LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as a shareholder(s) of **Stresscrete India Limited**. 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 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 Stock Exchange through whom the said sale was effected.

OPEN OFFER

By

Mr. Rajesh Babulal Vardhan ('Acquirer')

and

Mr. Babulal Mishrimal Vardhan, Mrs. Diwalibai Babulal Vardhan, Mr. Ramesh Babulal Vardhan, Mrs. Manju Ramesh Vardhan, Mrs. Aruna Rajesh Vardhan and **Mr. Dilip Babulal Vardhan** (PACs)

all being residents of A/10, Arvind Kunj, 77, Tardeo Road, Mumbai-400 034; Tel. No.: 022-22672268

to the shareholders of

STRESSCRETE INDIA LIMITED (SIL)

Regd. Off.: Survey No.35/10, Lohop Village, Khalapur Taluka, Raigad District, Maharashtra.
Corp. Off.: Ground Floor, Chaddha Building, Plot No. 95, Scheme No. 57,
Sewri-Wadala Estate, Wadala (W), Mumbai-400 031. Tel. No: 022-022-2418 3322; Fax: 022-2418 1665.

for the purchase of 14,80,000 Equity Shares of Rs.10/- each at a price of Rs. 15.65 (Rs. 15.25 calculated as per regulation 20 of the Regulations and Re. 0.40 being the interest @ 10% p.a.) per fully paid-up equity share. The Offer Price for partly paid-up equity share is Rs. 11.85 (including interest of Re. 0.40) per share. These shares will be acquired in cash, in accordance with Regulation 20 (2)(a) of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereof, from the equity shareholders of SIL.

This Offer is being made in compliance with Regulation 10 & 12 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and amendments thereof (hereinafter referred to as "the Regulations").

The Offer along with any obligation relating to payment for, and purchase of, the shares tendered is subject to the receipt of necessary approval(s), if any, from the Reserve Bank of India ("RBI") under Foreign Exchange Management Act, 1999 ("FEMA") and subsequent amendments thereto. There are no other statutory approvals required to acquire shares that are tendered pursuant to this Offer.

Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the Public Announcement / Letter of Offer, can withdraw the same up to three working days prior to the date of Closure of the Offer i.e. on or before June 7, 2006.

The Acquirer/PACs have the option to revise the Offer Price upward any time up to seven working days prior to the date of Closure of the Offer i.e. on or before June 1, 2006.

The upward revision/ withdrawal, if any, of the Offer would be informed by way of Public Announcement in respect of such changes in all the newspapers in which the original Public Announcement was made and such revised Offer Price would be payable by the Acquirer/PACs for all the shares tendered at any time during the Offer.

The Offer is not conditional and not subject to any minimum level of acceptance from Shareholders.

If there is a Competitive Bid:

- **The Public Offers under all the subsisting bids shall close on the same date.**
- **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 the shareholders to wait till the commencement of that period to know the final Offer Price of each bid and tender their acceptance accordingly.**

The Public Announcement, Corrigendum to Public Announcement and this Letter of Offer (including the Form of Acceptance cum Acknowledgement and Form of Withdrawal) would also be available on SEBI's website at www.sebi.gov.in.

	MANAGER TO THE OFFER:	**REGISTRAR TO THE OFFER:**
ASHIKA	**ASHIKA CAPITAL LIMITED** 1008, 10th Floor, Raheja Centre, 214, Nariman Point, Mumbai-400021. Tel: +91-22-66111700 Fax: +91-22-66111710 E-Mail:ashika_mumbai@rediffmail.com **Contact Person: Mr. Rajendra Kanoongo**	**PURVA SHAREGISTRY INDIA PVT. LTD.** 33, Printing House, 28-D, Police Court Lane, Behind Old Handloom House, Fort, Mumbai-400 001. Tel: 022-56348073/4; Fax: 022-22626407 E-Mail: busicomp@vsnl.com. **Contact Person: Mr. Rajesh Shah**

A SCHEDULE OF SOME OF THE MAJOR ACTIVITIES RELATING TO THE OFFER IS GIVEN BELOW:

