LETTER OF OFFER

This Document is Important and requires your Immediate Attention

This Letter of Offer is sent to you as Shareholder(s) of Kadamb Constructions Limited (KCL). If you require any clarifications about the action to be taken, you may consult your stockbroker or investment consultant or Merchant Banker or Registrar to the offer. In case you have recently sold your shares in the Company, 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 affected.

a)	Name & Address of the Acquirers	**Mrs. Laxmi Choudhary** 464, Usha Nagar Ext., Indore-452009 Tel. No.(0731) 2527208/ 2527484 Fax. No.(0731) 5041767 **Mr. Jayesh Soni** 26, Aakash Appartment, 5A/1, Old Palasia, Indore-452001 Tel. No.(0731) 5044442 Fax. No.(0731) 5070703 **Mrs. Manisha Jhawar** 36, Mangalam Building, Old Palasia, Indore-452001 Tel. No.(0731) 2496909 Fax. No.(0731) 5070703.
b)	Name & Address of the registered office of the Target Company.	**M/s. Kadamb Constructions Limited (KCL)** 211-212, Shalimar Complex, Church Road, M.I. Road, Jaipur-302001 Tel No. (0141) 2373544 Fax. No. (0141) 2624490
c)	Number and Percentage of Equity Shares of the Target Company proposed to be Acquired by the Acquirers through the open offer.	4,89,500 Equity Shares being 20% of the Share Capital from existing shareholders.
d)	Offer Price & Mode of Payment.	Rs. 17.50/- for each fully paid up share including interest @ of 10% for the period of 84 days payable in cash (i.e. from July 2, 2005 to September 24, 2005). This period is the difference between the last date of payment of consideration to the shareholders as per the schedule mentioned in the Public announcement (i.e. July 2, 2005) which was released on June 14, 2005 and the actual date of payment of consideration under the revised schedule.
e)	This Letter of Offer is made pursuant to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereof.	
f)	No statutory approvals are required to implement the offer except those under SEBI (SAST) Regulations, 1997.	
g)	The offer is not conditional.	

h)	<u>"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" i.e. 05-09-2005 by filling the withdrawal form attached herewith. The withdrawal form is also available on the SEBI website (www.sebi.gov.in).</u>
i)	Upward revision of offer, if any, would be informed by way of P.A. on or before 30-08-2005 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 any time during the offer.
j)	**There was no competitive bid.**
k)	The Copy of Public Announcement and Letter of Offer (including Form of Acceptance cum acknowledgement) are also available on the SEBI website (www.sebi.gov.in).
l	Risk Factors: **A. In relation to the transaction:** The agreement dated 18-04-2005 and supplementary agreement dated 30-07-2005 contains a clause that it is subject to the provisions of SEBI (SAST) Regulation and in case of non-compliance with any of the provisions of the Regulations, the agreement for such sale shall not be acted upon by the Sellers or the Acquirers **B. In relation to the Proposed Offer:** In case the shares tendered in the open offer are more than the shares agreed to be acquired by the Acquirers, the Acquirers shall accept all valid applications received from the shareholders of the company on a Proportionate basis ensuring that it does not result in odd lots. **C. In associating with the Acquirers:** The Acquirers Mrs. Lakshmi Choudhary, Mr. Jayesh Soni and Mrs. Manisha Jhawar have been involved in the business of finance and dealing in shares and securities in Primary & Secondary market and do not have any experience in the activities of construction, property development as carried out by the target company KCL .

Manager To The Offer	**Registrar to the Offer**
Aryaman Financial Services Limited, 208, Maker Chamber V, 2nd Floor, Nariman Point, Mumbai – 400 021. Tel: (022) 22826464/22845716 Fax: 22883134 Email: afsl@vsnl.com Contact Person: Ms. Manisha Srivastava	Adroit Corporate Services Pvt. Ltd. 19, Jaferbhoy Indl. Estate, Makwana Rd, Marol Naka, Mumbai-400059 Tel: (022) 28590942/28503748 Fax: (022) 56924438 Email:adroits@vsnl.net Contact Person: Mr. Deepak Phanse

SCHEDULE OF ACTIVITIES:

ACTIVITY	DATE	DAY
Public Announcement	April 21, 2005	Thursday
Specified Date (for the purpose of determining the names of shareholders to whom the Letter of Offer would be sent)	April 25, 2005	Monday
Last date for a Competitive Bid	May 12, 2005	Thursday
Date by which Letter of Offer to be posted to the shareholders.	August 18, 2005	Thursday
Date of Opening of the Offer	August 22, 2005	Monday
Last date for revising the offer price/ Number of shares	August 30, 2005	Tuesday
Last date for withdrawal of acceptance by the shareholders	September 05, 2005	Monday
Date of Closure of the Offer.	September 10, 2005	Saturday
Date of communicating the rejection /acceptance and payment of consideration for the acquired shares.	September 24, 2005	Saturday

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1. DEFINITIONS

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

ACQUIRERS	Mrs. Laxmi Choudhary Mr. Jayesh Soni Mrs. Manisha Jhawar
TARGET COMPANY / KCL	M/s. Kadamb Constructions Limited.
FORM OF ACCEPTANCE	The form of application cum acknowledgement and authority, which is enclosed with this Letter of Offer.
LOF	This Letter of Offer.
PUBLIC ANNOUNCEMENT (PA)	Announcement of the offer issued in newspapers on April 21, 2005
TAKEOVER REGULATIONS	Securities And Exchange Board Of India (Substantial Acquisition of Shares & Takeover) Regulations, 1997 and subsequent amendments thereof.
SPA	Share Purchase agreement dated 18.04.05 and supplementary Share Purchase agreement dated 30.07.05 between the Acquirers and the Promoter group of KCL
SEBI	Securities And Exchange Board Of India
OFFER PRICE	Rs. 17.50/- for each fully paid up share including interest @ of 10% for the period of delay from the last date of payment of consideration to the shareholders (i.e. July 2, 2005) as per the schedule mentioned in the Public announcement which was released on June 14, 2005 and the actual date of payment of consideration under the revised schedule.
MANAGER TO THE OFFER	Aryaman Financial Services Limited.
REGISTRAR TO THE OFFER	Adroit Corporate Services Pvt. Ltd.
BSE ASE DSE JSE	The Stock Exchange, Mumbai Ahmedabad Stock Exchange,Ahmedabad The Delhi Stock Exchange Association Ltd. Jaipur Stock Exchange, Jaipur
PERSONS ELIGIBLE TO PARTICIPATE	All shareholders of KCL registered and unregistered, who own the shares at any time prior to the closure of the offer, except the Acquirers and parties to the agreement.
SELLERS	Mrs. Heeru Gupta

2. DISCLAIMER CLAUSE

"IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF 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 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 **M/s. KADAMB CONSTRUCTIONS LIMITED** TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS, OR THE COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRERS DULY DISCHARGES THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER M/S. ARYAMAN FINANCIAL SERVICES LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED APRIL 27, 2005 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES & TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDMENT (S) THEREOF. 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

1. This Open Offer is being made pursuant to the Regulation 10 and 12 of Chapter III and in compliance with the Securities & Exchange Board of India, (Substantial Acquisition of Shares and Takeovers) Regulation, 1997 and subsequent amendments thereof for substantial acquisition of shares and control over the target company.

