PUBLIC ANNOUNCEMENT TO THE SHAREHOLDERS OF
KADAMB CONSTRUCTIONS LIMITED
(Registered Office –211-212, Shalimar Complex, Church Road, M.I.Road, Jaipur-302001)

This public announcement is being issued by the Manager to the Offer Aryaman Financial Services Limited, on behalf of Mrs. Laxmi Choudhary and Mr. Jayesh Soni (Acquirers) pursuant to Regulation 10 and 12 of Chapter III and in compliance with the Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 1997 (SAST) and subsequent amendments thereto (the "Regulations").

1. Background to the Offer

a. This open offer is being made by Mrs. Laxmi Choudhary residing at 464, Usha Nagar Ext., Indore-452009 Tel. No.(0731) 2527208/ 2527484 Fax. No.(0731) 5041767, and Mr. Jayesh Soni, residing at 26, Aakash Appartment, 5A/1, Old Palasia, Indore-452001 Telefax No.(0731) 5044442 (hereinafter referred to as 'Acquirers') to the equity shareholders of M/s. Kadamb Constructions Limited having its registered office at 211-212, Shalimar Complex, Church Road, M.I. Road, Jaipur-302001 Tel No. (0141) 2373544 Fax. No. (0141) 2624490 (hereinafter referred to as KCL/ Target Company) pursuant to entering into a Share Purchase Agreement (SPA) dated 18-04-2005 with the promoter group of KCL as detailed herein below:

b. The number and percentage of shares to be acquired through agreement are as given herein:

NAME OF THE ACQUIRERS	NAME & ADDRESS OF THE VENDORS	NO. OF SHARES	% OF SHARE & VOTING CAPITAL OF TARGET COMPANY
Mrs. Laxmi Choudhary	Mr. Mahesh Kumar Gupta Mrs. Heeru Gupta Mr. Mahesh Kumar Gupta (HUF) Ms. Mansi Gupta A-27, Ambabari, Jaipur.	1,00,000 1,00,000 50,000 1,00,000	4.09 4.09 2.04 4.09
Mr. Jayesh Soni	Jaipur Sales Pvt. Ltd. A-27, Ambabari, Jaipur.	17,125	0.70
	Total	**3,67,125**	**15.00**

c. The shares under agreement are to be acquired at Rs. 15/- per share. The SPA 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 Vendors or the Acquirers.

d. The total consideration shall be paid within 21 days from the date of the SPA.

2. The Offer

a) The Acquirers are now making an open offer to the shareholders of KCL to acquire a further 4,89,500 equity shares representing 20.00% of the share capital at a price of Rs. 17/- per equity share for fully paid up shares of Rs.10/- each (the "Offer Price") payable in cash.

b) The Offer is not conditional to any minimum level of acceptance. The Acquirers will acquire all the equity shares of KCL that are tendered in valid form in accordance with the terms and conditions set out herein and in the Letter of Offer to be sent to the shareholders subject to a maximum of 20.00% of the shares and voting capital of the company.

c) As on the date of the SPA, the Acquirers do not hold any shares in the Target Company.

d) As on date, the manager to the offer – M/s. Aryaman Financial Services Ltd does not hold any shares in the target company.

e) The Shares of the Company are listed on The Stock Exchanges at Mumbai, Ahmedabad, Delhi and Jaipur. The Shares of the Company are infrequently traded. The number of shares traded on the Stock Exchange Mumbai during the preceding 6 calendar months prior to the month in which this public announcement is made (i.e. from October 2004 to March 2005) is 8100 shares. The last traded price was on 11-03-2005 at Rs. 10.00 per share. The offer price of Rs. 17/- per share has been arrived at as per the Regulation 20 (5) of the SEBI Takeover Regulations taking into account the following:

   (i) The negotiated price under the agreement, which in this case is Rs. 15 /- per share for fully paid shares (Regulation 20 (5)(a)).

   (ii) 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)).

   (iii) Based on other financial parameters based on the audited results of the company as on 31.03.2004 such as: Book Value of Rs. 16.04 EPS Rs. 0.01 and return on net worth was 0.03%.

3. Information about the Acquirers

The Acquirers are not related to each other

No agreement has been entered between the acquirers for acquisition of shares under the offer.