Activities	**Original Date & Day**	**Revised Date & Day**
Public Announcement	December 29, 2005 (Thursday)	December 29, 2005 (Thursday)
Specified Date (for the purpose of determining the name of shareholders to whom the Letter of Offer will be sent)	December 31, 2005 (Saturday)	December 31, 2005 (Saturday)
Last Date for a Competitive Bid, if any	January 19, 2006 (Thursday)	January 19, 2006 (Thursday)
Date by which the Letter Of Offer to be Despatched to shareholders	February 8, 2006 (Wednesday)	May 15, 2006 (Monday)
Corrigendum to Public Announcement	May 10, 2006 (Wednesday)	May 10, 2006 (Wednesday)
Date of Opening of the Offer	February 15, 2006 (Wednesday)	May 22, 2006 (Monday)
Last date for revising the Offer Price/ Number of Shares	February 23, 2006 (Thursday)	June 1, 2006 (Thursday)
Last date for Withdrawal of Acceptance by Shareholders	March 1, 2006 (Wednesday)	June 7, 2006 (Wednesday)
Date of Closing of the Offer	March 6, 2006 (Monday)	June 10, 2006 (Saturday)
Date by which communicating rejection/acceptance and despatch of Cheques/Demand Drafts towards payment of consideration to be completed	March 21, 2006 (Tuesday)	June 24, 2006 (Saturday)

RISK FACTORS:

1. **The Acquirer/PACs make no assurance with respect to the market price of the shares during/ after the Offer.**

2. **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 Acquirer/PACs, the Acquirer/PACs 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.

   The risk factors set forth above, pertain to the offer and not in relation to the present or future business or operations of SIL or any other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risk involved in participation or otherwise by a shareholder in the offer.

TABLE OF CONTENTS

1. ABBREVIATIONS / DEFINITIONS

Acquirer	Mr. Rajesh Babulal Vardhan
BSE	Bombay Stock Exchange Limited, Mumbai
Eligible Persons for the Offer	All owners of the shares whether registered or unregistered of SIL (who own shares at any time prior to the Closure of the Offer) except Acquirer/PACs, Promoters and Persons Acting in Concert
FEMA	Foreign Exchange Management Act, 1999
Form of Acceptance	Form of Acceptance cum Acknowledgement
Form of Withdrawal	Form of Withdrawal cum Acknowledgement
LOO or Letter of Offer	Offer Document
Manager to the Offer	Ashika Capital Limited
Offer	Cash Offer being made by the Acquirer/PACs to acquire 14,80,000 Equity Shares representing 20.77% of Post Issue Voting Capital of SIL
Offer Price	Rs. 15.65 (Rs. 15.25 calculated as per regulation 20 of the Regulations and Re. 0.40 being the interest @ 10% p.a.) per fully paid-up equity share and Rs. 11.85 (including interest of Re. 0.40) per partly paid-up equity share
PA / Public Announcement	Announcement of the Offer made by Acquirer/PACs on December 29, 2005 and May 10, 2006
Persons Acting in Concert /PACs	Mr. Babulal Mishrimal Vardhan, Mrs. Diwalibai Babulal Vardhan, Mr. Ramesh Babulal Vardhan, Mrs. Manju Ramesh Vardhan, Mrs. Aruna Rajesh Vardhan and Mr. Dilip Babulal Vardhan
Stresscrete / SIL/Target Company	Stresscrete India Limited
RBI	Reserve Bank of India
Registrar to the Offer / Registrar	Purva Sharegistry India Private Limited
SEBI	Securities and Exchange Board of India
SEBI (SAST) Regulations or "The Regulations"	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 1997 and subsequent amendments thereof
Specified Date	Date for the purpose of determining the name of the Shareholders, as appearing in the Register of Members of SIL, to whom the Letter of Offer should be sent, i.e. December 31, 2005
Vardhman Group of Companies	Companies such as Vardhan Capital & Finance Limited, Vardhman Developers Limited, Bluestock Investments Private Limited and Diwali Capital & Finance Private Limited, M/s. Diwali Construction Company

CURRENCY OF PRESENTATION

In this Letter of Offer, all references to "Rs." are to Indian Rupees. In this Letter of Offer, any discrepancy in any table between the total and sums of the amount listed are due to rounding off.

2. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF 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 DISLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE EQUITY SHAREHOLDERS OF STRESSCRETE INDIA LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER, PERSONS ACTING IN CONCERT OR THE COMPANY WHOSE SHARES AND 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 AND PERSONS ACTING IN CONCERT ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER AND PERSONS ACTING IN CONCERT DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER ASHIKA CAPITAL LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED JANUARY 10, 2006 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDMENT (S) THEREOF. THE FILING OF THIS LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER AND PERSONS ACTING IN CONCERT 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

(a) The Acquirer/PACs have entered into a Share Acquisition Agreement (“Agreement”) with Stresscrete India Limited on December 23, 2005 pursuant to which the Acquirer/PACs have agreed to subscribe 23,00,000 Equity Shares (hereinafter “Shares”) on preferential allotment basis at a price of Rs. 15.25 per Equity Share (hereinafter “Preferential Issue”) for consideration to be paid in cash.