2. This open offer is being made by Mrs. Laxmi Choudhary, Mr. Jayesh Soni, and Mrs. Manisha Jhawar (hereinafter referred to as 'Acquirers') to the equity shareholders of M/s. Kadamb Constructions Limited (hereinafter referred to as KCL/ Target Company).

3. The Acquirers have entered into a Share Purchase Agreement (SPA) dated 18-04-05 and supplementary share purchase agreement dated 30.07.05 with the promoter group of KCL as detailed herein below :

NAME OF THE ACQUIRERS	NAME & ADDRESS OF THE VENDORS	NO. OF SHARES	% OF SHARE & VOTING CAPITAL OF TARGET COMPANY
Mrs. Laxmi Choudhary	Mrs. Heeru Gupta A-27, Ambabari, Jaipur.	5,00,000	20.43
Mr. Jayesh Soni	Mrs. Heeru Gupta	56,625	2.31
Mrs. Manisha Jhawar	Mrs. Heeru Gupta	3,00,000	12.26
	Total	**8,56,625**	**35.00**

4. The Agreements (Acquisition Agreement/ Agreement) dated 18-04-05 and supplementary agreement dated 30.07.05 are for purchase of fully paid up equity shares for cash at a price of Rs. 15.00 per fully paid up share. The total consideration for the shares acquired under the agreement amounts to Rs. 1,28,49,375 /- (Rupees One Crores Twenty Eight Lacs Forty Nine thousand three hundred and Seventy Five only) is payable in cash. The payment shall be effected by the Acquirers to the vendors within 7 days from the completion of takeover formalities.

5. The agreement dated 18-04-05 and supplementary agreement dated 30.07.05 contains a clause that it is subject to the provisions of SEBI (SAST) Regulation and in case of non-compliance with any of the provisions of the Regulations, the agreement for such sale shall not be acted upon by the Sellers or the Acquirers.

6. This offer has been made pursuant to Regulation 10 and 12 of other provisions of Chapter III and in compliance with the SEBI (SAST) Regulations. After the proposed offer and implementation of the agreement for purchase of shares, the Acquirers will achieve substantial acquisition of shares and voting rights to the extent of 55% accompanied with effective management control over the target company.

7. As on the date of the agreement, the Acquirers do not hold any shares in the Target Company.

8. As on date, the Manager to the Offer – M/s. Aryaman Financial Services Ltd does not hold any shares in the target company, the Regulations 16(via), 24(1)(e) and 24(5A) of the SEBI (SAST) Regulations, 1997 are not applicable.

9. The proposed change in control is not through any arrangement.

10. The Acquirers, Target Company and the sellers have not been prohibited by SEBI from dealing in securities in terms of the direction issued u/s 11B of SEBI Act or under any of the regulation made under the SEBI Act.

11. The Composition of the Board of Directors in KCL Post-acquisition and Offer shall be determined on completion of all formalities relating to the Offer.

3.2 DETAILS OF THE PROPOSED OFFER

1. The public announcement was made by the Acquirers on 21-04-05 in compliance with Regulation 15 of the Takeover Regulations in all the editions of Financial Express (English Daily), Pratakal (Hindi and Regional Daily). The Public Announcement is also available on the SEBI website at www.sebi.gov.in

2. The offer to the public shareholders of KCL is to acquire further 4,89,500 equity shares representing 20% of the equity share capital of KCL at a price of Rs. 17.50/- including interest @ of 10% for the period of delay (i.e. from July 2, 2005 to September 24, 2005). This period is the difference between the last date of payment of consideration to the shareholders as per the schedule mentioned in the Public announcement (i.e. July 2, 2005) which was released on June 14, 2005 and the actual date of payment of consideration under the revised schedule. . The payment to the shareholders whose shares have been accepted shall be in cash and will be paid by cheque / demand draft. Outstation shareholders may be paid the consideration for their shares, accepted under the offer, by demand draft.

3. The Acquirers have not acquired any shares of the target company after the date of P.A. and upto the date of this LOF.

3.3 OBJECT OF THE ACQUISITION /OFFER

1. The offer to the Shareholders of KCL has been made pursuant to Regulation 10 & 12 of Chapter III and in compliance with the regulations for the purposes of substantial acquisition of voting rights and management control of the target company.

2. The acquirers intend to review operations of the company by inducting the necessary funds and also diversify the business into other areas in which the acquirer has experience.

4. BACKGROUND OF THE ACQUIRERS

Information about the Acquirers

1. Since the Acquirers have not acquired any shares in the target company till date, the compliance with the required provisions of Chapter II of SEBI (Substantial Acquisition of Shares and Takeovers), Regulations 1997 is not applicable.

2. The Acquirers have not been prohibited by SEBI from dealing in securities, in terms of direction issued u/s 11B of SEBI Act or under any of the Regulation made under the SEBI Act.

3. The Acquirers have entered into an agreement with regards to the shares to be acquired in the open offer.

   Details of shares to be acquired by the Acquirers in the open offer

Acquirers	**No. of shares to be acquired in the open offer.**
Mrs. Laxmi Choudhary	4,50,000
Mr. Jayesh Soni	29,500
Mrs. Manisha Jhawar	10,000

4. The Acquirers are not related to each other.

5. The Acquirers are not on the board of any company nor have they promoted any company.

A. <u>Mrs. Laxmi Choudhary</u>

Mrs. Laxmi Choudhary, aged 36 years, is residing at 464, Usha Nagar Ext., Indore-452009 Tel. No.(0731) 2527208/ 2527484 Fax. No.(0731) 5041767. She is an arts graduate and a Life Insurance Agent since 1992 and has been awarded club membership of Life Insurance Corporation of India. She is proprietor in M/s Laxmi Commodities which is member of National Commodities & Derivatives Exchange (NCDEX) since June 2004 and also member of Multi Commodity Exchange (MCX). She is also dealing in shares in Primary & Secondary market. She has around one decade of experience in the field of insurance and risk assessment.