The net worth of both the Acquirers have been certified 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.) Telefax No. (0731)5070703.

a. Mrs. Laxmi Choudhary

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.

b. Mr. Jayesh Soni

Mr. Jayesh Soni, aged 39 years, 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.

4. Information of the Target Company - Kadamb Constructions Limited (KCL)

a. 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.

b. 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.

c. 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, Delhi and Jaipur. The equity shares of KCL are infrequently traded. 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.

d. The Authorised Share Capital of the company as on 31.03.2004 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.

e. The total income of the Company as on 31.03.2004 was Rs. 13.02 Lacs with a net profit of Rs.0.11 lacs. The net worth of the company was Rs. 392.49 lacs. The book value per share (paid up share capital + reserves and surplus / number of shares) as on 31.03.2004 was Rs 16.04, the earning per share (net profit after tax / number of shares) was Rs. 0.01 and return on net worth (net profit after tax / net worth) was 0.03%. As per certificate of auditor as on 15th February 2005, the net worth of the company was Rs. 399.14 Lacs. The book value per share as on 15.02.2005 was Rs 16.30, the earning per share was Rs. 0.27 and return on net worth was 1.66%.

f. As regards compliance with Chapter II of the SEBI (SAST) Regulations by the target company, SEBI had issued a 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.

g. 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 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.

5. Reason for the Acquisition and Future Plans about Target Company.

a. This offer has been made pursuant to Regulation 10 and 12 of Chapter III and in compliance with the SEBI (SAST) Regulations for acquisition of shares and control over the target company. The reason for the acquisition is to make substantial acquisition of shares or voting rights accompanied with change in control/management.

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

c. The Acquirers intend to review the operations of the company through infusion of funds and diversify into other areas of business.

6. Option to the Acquirer in terms of Regulation 21(3)

Assuming full acceptance of the offer, the post offer voting capital with the public in the Target Company would not be less than 10% of the voting capital of the company and hence the option in terms of Regulation 21(3) is not applicable.

7. Statutory Approvals and Conditions of the Offer.

a. 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.

b. 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 willful default of the Acquirers in obtaining the requisite approvals, Regulation 22(13) will become applicable.

c. No approval from any bank or financial institution is required for the purpose of this offer, to the best of the knowledge of the Acquirers.

8. Financial Arrangements

a. 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.

b. The maximum purchase consideration payable by the Acquirers in the case of full acceptance of the offer is Rs. 83.22 Lacs (Rupees Eighty Three Lacs Twenty Two Thousand Only). The Acquirers have deposited an amount of Rs. 20.81 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.

c. M/s. 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 have confirmed that sufficient resources are available with the Acquirers to fulfill its obligations under the offer.

d. 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.

e. 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.

9. Other Terms of the Offer

a. 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) whose names appear on the Register of Members of KCL 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).

b. Shareholders who wish to tender the fully paid up shares will be required to send the Form of Acceptance cum Acknowledgement, Original Share Certificate (s) and Transfer Deed (s) duly signed to the Registrar to the Offer at the address given below either by hand delivery during normal business hours Monday to Friday 11.00 a.m. to 4.00 p.m. Saturday 11.00 a.m. to 1.00 p.m (excluding Bank Holidays) or by Registered Post on or before the close of the offer i.e. 20.06.2005 in accordance with the instructions specified in the Letter of Offer and the Form of Acceptance cum Acknowledgement. The address of the Registrar to the Offer is as under:

Adroit Corporate Services Pvt. Ltd.
19/20, Jaferbhoy Industrial Estate,
1st Floor, Makwana Road, Marol Naka
Mumbai – 400 059
Tel: 022 28596060 /28594060 Fax: 022 28503748
Email: adroits@vsnl.net

c. Beneficial Owners and Shareholders holding shares in the dematerialized 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. 20.06.2005, 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 Pvt. Ltd. - Escrow A/c for Kadamb Constructions Limited, filled in as per the instructions given below :-

DP Name:	Stock Holding Corporation of India Ltd.
Client ID No.:	19248968
DP ID No.:	301330

d. All owners of fully paid up shares, registered or unregistered and the beneficial owners of shares (except the Acquirers) 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.

e. In case of non-receipt of the Letter of Offer, eligible persons may send their acceptance to the Registrar to the Offer on 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 at the above addresses on or before the close of the Offer, i.e. 20.06.2005.

f. In case of non- receipt of Letter of offer, the eligible persons may obtain a copy of the same from the Registrar to the offer by providing suitable documentary evidence to that effect. Such shareholders may also download the Form of Acceptance cum Acknowledgement from the website of SEBI i.e. www.sebi.gov.in which will be made available from the opening of the offer.