(b) On December 23, 2005 (“Board Meeting Date”), the Board of Directors of SIL have approved the Preferential Issue of 23, 00,000 Equity Shares to the Acquirer/PACs pursuant to Section 81(1A) of the Companies Act, 1956. The Extraordinary General Meeting of the company was held on January 23, 2006 to consider the allotment of shares on preferential basis at a price of Rs. 15.25 per share payable in cash and accordingly shareholders approved the allotment of upto 23, 00,000 equity shares of Rs. 10/- each to the Acquirer/PACs and upto 1, 00,000 equity shares of Rs. 10/- each to the Promoters on a preferential basis. Thereafter, the Board of Directors of the company has allotted the said shares to the respective allotees on 17.03.2006 pursuant to the in-principle listing approval of BSE dated 10.03.2006.

(c) Some of the main features of the Share Acquisition Agreement is mentioned below:

i. The Acquirer/PACs have agreed to subscribe 23, 00,000 Equity Shares of the Company at a price of Rs.15.25 per share in cash by way of a Preferential Issue and accordingly has given their consents in writing to the Company. The Company has agreed to issue and allot the said shares on preferential basis to the Acquirer/PACs whose details are as under:

Name of the proposed Allottees	No. of the shares	% of Post Issue Voting Capital
Rajesh Babulal Vardhan	5,00,000	7.02
Babulal Mishrimal Vardhan	2,00,000	2.81
Diwalibai Babulal Vardhan	3,00,000	4.21
Ramesh Babulal Vardhan	3,00,000	4.21
Manju Ramesh Vardhan	3,50,000	4.91
Aruna Rajesh Vardhan	3,00,000	4.21
Dilip Babulal Vardhan	3,50,000	4.91
TOTAL	**23,00,000**	**32.28**

ii. An Extraordinary General Meeting (EGM) of the shareholders of the Company being convened and to be held at which valid resolutions to be passed to increase the paid up share capital of the Company by creation of further 23,00,000 Equity Shares and to authorize the Board to allot the said shares pursuant to Section 81(1A) of the Act to the Acquirer/PACs.

iii. Upon the Company allotting the shares to the Acquirer/PACs, the Acquirer/PACs shall make the requisite payment to the Company in not more than three installments towards the share subscription amount with in 15 days from the date the in-principle permission is obtained from BSE for listing of these shares and from the date of EGM.

iv. The Company allots and issues the said Shares, fully paid-up, to the Acquirer/PACs in Dematerialised form and credit the allotted shares to the respective Investors' Demat Account after receipt of consideration amount. The said shares shall be locked-in for such period as may statutorily be required in compliance with the SEBI (DIP) Guidelines, 2000 for Preferential Issue.

v. The subscription of the shares by the Acquirer/PACs is subject to the fulfillment of all necessary corporate approvals such as BSE, NSDL, CDSL, Banks, etc. being obtained and certified copies thereof being submitted to the Acquirer/PACs by the Company.

vi. The subscription of the shares shall be subject to the compliance with the provisions of SEBI (SAST) Regulations and both the parties to the Agreement have to comply with the same.

(d) The proposed change in control is consequent to the Agreement whose salient features are described in 3.1 (d) above.

(e) Presently, Mr. Rajesh Babulal Vardhan & Mr. Ramesh Babulal Vardhan are on the Board of Directors of the Target Company, and therefore they undertake not to participate in any matters concerning to this Offer. Mr. Rajesh Babulal Vardhan & Mr. Ramesh Babulal Vardhan were not party to the Board's decision in which the issue and allotment of shares on preferential basis was considered.

(f) Upon Preferential Allotment and after completion of all the formalities relating to the acquisition and after complying with formalities required by the Regulations, the Acquirer/PACs shall seek appointment of additional representative Directors on the Board of the Target Company to provide managerial, technical, financial and marketing expertise to SIL on an on going basis and SIL shall take effective steps to induct them on its Board.

(g) Neither the Acquirer/PACs nor SIL have been prohibited by SEBI from dealing in securities, in terms of direction issued u/s 11B of SEBI Act or under any other regulations made under the SEBI Act.

3.2. THE OFFER

(a) The Offer to the shareholders of SIL is being made by **Mr. Rajesh Babulal Vardhan** ('Acquirer') along with **Mr. Babulal Mishrimal Vardhan, Mrs. Diwalibai Babulal Vardhan, Mr. Ramesh Babulal Vardhan, Mrs. Manju Ramesh Vardhan, Mrs. Aruna Rajesh Vardhan** and **Mr. Dilip Babulal Vardhan** ('Persons Acting in Concert" or 'PACs') consequent to the Preferential Issue and is being made in accordance with SEBI (SAST) Regulations.