The net worth of Mrs. Laxmi Choudhary as on 23.02.2005 has been certified as Rs. 161.45 lacs by Mohan Jhawar & Company, Chartered Accountants, vide certificate dated 23.02.2005 (Membership No. of Mr. Mohan Jhawar, Proprietor is 074806), having their office at 110, Shreevardhan, 4, R.N.T. Marg, Indore-452001 (M.P.) Tel. No. (0731)5044442 Telefax: (0731) 2527510.

B. Mr. Jayesh Soni

Mr. Jayesh Soni, aged 39 years old, is residing at 26, Aakash Appartment, 5A/1, Old Palasia, Indore 452001 Tel. No.(0731) 5044442 Fax. No.(0731) 5070703. He is a Chartered Accountant and has over 12 years experience in the field of accountancy. He is a partner in M/s Jayesh Soni & Co., Chartered Accountants, Indore.

The net worth of Mr. Jayesh Soni as on 23.02.2005 has been certified as Rs. 15.05 Lacs by Mohan Jhawar & Company, Chartered Accountants, vide certificate dated 23.02.2005 (Membership No. of Mr. Mohan Jhawar, Proprietor is 074806), having their office at 110, Shreevardhan, 4, R.N.T. Marg, Indore-452001 (M.P.) Tel. No. (0731)5044442 Telefax: (0731) 2527510.

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C. Mrs. Manisha Jhawar

Mrs. Manisha Jhawar aged 35 years, is residing at 36, Mangalam Building, Old Palasia, Indore-452001 Tel. No.(0731) 2496909 Fax. No.(0731) 5070703. She is working as a L.I.C. agent and is also having an experience of more than a decade in investment and dealing in primary and secondary market.

The net worth of Mrs. Manisha Jhawar as on 24.06.2005 has been certified as Rs. 48.55 lacs by Ashok Surjan and Company, Chartered Accountants, vide certificate dated 24.06.2005 (Membership No. of Mr. Ashok Surjan, Proprietor is 74253), having their office at 102, Shreevardhan, 4, R.N.T. Marg, Indore-452001 (M.P.) Telefax . (0731) 2520521.

4.1 DISCLOSURE IN TERMS OF REGULATION 16 (ix)

1. This offer is being made pursuant to Regulation 10 & 12 of Chapter III and in compliance with the Regulations for the purposes of substantial acquisition of voting rights and management control of the target company.

2. The acquirers intends to expand the business activities of the company KCL by way of tendering in Government contracts for infrastructure facility development like construction of roads, bridges, dams, etc. and acquiring land in urban and rural areas for development of residential and commercial buildings and for the implementation of these future plans to increase the working capital of the company. For financing the said projects, the company will make arrangements from Banks and financial institutions for working capital limits and term loans.

3. The Acquirers do not have any intention to dispose of or otherwise encumber any assets of KCL in the next two years from the date of closure of this offer, except in the ordinary course of business of KCL with the prior approval of the shareholders.

4.2 FUTURE PLANS/ STRATEGIES OF THE ACQUIRERS WITH REGARD TO THE TARGET COMPANY.

1. This offer has been made pursuant to Regulation 10 and 12 of other provisions of Chapter III and in compliance with the SEBI (SAST) Regulations. The open offer to the shareholder is for the purpose of acquiring 20% of the equity shares of the target company. After the proposed offer and implementation of the agreement for purchase of shares, the acquirers will achieve substantial acquisition of shares and voting rights to the extent of 55% accompanied with effective management control over the target company.

2. The Acquirers intend to review operations of the company by inducting the necessary funds and also diversify the business into other areas in which the acquirers have experience.

5. BACKGROUND OF THE TARGET COMPANY

Kadamb Constructions Limited (KCL)

1. Kadamb Constructions Limited (KCL) is a Public Limited Company originally incorporated on July 21, 1995 under the name of Kadamb Constructions Private Limited. The name of the company was changed to Kadamb Constructions Limited and a fresh certificate of incorporation was obtained on September 26, 1995. The registered office of the company is situated at 211-212, Shalimar Complex, Church Road, M.I.Road, Jaipur-302001, Tel No. (0141) 2373544 Fax. No. (0141) 2624490. The company is carrying on the business of construction and development and is also involved in investment in shares and securities.

2. The company has been promoted by Mr. Mahesh Kumar Gupta and Mrs. Heeru Gupta. The present directors of KCL are Mr. Mahesh Kumar Gupta, Mr. Gangaram Khandelwal, Mr. C.P.Goyal, Mr. Rajendra Sharma, Mr. Bajrang Lal Agarwal, Mr. Raja Mathur and Mrs. Heeru Gupta.

3. The company came out with its first public issue during 1996 for Rs. 305.00 lacs and its shares are listed since then. The Shares of the Company are listed on The Stock Exchanges at Mumbai, Ahmedabad, and Jaipur. The equity shares of KCL are infrequently traded.

4. The company was incorporated with the object of construction and development and no change / discontinuation in any of its activities has taken place since incorporation.

5. There has been no merger / demerger, spin off involving the target company. The company has not changed its name since listing (date of listing of shares on the Stock exchange, Mumbai is June 7, 1996)

5. The Authorised Share Capital of the company as on 31.03.2005 is Rs.550.00 lacs. Issued and Subscribed Share Capital of the company as on 31.03.2004 is Rs.244.75 lacs, divided into 24,47,500 equity shares of Rs.10/- each. 26,02,700 equity shares which were partly paid up were forfeited due to non-payment of calls. Presently there are no partly paid up shares in the company.

6. Share Capital Structure

PAID-UP EQUITY SHARES OF TARGET COMPANY	NO. OF SHARES /VOTING RIGHTS	%AGE OF SHARE CAPITAL
Fully paid up shares	24,47,500	100.00
Partly paid up shares	--	--
TOTAL	**24,47,500**	**100.00**

There are no outstanding convertible instruments (warrants/ FCDs /PCDs) etc.

