Somani.

Received from Mr. / Ms. / Mrs. ……………………….………………………………………….. Ledger Folio No/ Client ID. ……………………………………………….....Number of certificates enclosed..…………… under the Letter of Offer dated August 7, 2009, Form of Acceptance, Transfer Deeds(s) and Original Share Certificate(s) as detailed hereunder:

Sr. No.	**Share Certificate No.**	**Distinctive Nos.**		**No. of equity shares**
		From	**To**	
1.				
2.				
Total no. Of Equity Shares				

Stamp

Authorized Signatory

Date

Note: All future correspondence, if any, should be addressed to

Registrar to the Offer
Adroit Corporate Services Pvt. Ltd
Contact Person: Ms. Veena Shetty
19/20, Jaferbhoy Industrial Estate, 1st Floor, Makwana Road,
Marol Naka, Fax No. 022 – 2850 3748, Andheri (E), Mumbai 400 059
Tel. No. 022 – 28590942/6060/4060
Fax No. 022 – 2850 3748,
E-mail: veenashetty@ adroitcorporate.com/surendrag@adroitcorporate.com

FORM OF WITHDRAWAL CUM ACKNOWLEDGEMENT

(All terms and expressions used herein shall have the same meaning as described thereto in the Letter of Offer)

OFFER OPENS ON	:	Friday, August 14, 2009
LAST DATE OF WITHDRAWAL	:	Friday, August 28, 2009
OFFER CLOSES ON	:	Wednesday, September 2, 2009

Please read the Instruction in Letter of Offer and overleaf before filling-in this Form of Withdrawal

From:

FOR OFFICE USE ONLY
Withdrawal Number
Number of equity shares offered
Number of equity shares withdrawn

Tel. No.: **Fax No.:** **E-mail:**

To,
Adroit Corporate Services Pvt. Ltd,
19/20, Jaferbhoy Industrial Estate, 1st Floor,
Makwana Road, Marol Naka,
Andheri (E), Mumbai 400 059.

Dear Sirs,

Sub: Open Offer to acquire up to 10,000 representing 20.00 % of the total paid up capital / the voting share capital of Rs. 10/- each of Target Company at a price of Rs. 5/- by Mr. Suresh Kumar Somani

I/We refer to the Letter of Offer dated August 7, 2009 for acquiring the equity shares held by me/us in **Confidence Trading Company Limited**

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

I/We wish to withdraw our acceptance tendered in response to the said offer. We had deposited/sent our 'Form of Acceptance' to you on __________ alongwith original share certificate(s) and duly signed transfer deed(s) in respect of my/our shares as detailed below:

(Please enclose the Xerox copy of Acknowledgement received for 'Form of Acceptance')

Sr. No.	**Certificate No.**	**Distinctive No(s)**		No. Of Shares
		From	To	
Total number of equity shares				

I/We note and understand the terms of withdrawal of acceptance and request you to return the original share certificate(s) and valid share transfer deed will be held in trust for me/us by you and **authorize you not to remit** the consideration as mentioned in the Letter of Offer.

I/We confirm that the particulars given above are true and correct.

Yours faithfully,

Signed and Delivered:

	FULL NAME OF THE HOLDER(S)	SIGNATURE (S)
First/Sole Shareholder		
Joint Holder 1		
Joint Holder 2		

Place:

Date:

Note: *In case of joint holdings all the holders must sign. In case of body corporate, stamp of the company should be affixed and necessary Board Resolution should be attached.*

--TEAR HERE--

Folio No.\ Client ID:

Serial No.:
(Acknowledgement Slip)

Received from Mr./Ms. ____

Address ____
____

Form of withdrawal in respect of __________ Number of Share Certificates representing _________ number of shares.

Signature of Official and Date of Receipt	Stamp of Registrar to the Offer

Note: All future correspondence, if any, should be addressed to

Registrar to the Offer
Adroit Corporate Services Private Limited
19/20, Jaferbhoy Industrial Estate, 1st Floor,
Makwana Road, Marol Naka, Andheri (E), Mumbai 400 059
Contact Person -Ms. Veena Shetty
Tel. No. 022 – 28590942/6060/4060
Fax No. 022 – 2850 3748,
E-mail: veenashetty@ adroitcorporate.com/surendrag@adroitcorporate.com

INSTRUCTIONS

1. The shareholders are advised to ensure that the Form of Withdrawal should reach the Registrar to the Offer at the collection centre mentioned in the Letter of Offer or above as per the mode of delivery indicated therein on or before 1700 hours upto the last date of withdrawal i.e. Friday, August 28, 2009

2. Shareholders should enclose the following:-

   a. **For Equity Shares held in physical form:**

   Registered Shareholders should enclose:

   i. Duly signed and completed Form of Withdrawal.
   ii. Copy of the Form of Acceptance cum Acknowledgement/ Plain paper application submitted and the Acknowledgement slip.
   iii. In case of partial withdrawal, Valid Share Transfer form(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 Target Company and duly witnessed at the appropriate place.

   Unregistered owners should enclose:

   - Duly signed and completed Form of Withdrawal.
   - Copy of the Form of Acceptance cum Acknowledgement/Plain paper application submitted and the Acknowledgement slip

3. The withdrawal of Shares will be available only for the Share certificates / Shares that have been received by the Registrar to the Offer.
4. The intimation of returned Shares to the Shareholders will be at the address as per the records of the Target Company as the case may be.
5. The Form of Withdrawal alongwith enclosure 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 CTCL. The facility of partial withdrawal is available only on to registered shareholders.