(b) The Acquirer/PACs made a Public Announcement of the Offer, to the public shareholders of SIL to acquire 14,80,000 Equity Shares of Rs. 10/- each, representing 20.77% of the Post Issue Voting Capital of the company at a price of Rs. 15.65 (Rs. 15.25 calculated as per regulation 20 of the Regulations and Re. 0.40 being the interest @ 10% p.a.) per fully paid-up equity share and Rs. 11.85 (including interest of Re. 0.40) per partly paid-up equity share, payable in cash. The Public Announcement was published in all Editions of the **The Financial Express** (English), **Jansatta** (Hindi) and Mumbai Edition of **Punya Nagari** (Marathi) on December 29, 2005 in compliance with regulation 15 (1) of the Regulations. A Corrigendum to Public Announcement was also published in the said Newspapers on May 10, 2006. The Public Announcement as well as Corrigendum to Public Announcement is also available on SEBI's website at www.sebi.gov.in.

(c) The Acquirer/PACs do not hold any Equity Shares in SIL as on the date of PA except 1,45,000 Equity Shares held by Vardhan Capital and Finance Limited (Group Company). The Acquirer/PACs has not acquired any equity shares in the Target Company in the twelve-months period prior to the date of PA.

(d) The Offer is unconditional and not subject to any minimum level of acceptance. The Acquirer/PACs would acquire all Equity Shares of SIL that are tendered in terms of this Offer up to a maximum of 14,80,000 Equity Shares.

(e) The Acquirer/PACs have not acquired any shares after the date of Public Announcement and up to the date of this Letter of Offer.

(f) The Acquirer/PACs have undertaken to comply with the Regulations and complete the Offer formalities irrespective of the compliance or fulfillment or outcome of the Share Acquisition Agreement.

(g) The existing Promoters viz. Mr. Kanaiyalal J. Patel, Mr. Arvind Babulal Shah, Mr. Sanjiv Puri & Mrs. Arti Jayesh Gandhi (Promoters) and Mrs. Jyoti Arvind Shah, Mr. Jayesh Rasiklal Gandhi, Mrs. Riki Sanjiv Puri & their relatives (Persons Acting in Concert) are not acting in concert with the Acquirer/PACs for this Offer. However, they will not be tendering any shares held by them in the Open Offer and consequently continue to hold 14,17,398 Equity Shares including 1,00,000 Equity Shares proposed to be allotted on preferential allotment basis (19.89% of Post Issue Voting Capital) in SIL. They will also be suitably represented on the Board of Directors of SIL and continued to be called as "Promoters" of SIL.

(h) The Acquirer/PACs along with the existing promoters will have joint control of the company.

(i) Mr. Arvind B. Shah, promoter/director of the company was authorized by the Board to enter into an Agreement with the Acquirer/PACs.

3.3. OBJECT OF THE OFFER

(a) The Offer to the shareholders of SIL is being made pursuant to the signing of the Share Acquisition Agreement and is being made in accordance with regulation 10 & 12 of the Regulations.

(b) The Acquirer/PACs is making an investment in the Target Company under a Preferential Issue, which is subject to the approval from the shareholders of the Target Company, other statutory approvals and subject to other conditions precedent set out in the Share Acquisition Agreement. The Preferential Issue will result in the acquisition of Equity Shares and voting rights by the Acquirer/PACs with change in control of management of the Target Company.

(c) The Acquisition of Equity Shares in SIL by Acquirer/PACs is for the following reasons:

   i. Acquirer/PACs propose to take a stake in SIL through subscription by way of preferential allotment and by making a Public Offer under the Regulations.
   ii. The Target Company and the Acquirer/PACs are in the construction Industry and investment would help both to grow. The Acquirer/PACs will bring to the table its managerial and marketing skills to enhance the business of the Target Company.
   iii. The Target Company proposes to utilize the resources raised through issue of shares, to the Acquirer/PACs on preferential basis, to meet the long-term working capital requirements of the company.
   iv. Acquirer/PACs may source the products manufactured by SIL and thus benefit in terms of additional assured supply.

(d) The Acquirer/PACs does not have any plans to sell, dispose off or otherwise encumber any significant assets of SIL in the next two years, except in the ordinary course of business of SIL. Acquirer/PACs shall not sell, dispose off or otherwise encumber any substantial assets of SIL except with the prior approval of the shareholders.