7. Build up of capital structure of the company as per original allotments made:

Date of allotment	No. and % of shares issued		Cumulative paid up capital	Mode of allotment	Identity of allottees (promoters / ex-promoters/ others)	Status of Compliance
	No. of Shares	%				

21.07.1995	300	Negligible	300	Cash	Promoters	Complied
28.08.1995	9,700	0.19	10,000	Cash	Promoters	Complied
26.09.1995	2,00,200	3.96	2,10,200	Cash	Promoters	Complied
11.04.1996	4840000	95.83	5050200	Cash	Promoters and Public	Complied
Total	**50,50,200**	**100**	**50,50,200**			

Out of total 5050200 equity shares 26,02,700 equity shares which were partly paid up were forfeited due to non-payment of calls. Presently the total issued equity shares of the company are 2447500 shares. There are no partly paid up shares in the company

8. Board Of Directors

The composition of Board of Directors as on the date of Public Announcement is as follows:

Name	**Residential Address**	**Experience**	**Qualifications**	**Date of Appointment**
Mr. Mahesh Kumar Gupta	A-27 Ambabari, Jaipur-302012	Industrialist for last 25 years and Chairman cum Managing Director of the Company.	B.E. (Mechanical)	13-07-1995
Mr. Gangaram Khandelwal	237, Sumer Karamji Ka Rasta, Ghatgate Bazar, Jaipur-302003	Experience of around 20 years in property dealing, colony developers, builders and agent of property brokers	1st Year T.D.C.	14-08-1999
Mr. C.P. Goyal	B- 86 Sector No. 39, Noida,- 201303 (U.P)	Experience of around 35 years as establishment officer in M/s Jaipur Udyog Ltd.	M.A., PGDBM	13-07-1995
Mr. Rajendra Sharma	A-399, Malviya Nagar, Jaipur-302012	Experience of around 30 years as Partner in R. Shandilya & Co Chartered Accountant	Chartered Accountant	29-08-1997
Mr. Bajrang Lal Agarwal	B-49, Nehru Nagar, Pani Pech, Jaipur-302016	Experience of around 10 years in the business of property dealing and trading in bricks.	M. Com., CA Inter	29-08-2003
Mr. Raja Mathur	2242, Banerjee House, Gangauri Bazar, Jaipur-302002	Experience of around 3 years as travel agent.	Graduate	29-08-2003
Mrs. Heeru Gupta	A-27 Ambabari, Jaipur-302012	Experience of around 6 years in trading, General Administration and transportation Business	Post Graduate	13-07-1995

9. Compliance with listing and other statutory requirements:

As informed by the target company as regards the status of compliance with the listing requirements, the target company has complied with the listing requirements as and when required. No punitive action has been taken by the BSE till date. However the trading in shares of the company was suspended w.e.f. 14th September, 1998 vide BSE's notice no. 3031/98 dated 09.09.98 on account of non-compliance of clause 15 and 16 of the listing agreement with regard to shorter notice of closure of register of members and transfer books. After receiving the said notice the company took immediate action and paid the penalty of Rs 5,555/- and BSE then lifted the suspension. As on date, there is no such suspension or prohibition on trading of the securities of the company. The shares of the company are under the 'Z' category on BSE as the company has not entered into an agreement with the Central Depository Services (India) Ltd. (CDSL) for dematerialisation of shares. The Company is in the process of entering into an agreement with CDSL. After entering into the agreement, the Company will make an application to BSE for shifting of shares from Z category.

The company has not complied with any listing requirements of The Delhi Stock Exchange Association Limited since listing of its shares. Further the company has also not obtained trading approval as they failed to submit the listing/trading approvals from other Stock Exchanges whose names were stated in the Companies prospectus.

The Acquirers undertake that immediately after the acquisition of the substantial shares and management control of KCL, they shall comply with all the requirements, pending if any, of the Listing agreement with Delhi Stock Exchange, Delhi.

The shares of the company are presently listed at the Stock Exchange, Mumbai (BSE), The Stock Exchange, Ahmedabad, Jaipur Stock Exchange Limited, Jaipur. The company has complied with all the requirements as per the Listing Agreement with them.

10. Compliance with Chapter II of SEBI (SAST), Regulations 1997

As regards compliance with Chapter II of the SEBI (SAST) Regulations by the target company, SEBI had issued a public notice for non compliance of Regulations 6 (2) and 6 (4) for 1997 and 8(3) for 1998, 1999, 2000, 2001 and 2002. The Target Company complied with the said regulations under the SEBI Regularisation Scheme 2003. Post 2002, the company has complied with all the compliances under Chapter II within the specified time. Further as regards compliance with Chapter II of the SEBI (SAST) Regulations by the promoters and the major shareholders, the same has been duly complied on time for the various periods.

11. Financial Highlights

(i) Profit & Loss Statement :-

(Rs. in Lacs)

PARTICULARS	YEAR ENDED 31/03/2005 (Audited)	YEAR ENDED 31/03/2004 (Audited)	YEAR ENDED 31/03/2003 (Audited)
Income from Operations	14.90	4.95	5.00
*Other Income	4.59	10.93	37.75
Total Income	19.49	15.88	42.75
Total Expenditure	13.06	12.57	23.65
Depreciation	1.19	1.45	0.85
Interest	0.49	1.51	0.00
Profit before Tax	4.75	0.35	18.25
Deferred tax	0.16	0.21	0.28
Current year tax	0.38	0.03	6.59
Profit after tax	4.20	0.11	11.38

Note: * The other income received is by the company is by way of rent received and dividend and interest received on the investments.

(ii) ***Balance Sheet Statement :***

(Rs. in Lacs)

PARTICULARS	YEAR ENDED 31/03/2005 (Audited)	YEAR ENDED 31/03/2004 (Audited)	YEAR ENDED 31/03/2003 (Audited)
Sources of Funds:-			
Paid up Share Capital	375.03	375.03	375.03
Reserve & Surplus excluding revaluation reserve.	24.94	20.74	20.62
Networth	399.97	395.77	395.65
Loans	5.23	18.81	5.16
Deferred Tax Liability	1.97	1.81	1.60
TOTAL	**407.17**	**416.39**	**402.41**
Uses of Funds:-			
Net Fixed Assets	14.40	15.59	17.04
Investments	40.72	2.71	2.71
Net Current Assets	350.42	394.81	377.74
Misc.exp. not written off.	1.63	3.28	4.92
TOTAL	**407.17**	**416.39**	**402.41**

Break-up of share capital

Particulars	**(Rs. in Lacs)**
Share Capital	244.75
Share Forfeiture Account	130.28
Total	**375.03**

(iii) Other Financial Data :-

PARTICULARS	YEAR ENDED 31/03/05 (AUDITED)	YEAR ENDED 31/03/04 (AUDITED)	YEAR ENDED 31/03/03 (AUDITED)
Dividend (%)	Nil	Nil	Nil
Earning Per Share (Rs) [PAT/ No of fully paid equity shares.]	0.17	0.01	0.47
Return on Net Worth (%) [Net Profit/Networth)*100]	1.05	Negligible	2.88
Book Value per Share [(Networth/ No. of fully paid equity shares excluding forfeited shares)]	16.28	16.17	16.16

Networth = Paid up Share Capital + Free Reserves-Misc. exp. Not written off.