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

h. 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.

i. Shares, if any, that are subject matter of litigation wherein the shareholder(s) may be precluded from transferring the shares during the pendency of the said litigation are liable to be rejected in case directions/ orders regarding these shares are not received together with the shares tendered under the offer. The Letter of Offer in some of these cases, wherever possible, would be forwarded to the concerned statutory authorities for further action at their end.

j. 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. 20.06.2005 else the application would be rejected.

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

l. 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 on a proportional 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.

m. 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 open a special account as provided under regulation 29. 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.

n. 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. 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.

o. Schedule of Activities pertaining to the Offer is given below:

ACTIVITY	DATE	DAY
Specified Date (for the purpose of determining the names of shareholders to whom the Letter of Offer would be sent)	25th April 2005	Monday
Last date for a Competitive Bid	12th May, 2005	Thursday
Date by which Letter of Offer to be posted to the shareholders.	27th May, 2005	Friday
Date of Opening of the Offer	1st June, 2005	Wednesday
Last date for revising the offer price/ Number of shares	8th June, 2005	Wednesday
Last date for withdrawal of acceptance by the shareholders	14th June, 2005	Tuesday
Date of Closure of the Offer.	20th June, 2005	Monday
Date of communicating the rejection /acceptance and payment of consideration for the acquired shares.	2nd July, 2005	Saturday

10. General

a. 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. by 14.06.2005 by filling the withdrawal form attached herewith. The withdrawal form is also available on the SEBI website (www.sebi.gov.in).

b. The Acquirers and the Target Company have not been prohibited by SEBI from dealing in securities in terms of directions issued u/s. 11B of SEBI Act.

c. If there were any upward revision in the offer price before the last date of revision (i.e.08.06.2005) or withdrawal of the Offer, the same would be informed by way of Public Announcement in the same Newspapers wherein the original Public Announcement appeared. Such revised offer price would be payable to all the shareholders who have tendered their shares any time during the offer and have been accepted under the offer.

d. **If there is competitive bid:**

   i. **The public offers under all the subsisting bids shall close on the same date.**

   ii. **As the offer price cannot be revised during 7 working days prior to the closing date of the offers/ bids, it would, therefore, be in the interest of shareholders to wait till the commencement of that period to know the final offer price of each bid and tender acceptance accordingly.**

e. Pursuant to Regulation 13 of the Regulations, the Acquirers have been appointed Aryaman Financial Services Limited as Manager to the Offer and Adroit Corporate Services Pvt. Ltd. as the Registrar to the Offer.

f. The Acquirers accept full responsibility for the information contained in this Announcement and also for the obligations of the Acquirers as laid down in the Regulations.

g. For further details please refer to the Letter of Offer and the Form of Acceptance cum Acknowledgement. This Public Announcement is also available on SEBI's website at www.sebi.gov.in. Eligible persons to the offer may also download a copy of the Letter of Offer and Form of Acceptance cum Acknowledgement, which will be available on SEBI's website at www.sebi.gov.in from the offer opening date i.e. 01.06.2005 and apply in the same.

Issued by:

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
Aryaman Financial Services Limited, 208, Maker Chamber V, Nariman Point, Mumbai-400021. Tel: (022) 22826464 / 22845716 Fax: 22883134 Email: afsl@vsnl.com Contact Person: Ms. Manisha Srivastava	**Adroit Corporate Services Pvt. Ltd**. 19/20, Jaferbhoy Industrial Estate, 1st Floor, Makwana Road, Marol Naka Mumbai – 400 059 Tel: 022 28596060 /28594060 Fax: 022 28503748 Email: adroits@vsnl.net

On Behalf of Acquirers:

Mrs. Laxmi Choudhary	464, Usha Nagar Ext., Indore-452009
Mr. Jayesh Soni	26, Aakash Appartment, 5A/1, Old Palasia, Indore-452001

Date : 20.04.2005