(e) To augment the resources in the future, Acquirer/PACs intends to participate in any Equity/Debt/Quasi Debt offering from SIL, be it subscription to the Rights Issue/Public Issue, Preferential Allotment, etc. Reorganisation and/or streamlining of the business, including diversification, will be considered in the larger interest of SIL by its Board of Directors in accordance with the applicable Rules and Laws.

4. BACKGROUND OF THE ACQUIRER & PERSONS ACTING IN CONCERT (PACs)

4.1. Information About Acquirer

a. **Mr. Rajesh Babulal Vardhan,** s/o. Shri Babulal Vardhan, aged about 39 years is residing at A/10, Arvind Kunj, 77, Tardeo Road, Mumbai-400 034. He has completed L.L.B. from Bombay University in the year 1990.

   He has over a decade of experience in the areas of Real Estate Development. He is one of the Promoter/Director of Vardhman Group of Companies.

His Net worth as on 31.03.2005 is Rs. 180.76 Lakhs as certified by Mr. Shravankumar R. Gandhi (Membership No. 44753), Proprietor of M/s. Shravan Gandhi & Associates, Chartered Accountants, having office at 701, Emerald Park, Veera Desai Road, Andheri (West), M umbai-400 058 vide certificate dated 23.12.2005.

4.2. Information about the Persons Acting in Concert (PACs):

a. **Mr. Babulal Mishrimal Vardhan** s/o. Shri Mishrimal Vardhan, aged about 67 years is residing at A/10, Arvind Kunj, 77, Tardeo Road, Mumbai-400 034.

He has over three decades of experience in the area of Real Estate Development. He is also one of the Promoter/Director of Vardhman Group of Companies.

His Net worth as on 31.03.2005 is Rs. 52.66 Lakhs as certified by Mr. Shravankumar R. Gandhi (Membership No. 44753), Proprietor of M/s. Shravan Gandhi & Associates, Chartered Accountants, having office at 701, Emerald Park, Veera Desai Road, Andheri (West), Mumbai-400 058 vide certificate dated 23.12.2005.

b. **Mrs. Diwalibai Babulal Vardhan,** w/o. Shri Babulal Vardhan, aged about 64 years is residing at A/10, Arvind Kunj, 77, Tardeo Road, Mumbai-400 034. She is a housewife.

Her Net worth as on 31.03.2005 is Rs. 218.55 Lakhs as certified by Mr. Shravankumar R. Gandhi (Membership No. 44753), Proprietor of M/s. Shravan Gandhi & Associates, Chartered Accountants, having office at 701, Emerald Park, Veera Desai Road, Andheri (West), Mumbai-400 058 vide certificate dated 23.12.2005.

c. **Mr. Ramesh Babulal Vardhan,** s/o. Shri Babulal Vardhan, aged about 43 years is residing at A/10, Arvind Kunj, 77, Tardeo Road, Mumbai-400 034.

He has over a decade of experience in the area of Real Estate Development. He is also one of the Promoter/Director of Vardhman Group of Companies.

His Net worth as on 31.3.2005 is Rs. 162.71 Lakhs as certified by Mr. Shravankumar R. Gandhi (Membership No. 44753), Proprietor of M/s. Shravan Gandhi & Associates, Chartered Accountants, having office at 701, Emerald Park, Veera Desai Road, Andheri (West), Mumbai-400 058 vide certificate dated 23.12.2005.

d. **Mrs. Manju Ramesh Vardhan,** w/o. Shri Ramesh Vardhan, aged about 42 years is residing at A/10, Arvind Kunj, 77, Tardeo Road, Mumbai-400 034. She is a housewife.

Her Net worth as on 31.03.2005 is Rs. 153.74 Lakhs as certified by Mr. Shravankumar R. Gandhi (Membership No. 44753), Proprietor of M/s. Shravan Gandhi & Associates, Chartered Accountants, having office at 701, Emerald Park, Veera Desai Road, Andheri (West), Mumbai-400 058 vide certificate dated 23.12.2005.

e. **Mrs. Aruna Rajesh Vardhan,** w/o. Shri Rajesh Vardhan, aged about 37 years is residing at A/10, Arvind Kunj, 77, Tardeo Road, Mumbai-400 034. She completed graduation in commerce from Bombay University in the year 1989. She is a housewife.

Her Net worth as on 31.03.2005 is Rs. 146.48 Lakhs as certified by Mr. Shravankumar R. Gandhi (Membership No. 44753), Proprietor of M/s. Shravan Gandhi & Associates, Chartered Accountants, having office at 701, Emerald Park, Veera Desai Road, Andheri (West), Mumbai-400 058 vide certificate dated 23.12.2005.

f. **Mr. Dilip Babulal Vardhan,** s/o. Shri Babulal Vardhan, aged about 33 years is residing at A/10, Arvind Kunj, 77, Tardeo Road, Mumbai-400 034. He is under graduate.