12. Reasons for Fall/rise in total income and PAT for the financial year 2002-2003 and 2003-2004.

2003-2004

The main income derived by the company is through Construction Activity where income is based on level of activity completed under each Project undertaken

In the year 2003-2004 the total income of the company declined as there was slackness in the real estate market and hence there was no considerable increase in the number of projects undertaken by the company.

2004-2005

In the year 2004-05 , there was marked improvement in the real estate market and so the number of project undertaken were more as compared to the Previous Year 2003-04, hence the sale of constuction figure has gone up by 122.22% as compared to the Previous year 2003-04. Also the company earned income by way of dealing in shares and securities.

13. Pre and Post offer shareholding pattern of the Target Company is as follows: -

Shareholders Category	**Shareholding & Voting Rights prior to the agreement/ acquisition and offer (A)**		**Shares & Voting Rights agreed to be acquired which triggered off the regulations. (B)**		**Shares & Voting Rights to be acquired in open offer (assuming full acceptances). (C)**		**Shareholding & Voting Rights after the acquisition and offer i.e. (D)**	
	No.	%	No.	%	No.	%	No.	%
1) Promoter Group								
(a) Parties to agreement, if any	1061600	43.38	(856625)	(35.00)	--	--	204975	8.38
(b) Promoters other than (a) above	938400	38.34	--	--	*	*	*	*
Total 1(a+b)	2000000	81.72	(856625)	(35.00)	*	*	*	*
2) Acquirers								
a) Acquirer	--	--	856625	35.00	489500	20.00	1346125	55.00
b) PACs	--	--	--	--	--	--	--	--
Total 2 (a+b)	--	--	856625	35.00	489500	20.00	1346125	55.00
3) Parties to agreement other than 1(a) and 2	--	--	--	--	--	--	--	--
4) Public (other than parties to agreement, Acquirer& PACs)								
(a).Fis/MFs/FIIs/Banks, SFIs	--	--	--	--	--	--	--	--
b. Others	447500	18.28	--	--	*	*	*	#36.62
Total 4 (a+b)	447500	18.28	--	--	*	*	*	#36.62
Total (1+2+3+4)	**2447500**	**100.00**	**--**	**--**	**--**	**--**	**2447500**	**100.00**

Note: * The shareholding of 1(b) and 4(b) will undergo change based upon the percentage of acceptance in the offer. The promoters other than the parties to the agreement are also eligible to participate in the open offer.

The total share holding with the public post offer shall be 36.62 % as mentioned above in column D of 4(b) shall include the holding of erstwhile promoters of the company other than parties to the agreement. The erstwhile promoters of the company shall not remain in the promoter group after the acquisition and offer.

Details of shares to be acquired by the Acquirers in the open offer

Acquirers	No. of shares to be acquired in the open offer.
Mrs. Laxmi Choudhary	4,50,000
Mr. Jayesh Soni	29,500
Mrs. Manisha Jhawar	10,000

14. Details of changes in the shareholding of the promoters

There have been no changes in the Shareholdings of the promoters

15. Status of Corporate Governance

The company has complied with all the provisions of clause 49 of the listing agreement regarding Corporate Governance. There are no pending litigations of KCL as regards matters relating to corporate governance.

16. Compliance Officer

Mr. Prakash Sharma
211-212, Shalimar Complex
Church Road
Jaipur 302001
Tel: 0141 5067009
Fax. No. (0141) 2624490.

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1. JUSTIFICATION OF OFFER PRICE

1. The equity shares of the Target Company are listed on the Stock Exchange, Mumbai. Ahemdabad Stock Exchange, Delhi Stock Exchange Association Limited and The Jaipur Stock Exchange.
2. The shares of the company are infrequently traded in terms of Explanation (i) to Regulation 20(5) of the Regulations. The shares were last traded on the Stock Exchange Mumbai on March 11, 2005. The number of shares traded was 300 at an average price of Rs. 10/- per share.
3. The details of shares traded during the 6 calendar months prior to the month in which PA was made is as under:

NAME OF THE STOCK EXCHANGE	TOTAL NO. OF SHARES TRADED DURING THE 6 CALENDAR MONTHS PRIOR TO THE MONTH IN WHICH PA WAS MADE	TOTAL NO. OF LISTED SHARES	ANNUALIZED TRADING TURNOVER (IN TERMS OF % TO TOTAL LISTED SHARES)
BSE	8100	24,47,500	0.66

4. The offer price of Rs. 17.50/- per share including interest calculated at the rate of 10% for the period of 84 days (i.e. from July 2, 2005 to September 24, 2005). This period is the difference between the last date of payment of consideration to the shareholders as per the schedule mentioned in the Public

announcement which was released on June 14, 2005 and the actual date of payment of consideration under the offer.

5. has been arrived at as per the Regulation 20 (5) of the SEBI Takeover Regulations taking into account the following :
    a. The negotiated price under the agreement, which in this case is Rs. 15/- per share for fully paid shares (Regulation20 (5)(a)).
    b. The Acquirers have not acquired any Equity shares of the Target Company during the 26 weeks prior to the date of the Public Announcement including by way of allotment in a public or rights or preferential issue except for the shares to be acquired by way of the SPA. (Regulation 20(5)(b))
    c. Other Parameters as on 31.03.05 such as Book Value of Rs. 16.28/ per share, EPS is Rs. 0.17 and Return on Net Worth was 1.05% (Regulation 20(5)(c)).
6. The interest has been calculated at the rate of 10% for the period of 84 days (i.e. from July 2, 2005 to September 24, 2005). This period is the difference between the last date of payment of consideration to the shareholders as per the schedule mentioned in the Public announcement which was released on June 14, 2005 and the actual date of payment of consideration under the offer.
7. The offer price is justified in terms of Regulation 20(5) of the SEBI (SAST), Regulations, 1997.
8. There is no non-compete agreement.
9. In view of the above, the Offer Price payable under this Offer is in compliance with the Takeover Regulations. All other parameters suggest that the price of Rs. 17.50/- per equity share is just and reasonable in terms of the regulation 20(11) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.
10. The offer price shall not be less than the highest price paid by the Acquirers for any acquisition of the shares of the Target Company from the date of PA up to 7 working days prior to the closure of the offer (i.e. 30-08-2005)

6.2 FINANCIAL ARRANGEMENTS

1. The maximum purchase consideration payable by the Acquirers in the case of full acceptance of the offer is Rs. 85.67 Lacs (Rupees Eighty Five lacs Sixty Seven Thousand Only).

2. The Acquirers have deposited an amount of Rs. 21.42 Lacs towards escrow amount with Bank of Maharashtra, Lokmanya Nagar Branch, Indore i.e. 25% of the total consideration payable. The Manager to the offer has been duly authorized by the Acquirers to realize the value of escrow account in terms of the regulation.

3. The Acquirers have adequate resources to meet the financial requirements of the offer in terms of Regulation 16(xiv). The sources of funds shall be through internal resources of the Acquirers. No borrowing from Bank/ Financial Institution is being made for the purpose. All the funds will be domestic and no foreign funds will be utilized.

4. M/s. Mohan Jhawar & Company, Chartered Accountants, vide certificate dated 25.06.2005 and (Membership No. Of Mr. Mohan Jhawar, Proprietor is 074806), having their office at 110, Shreevardhan, 4, R.N.T. Marg, Indore-452001 (M.P.) Tel. No. (0731) 5044442 Telefax: (0731) 2527510 have confirmed that sufficient resources are available with the Acquirers to fulfill its obligations under the offer.

5. Based on the above, the Manager to the Offer is satisfied about the ability of the Acquirers to implement the offer in accordance with the Regulations.

6. The Manager to the offer confirms that firm arrangements for funds and money for payment through verifiable means are in place to fulfill offer obligations.

7. TERMS AND CONDITIONS OF THE OFFER

A. Eligibility for accepting the offer

1. This offer is made to all the fully paid up equity shareholders (except Acquirers, Persons Acting in Concert and the Parties to the Agreement) whose names appear in the register of shareholders of KCL on 25-04-2005 (the Specified Date) and also to those persons who own the shares any time prior to the closure of the offer, but are not the registered shareholder(s) and to the beneficial owners of the shares of KCL whose names appear on the beneficial records of the respective depositories at the close of the business on 25-04-2005 (the Specified Date).

2. The shares of the Target Company are partly in dematerialised form and partly in physical form.

3. The Acquirers, will acquire for cash, Equity Shares of the Target Company to the extent of valid acceptances received under this offer.

4. The instructions, authorizations and provisions contained in the Form of Acceptance cum Acknowledgement constitute part of the terms of the offer.

5. In case of non-receipt of the Letter of Offer, eligible persons may send their acceptance to the Registrar to the Offer, on a plain paper stating the Name, Address, No. of shares held, Distinctive Nos., Folio No., No. 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.10-09-2005. Accidental omission to dispatch this document to any person to whom this offer is made or non-receipt of this offer shall not invalidate the offer in any way.

6. Acquirers are confident of completing all the formalities pertaining to the Acquisition of the said shares, within 15 days from the date of closure of this offer including payment of consideration to the shareholders who have accepted the offer and for the purpose shall open a special account as provided under Regulation 29 of the SEBI (SAST) Regulation. Provided that where the Acquirers are unable to make payment to the shareholders who have accepted the offer before the said period of 15 days due to non-receipt of requisite statutory approvals, the Board may, if satisfied that non-receipt of requisite statutory approvals 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 the Acquirers agreeing to pay interest to the shareholders for delay beyond 15 days, as may be specified by the Board from time to time.

7. Each Shareholder of KCL to whom this offer is being made, is free to offer his shareholding in whole or in part while accepting this offer.

8. Subject to the conditions governing this offer as mentioned in this offer document, the acceptance of this offer by the 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.

9. The Acquirers would be responsible for ensuring compliance with the regulations.

10. The market lot for shares in demat form is 1 share and for the shares in the physical form is 100 shares.

B. Locked in Shares

None of the shares of the target company are under lock-in.

C. Statutory approvals

1. To the knowledge of the Acquirers, no statutory approvals are required to acquire the shares that may be tendered pursuant to the Offer. If any other statutory approvals become applicable at a later date, the offer would be subject to such statutory approvals. In case the statutory approvals are not obtained, the Acquirers will not proceed with the Offer.

2. In case of delay in receipt of any statutory approval, if any, SEBI has the power to grant extension of time to Acquirers for payment of consideration to the shareholders subject to Acquirers agreeing to pay interest as directed by SEBI under Regulation 22(12). If the delay occurs due to the wilful default of the Acquirers in obtaining the requisite approvals, Regulation 22(13) will become applicable.

3. The acquirers shall, within a period of fifteen days from the date of the closure of the offer, complete all procedures relating to the offer including payment of consideration to the shareholders who have accepted the offer and for the purpose open a special account as provided under Regulation 29

   Provided that where the acquirers are unable to make the payment to the shareholders who have accepted the offer before the said period of fifteen days due to non-receipt of requisite statutory approvals, the Board may, if satisfied that non-receipt of requisite statutory approvals was not due to any wilful default or neglect of the acquirer or failure of the acquirer to diligently pursue the applications for such approvals, grant extension of time for the purpose, subject to the acquirers agreeing to pay interest to the shareholders for delay beyond fifteen days, as may be specified by the Board from time to time.

8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

1. The Letter of Offer together with the Form of Acceptance cum Acknowledgement will be mailed to the fully paid up equity shareholders of KCL (except the Acquirers and parties to the agreement) whose names appear on the Register of Members of KCL and also to those persons who own the shares any time prior to the closure of the offer, but are not the registered shareholder(s) and to the beneficial owners of the shares of KCL whose names appear on the beneficial records of the respective depositories at the close of the business on 25-04-2005 (the Specified Date).

2. Shareholders who wish to tender the shares will be required to send the Form of Acceptance cum Acknowledgement duly completed and signed by all the shareholders, Original Share Certificate (s) and Transfer Deed (s) duly signed in case of Joint Holdings in the same order as per the specimen signatures lodged with KCL and witnessed (if possible by a Notary Public or Bank Manager or Member of Stock Exchange with membership number) to the Registrar to the Offer- Adroit Corporate Services Private Limited., either by hand delivery during normal business hours or by Registered Post on or before the close of the offer i.e. 10-09-2005 in accordance with the instructions specified in the Letter of Offer and the Form of Acceptance cum Acknowledgement. In case the shares stand in the name of a sole shareholder who is deceased, notarised copy of the legal representative obtained from a competent court.