He has over a decade of experience in the areas of Equity Research and Real Estate Development. He is also one of the Promoter/Director of Vardhman Group of Companies.

His Net worth as on 31.03.2005 is Rs. 218.12 Lakhs as certified by Mr. Shravankumar R. Gandhi (Membership No. 44753), Proprietor of M/s. Shravan Gandhi & Associates, Chartered Accountants, having office at 701, Emerald Park, Veera Desai Road, Andheri (West), Mumbai-400 058 vide certificate dated 23.12.2005.

4.3. The Acquirer and PACs are members of a family.

4.4. The Acquirer/PACs have not entered into any formal agreement with respect to the acquisition through this Offer and are acting together under an informal understanding.

4.5. As on date, Mr. Rajesh Babual Vardhan and Mr. Ramesh Babulal Vardhan are on the Board of Directors of SIL. They both undertake that they will not participate in any matters concerning or relating to this Offer.

4.6. The details of the Directorships held by the Acquirer/PACs in other companies are as under:

Name of the Acquirer/PACs	Designation	Name of the company
Mr. Rajesh Babual Vardhan	Director	a. Vardhan Capital & Finance Limited* b. Vardhman Developers Limited c. Bluestock Investments Private Limited d. Diwali Capital & Finance Private Limited
Mr. Babulal Mishrimal Vardhan	Director	a. Vardhan Capital & Finance Limited* b. Vardhman Developers Limited
Mr. Ramesh Babulal Vardhan	Director	a. Vardhan Capital & Finance Limited* b. Vardhman Developers Limited c. Diwali Capital & Finance Private Limited
Mr. Dilip Babulal Vardhan	Director	a. Vardhan Capital & Finance Limited* b. Vardhman Developers Limited c. Bluestock Investments Private Limited d. Diwali Capital & Finance Private Limited

* Listed Company

4.7. The compliances under Chapter II of SEBI (SAST) Regulations, 1997 are not applicable to the Acquirer/PACs since they do not hold any shares of SIL.

4.8. The Acquirer/PACs have promoted certain ventures, which are not participating in the proposed acquisition of Shares in SIL. The particulars of some of the ventures are given hereunder:

a. **Vardhan Capital & Finance Limited** was originally incorporated on 09.01.1995 in the name & style of "Vardhan Capital & Finance Private Limited" under the Companies Act 1956, and the name was subsequently changed to "Vardhan Capital & Finance Limited" and certificate of change of name was obtained on 29.06.1995. The company is engaged in the business of trading in shares, investments and financing related activities. The Registered Office of the company is located at 113, Commerce House, 140, Nagindas Master Road, Fort, Mumbai-400 023. The share of the company is listed at Pune, Jaipur and Ahmedabad Stock Exchanges. The Company is not a Sick Industrial Company.

Brief financials based on Audited Accounts for the last three years are given below:

(Rs. in Lakhs)

Particulars	31.03.2005 (Rs.)	31.03.2004 (Rs.)	31.03.2003 (Rs.)
Equity Share Capital	467.39	467.39	466.84
Reserves (excluding revaluation reserves)	33.95	33.20	33.16
Total Income	290.38	16.32	21.78
Profit After Tax (PAT)	0.81	0.04	5.75
Earnings Per Share of Rs. 10/- each (EPS)	0.02	Negligible	0.12
Net Asset Value per share of Rs.10/- each (NAV)	10.65	10.61	10.58

b. **Vardhman Developers Limited** was originally incorporated on 31.05.1990 in the name & style of "Vardhman Developers Private Limited" under the Companies Act 1956, and the name was subsequently changed to "Vardhman Developers Limited" and certificate of change of name was obtained on 06.03.1995. The company is engaged in the business of construction, real estate development and trading in shares. The Registered Office of the company is located at 113, Commerce House, 140, Nagindas Master Road, Fort, Mumbai-400 023. The shares of the company are not listed on any Stock Exchange (s). The Company is not a Sick Industrial Company.

Brief financials based on Audited Accounts for the last three years are given below:

(Rs. In Lakhs)

Particulars	**31.03.2005 (Rs.)**	**31.03.2004 (Rs.)**	**31.03.2003 (Rs.)**
Equity Share Capital	67.34	67.34	67.34
Reserves (excluding revaluation reserves)	272.31	204.77	204.75
Total Income	238.43	0.31	3.31
Profit After Tax (PAT)	67.54	0.01	0.19
Earnings Per Share of Rs. 10/- each (EPS)	10.03	Negligible	0.03
Net Asset Value per share of Rs.10/- each (NAV)	50.44	40.41	40.40

c. **Bluestock Investments Private Limited** was incorporated on 04.12.1990 under the Companies Act 1956. The company is engaged in the business of investment, financing and trading in shares. The Registered Office of the company is located at 113, Commerce House, 140, Nagindas Master Road, Fort, Mumbai-400 023. The shares of the company are not listed on any Stock Exchange(s). The Company is not a Sick Industrial Company.

Brief financials based on Audited Accounts for the last three years are given below:

(Rs. In Lakhs)

Particulars	**31.03.2005 (Rs.)**	**31.03.2004 (Rs.)**	**31.03.2003 (Rs.)**
Equity Share Capital	24.52	24.52	24.52
Reserves (excluding revaluation reserves)	70.03	64.44	64.35
Total Income	9.01	2.01	6.58
Profit After Tax (PAT)	5.58	0.10	0.75
Earnings Per Share of Rs. 10/- each (EPS)	2.28	0.04	0.31
Net Asset Value per share of Rs.10/- each (NAV)	38.56	36.28	36.24

d. **Diwali Capital & Finance Private Limited** was incorporated on 09.08.1995 under the Companies Act 1956. The company is engaged in the business of investment and financing. The Registered Office of the company is located at 113, Commerce House, 140, Nagindas Master Road, Fort, Mumbai-400 023. The shares of the company are not listed on any Stock Exchange(s). The Company is not a Sick Industrial Company.

Brief financials based on Audited Accounts for the last three years are given below:

(Rs. In Lakhs)

Particulars	**31.03.2005 (Rs.)**	**31.03.2004 (Rs.)**	**31.03.2003 (Rs.)**
Equity Share Capital	25.00	25.00	25.00
Reserves (excluding revaluation reserves)	5.43	3.56	3.39
Total Income	2.41	0.33	10.05
Profit After Tax (PAT)	1.87	0.17	3.25
Earnings Per Share of Rs. 10/- each (EPS)	0.75	0.07	1.30
Net Asset Value per share of Rs.10/- each (NAV)	12.17	11.42	11.34

e. **M/s. Diwali Construction Company,** a partnership firm was established in the year 1987-88. The Office of the firm is situated at 101, Commerce House, 140, Nagindas Master Road, Fort, Mumbai-400 023. The firm is engaged in Property Development and Construction activities.

Brief financials based on Audited Accounts for the last three years are given below:

(Rs. In Lakhs)

Particulars	**31.03.2005 (Rs.)**	**31.03.2004 (Rs.)**	**31.03.2003 (Rs.)**
Partner's Capital	457.72	95.65	68.44
Property Development Account	510.32	571.64	159.07
Sale of Units	1105.82	--	--
Net Profit	331.15	--	--

5. OPTION IN TERMS OF REGULATION 21

Pursuant to the Preferential Allotment and this Offer, the public shareholding in SIL will not fall below the limit specified for the purpose of listing on continuous basis in terms of the Listing Agreement with the Stock Exchanges and hence, the provisions of Regulation 21(3) of the Regulations will not be applicable.

6. BACKGROUND OF THE TARGET COMPANY-SIL

6.1. Brief History and Main Areas of Operations:

a. SIL was originally incorporated in the name and style of "Stresscrete India Private Limited" on 23.10.1982 under the Companies Act, 1956 in the State of Maharashtra and later on converted into a Limited Company. The Certificate of change of name was obtained from Registrar of Companies (ROC), Maharashtra on 15.11.1994. The Registered Office of the Company is situated at Survey No.35/10, Lohop Village, Khalapur Taluka, Raigad District, Maharashtra.

b. The Authorised Share Capital of the company is Rs. 1000.00 Lakhs and Issued and Subscribed Share Capital is Rs. 729.79 Lakhs comprising of 71,25,500 fully paid-up Equity Shares and 2,74,500 partly paid-up Equity Shares.

c. SIL is presently engaged in the business of designing and manufacturing of precast prestressed concrete components used for buildings, bridges, industrial sheds, roads and other related infrastructures. The company has its manufacturing facilities at Lohop & similar casting yards at Jaipur.

d. The Equity Shares of SIL are listed at Bombay Stock Exchange Limited, Mumbai (BSE) and the shares of the company are frequently traded on BSE.

e. The company made an Initial Public Offering of 25,00,000 Equity Shares of Rs. 10/- each for cash at par in December 1995, through prospectus dated 9th November 1995, to part finance the project for manufacturing of precast prestressed concrete with an installed capacity of 1500 cubic meter per annum at Lohop Village, Raigad District, Maharashtra.