3. The Registrar to the Offer has opened a Special Depository Account with Stock holding Corporation of India Limited. Beneficial Owners and Shareholders holding shares in the dematerialised form, will be required to send their Form of Acceptance cum Acknowledgement to the Registrar to the Offer either by hand delivery during normal business hours or by Registered Post on or before the close of the offer i.e. .10-09-2005, along with 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 Adroit Corporate Services Private Limited - Escrow A/c for Kadamb Constructions Limited- Open Offer, filled in as per the instructions given below :-

DP Name	:	Stock Holding Corporation of India Limited.
Client ID No.	:	19248968
DP ID No.	:	IN301330

The address of the collection centre of the Registrar, for the purpose of the offer is as follows: -

Name & Address	Mode of Delivery	Business Hours
REGISTRAR TO THE OFFER **Adroit Corporate Services Pvt. Ltd** 19, Jaferbhoy Indl. Estate, Makwana Rd, Marol Naka, Mumbai-400059 Tel: (022) 28590942/28503748 Fax: (022) 56924438 email: adroits@vsnl.net Contact Person: Mr. Deepak Phanse	Registered Post and / or Hand delivery	Monday to Friday 9.30 a.m. to 5.30 p.m. (excluding Bank Holidays) Saturday 9.30 a.m. to 1.30 p.m.

4. All owners of fully paid up equity shares, registered or unregistered (except the Acquirers and parties to the agreement), and the beneficial owners of the shares of KCL who own the shares at any time prior to the closure of the offer are eligible to participate in 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 Offered, Distinctive Numbers, Folio No., together with the Original Share Certificate(s), valid transfer deed(s) and a copy of the contract note issued by the broker through whom they acquired their shares. No indemnity is required from the unregistered owners.

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

6. 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. Shareholders whose shares are held in dematerialized form to the extent not accepted will be intimated by post for the non acceptance.

7. In case the shares tendered in the open offer are more than the shares agreed to be acquired by the Acquirers, the Acquirers shall accept all valid applications received from the shareholders of the company on a Proportionate basis, in consultation with the Merchant banker, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non marketable lots.

8. In accordance with Regulation 22(5)(A) of the Takeover Regulations, shareholders who have tendered the requisite documents in terms of Public Announcement and Letter of Offer shall have option to withdraw acceptances tendered up to 3 working days prior to the Offer Closing Date i.e. on or before 05-09-2005. The withdrawal option can be exercised by submitting the Form of withdrawal (separately enclosed with the Letter of Offer) and the copy of the acknowledgement

received from the Manager to the offer while tendering the acceptance. Applications can also be made on plain paper giving the following details :

i) In case of physical shares: Name, address, distinctive numbers, folio nos., number of Shares tendered / withdrawn.

ii). In case of dematerialized shares: Name, address, number of shares tendered/withdrawn, DP name, DP ID, Beneficiary account no. and a photocopy for delivery instruction in "off market" mode or counterfoil of the delivery instruction in "off market" mode, duly acknowledged by the DP in favor of the Depository Escrow account.

9. Shares, if any, that are the 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 Letter of Offer in some of these cases, wherever possible, would be forwarded to the concerned statutory authorities for further action at their end.

10. Shareholders who have sent their shares for demat need to ensure that the process of getting shares dematted is completed well in time so that the credit in the Escrow Account should be received on or before the date of closure of the Offer, i.e. 10.09.2005 else the application would be rejected.

THE DOCUMENTS SHOULD NOT BE SENT TO THE ACQUIRERS / TARGET COMPANY / SELLERS AND PARTIES TO THE AGREEMENT.

The shareholders also have an option to download the form of acceptance from SEBI's website (www.sebi.gov.in) and apply in the same.

9. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection at 104, ShreeVardhan, 4 R.N.T. Marg, Indore –452001 between 11.00 a.m. and 3.00 p.m. during the Offer Period.

1. Memorandum of Association & Articles of Association (including Certificate of Incorporation) of M/s. Kadamb Constructions Limited.

2. Copy of the Public Announcement.

3. Copies of Audited Annual Reports of KCL as at 31.03.2003, 31.03.2004 and 31.03.2005.

4. Copies of certificate dated 25.06.2005 from M/s Mohan Jhawar and Company, Chartered Accountants, (Membership No. Of Mr. Mohan Jhawar, Proprietor is 074806), having their office at 110, Shreevardhan, 4, R.N.T. Marg, Indore-452001 (M.P.) Telefax No. 5070703 Mobile No. 9301300600, certifying the adequacy of financial resources of the Acquirers to fulfill the offer obligations.

5. Copies of certificate dated 25.06.05 from M/s Mohan Jhawar and Company, Chartered Accountants, (Membership No. Of Mr. Mohan Jhavar, Proprietor is 074806), having their office at 110, Shreevardhan, 4, R.N.T. Marg, Indore-452001 (M.P.) Telefax No. 5070703 Mobile No. 9301300600, certifying the net worth of the Acquirers.

6. Copies of certificate dated 24.06.05 from M/s Ashok Surjan and Company, Chartered Accountants, vide certificate dated 24.06.2005 (Membership No. of Mr. Ashok Surjan, Proprietor is 74253),

having their office at 102, Shreevardhan, 4, R.N.T. Marg, Indore-452001 (M.P.) Telefax . (0731) 2520521 certifying the net worth and adequacy of financial resources of Mrs. Manisha Jhawar.

7. Fixed Deposit Receipt from Bank of Maharashtra, Lokmanya Nagar Branch, Indore towards money kept in the Escrow account and a lien in favor of the Merchant Banker i.e. Aryaman Financial Services Ltd..

8. A copy of agreement entered into with Adroit Corporate Services Private Ltd., and Stock Holding Corporation of India Limited., for opening a special depository account for the purpose of the offer.

9. A copy of the share purchase agreement dated 18.04.2005 and supplementary agreement dated 30.07.05 entered between the acquirers and sellers which triggered the open offer.

10. Copy of SEBI letter CFD/DCR/TO/HB/46522/05 dated August 9, 2005

10. DECLARATION

1. The Acquirers having made all reasonable inquiries, accept responsibility for, and confirm that this letter of offer contains all information with regard to the offer, which is material in the context of the issue, that the information contained in this letter of offer is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

2. Each of the Acquirers would be severally and jointly responsible for ensuring compliance with the Regulations.

3. We hereby declare and confirm that all the relevant provisions of Companies Act, 1956 and all the provisions of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997 have been complied with and no statements in the offer document is contrary to the provisions of Companies Act, 1956 and SEBI Substantial Acquisition of Shares and Takeover) Regulations 1997.

Signed by :

Mrs. Laxmi Choudhary
sd/-

Mr. Jayesh Soni
sd/-

Mrs. Manisha Jhawar
Sd/-

Date: 17-08-2005
Place: Indore

Enclosures: (1) Form of Acceptance cum Acknowledgement
(2) Form of Withdrawal

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION
(Please send this Form with enclosures to the Registrar to the Offer at their address given overleaf)

FORM OF ACCEPTANCE- CUM -ACKNOWLEDGEMENT

OFFER SCHEDULE

OFFER OPENS ON	: 22.08.2005
OFFER CLOSES ON:	10.09.2005

From :-

Folio No.: Sr.No.: No of Shares Held

Tel No: Fax No: E-Mail:

To:
Adroit Corporate Services Pvt. Ltd
19, Jaferbhoy Indl. Estate,
Makwana Rd,
Marol Naka,
Mumbai-400059

Sub.: Open offer for purchase of 4,89,500 equity shares of KCL representing 20% of the equity share capital at a price of Rs. 17.50/- per share by Mrs. Laxmi Choudhary, Mr. Jayesh Soni and Mrs. Manisha Jhawar (Acquirers)

Dear Sir,

I/We refer to the Letter of Offer dated 17-08-2005 for acquiring the equity shares held by me/us in KCL.

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

FOR EQUITY SHARES HELD IN PHYSICAL FORM :

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.	Certificate Nos.	Distinctive Nos		No of equity Shares
Total Number of Equity shares				

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

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 pay the purchase consideration as mentioned in the Letter of Offer. I/We also note and understand that the Acquirers will pay the purchase consideration only after verification of the documents and signatures.

FOR EQUITY SHARES HELD IN DEMAT FORM:

I/We hold shares in demat form and accept the Offer and enclose photocopy of the Delivery instruction duly acknowledged by DP in respect of my equity shares as detailed below:

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

I/We have done an off market transaction for crediting the shares to the Escrow Account named Adroit Corporate Services Private Limited Escrow A/c for M/s Kadamb Constructions Limited – Open Offer, filled in as per the instructions given below :-

DP Name	:Stock Holding Corporation of India Limited.
Client ID No.	:19248968
DP ID No.	:IN301330

I/We note and understand that the Shares would lie in the Escrow Account until the time the Acquirers makes payment of purchase consideration as mentioned in the Letter of Offer.

I/We confirm that the equity shares of KCL which are being tendered herewith by me/us under the Offer, are free from liens, charges and encumbrances of any kind whatsoever.

I/We authorize the Acquirers to accept the shares so offered which it may decide to accept in consultation with the Registrar 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) in respect of which the offer is not found valid/not accepted, specifying the reasons thereof.

I/We authorize the Acquirers or the Registrar to the Offer to send by registered post (under UCP if less than Rs. 1,500/-) the draft/cheque in settlement of the amount to the sole/first holder at the address mentioned below:

Yours faithfully,

Signed and Delivered:

	FULL NAME(S)	**SIGNATURE(S)**
First / Sole Shareholder		
Second Shareholder		
Third Shareholder		

Note : In case of joint holdings, all holders must sign. A corporation must affix its common seal.

Address of First/Sole Shareholder

____

____

Place :   Date:

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

Name of the Bank ______________________________________ Branch _____________

Account Number _______________________________________ Savings/Current/Others

(Please Specify)_____________________

Business Hours : Mondays to Friday : 9.30 a.m. to 5.30 p.m.
Holidays : Sundays and Bank Holidays

All queries in this regard to be addressed to the Registrar to the Offer quoting your Folio No.

Adroit Corporate Services Pvt. Ltd
19, Jaferbhoy Indl. Estate,
Makwana Rd,
Marol Naka,
Mumbai-400059

- **Tear along this line** - - - - - - --

Folio No.:   Serial No.   Acknowledgement Slip

Received from Mr./Ms.
____

Address_________________________________

Number of certificate(s) enclosed ______ Certificate Number(s) _____________

Total number of share(s) enclosed __________________

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 at the address mentioned behind in this form. The documents referred to above should be sent to any of the collection centers mentioned overleaf.

FORM OF WITHDRAWAL

You have an 'OPTION TO WITHDRAW' the acceptance tendered in response to this offer any time upto three working days prior to the date of closure of offer. In case you wish to withdraw your acceptance please use this form.	**OFFER SCHEDULE** **OFFER OPENS ON : 22-08-2005** **LAST DATE OF WITHDRAWAL : 05.09.2005** **OFFER CLOSES ON : 10.09.2005**

From:

Tel No. Fax No.: E-mail:

To,
Adroit Corporate Services Pvt. Ltd
19, Jaferbhoy Indl. Estate,
Makwana Rd,
Marol Naka,
Mumbai-400059

Sub.: Open offer for purchase of 4,89,500 equity shares of KCL representing 20% of the equity share capital at a price of Rs. 17.50/- per share by Mrs. Laxmi Choudhary, Mr. Jayesh Soni and Mrs. Manisha Jhawar (Acquirers)

Dear Sir,

I/We refer to the Letter of Offer dated 17-08-2005 for acquiring the equity shares held by me/us in KCL

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.

FOR SHARES HELD IN DEMAT FORM:

I/We wish to withdraw our acceptance tendered in response to the said offer. I/We had done an off market transaction for crediting to the Escrow Account named Adroit Corporate Services Private Limited Escrow A/c for M/s Kadamb Constructions Limited – Open Offer, filled in as per the instructions given below :-

DP Name	:Stock Holding Corporation of India Limited.
Client ID No.	:19248968
DP ID No.	:IN301330

You are requested to recredit the shares back to my/our demat account as detailed herein under.

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

I/We authorise the Acquirers to reject the shares so offered which it may decide in consultation with Manager to the Offer and in terms of the Letter of Offer.

Yours faithfully,

Signed

	FULL NAME(S)	**SIGNATURE(S)**
First/Sole Shareholder		
Second Shareholder		
Third Shareholder		

Address of First/Sole Shareholder

____

____

____

Place:
Date:
Note: In case of joint holdings, all holders must sign. A corporation must affix its common seal.
---TEAR HERE--

Folio No.\DP ID 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