6.2. Share Capital Structure of SIL:

Paid-up Equity Shares	**No. of Shares/Voting Rights**	**% Shares/Voting Rights**
Fully Paid-up Equity Shares	71,25,500/71,25,500	96.29%/ 100%
Partly Paid-up Equity Shares	2,74,500/NIL	3.71%/NIL
Total paid-up Equity Shares	74,00,000/71,25,500	100%/ 100%

6.3. Current Capital Structure of the Company:

Date of Allotment	**No and % of Shares issued**		**Cumulative Paid-Up Capital (Rs.)**	**Mode of Allotment**	**Identity of Allottees**	**Status of Compliance**
	No.	**%**				
On incorporation	200	--		Subscribers to Memorandum	Promoters	Complied
11.10.1983	62,300	0.85	6,25,000	Further Issue	Promoters & Associates	Complied
30.12.1985	62,500	0.85	12,50,000	Further Issue	Promoters & Associates	Complied
30.03.1992	25,000	0.34	15,00,000	Further Issue	Promoters & Associates	Complied

30.08.1994	7,50,000	10.14	90,00,000	Bonus Issue	Promoters & Associates	Complied
04.02.1995	9,00,000	12.16	1,80,00,000	Further Issue	Promoters & Associates	Complied
01.09.1995	4,50,000	6.08	2,25,00,000	Further Issue	Promoters & Associates	Complied
13.12.1995	2,50,000	3.38	2,50,00,000	Further Issue	Promoters	Complied
13.12.1995	6,00,000	8.11	3,10,00,000	Public Issue	NRI/OCBs	Complied
29.01.1996	19,00,000	25.66	5,00,00,000	Public Issue	Public	Complied
17.03.2006	24,00,000	32.43	7,40,00,000	Pref. Allotment	Promoters & Associates	Complied
TOTAL	**74,00,000**	**100.00**	**7,40,00,000**			

6.4. 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.

6.5. SIL has complied with the Listing requirements and Corporate Governance as required under Clause 49 of the Listing Agreement. There has been no punitive action taken against the company by BSE. The company has paid upto date Listing Fees to BSE and has addressed all investor's complaints as and when received and there is no pending complaint as on date.

6.6. There has been no merger / de-merger or spin off involving SIL since the Company's listing.

6.7. The shares of the company are not traded on any Stock Exchange under Permitted Category.

6.8. The Target Company has not complied with regulation 6(2) and 6(4) of SEBI (SAST) Regulations and there was a delay in compliance with regulation 8(3) of SEBI (SAST) Regulations for the year 1998, 1999 & 2001 for which SEBI issued a Letter no. CFD/DCR/RC/TO/13060/04 dated September 10, 2004 giving an option to the company to give its consent in writing for the payment of a penalty of Rs. 1,25,000/- (Rupees One Lakh Twenty Five Thousand only). There was also a delay in compliance with regulation 8(3) by the Target Company for the year 2000, 2003, 2004 and 2005. SEBI may initiate an appropriate action against the Target Company under SEBI Act for non-compliance/delayed compliance.

6.9. Present Composition of the Board of Directors of SIL:

As on the date of PA [December 29, 2005], the Directors representing the Board of SIL were:

Sl. No.	Name & Designation	Address	Qualification	Experience	Date of Appointment
1.	Arvind B. Shah Managing Director	6-A, Satya Sadan, Next to Aurora Cinema, Kings Circle, Matunga, Mumbai-400019.	B. E. (Civil), M. S. (Struct), USA	Four decades in Construction Industry	23.10.1982
2.	Dr. Kanu Patel Director	10805, Piney Meeting House Road, POTOMAC, MD 208854, USA.	M. S.	Business	16.11.1994
3.	Arti J. Gandhi Executive Director	578, Jagdish Building, Jame Jamshedji Road, Kings Circle, Matunga, Mumbai-400019.	B.E. (Comp. Eng.)	A decade in Construction Industry	16.11.1994
4.	Rajesh Babulal Vardhan, Director	A/10, Arvind Kunj, 77, Tardeo Road, Mumbai-400034	B.Sc. LL.B.	More than a decade in Real Estate	4.10.2005
5.	Ramesh Babulal Vardhan, Director	A/10, Arvind Kunj, 77, Tardeo Road, Mumbai-400 034	Undergraduate	More than a decade in Real Estate	4.10.2005
6.	Bharat B. Shah Director	B/207, Sarvodaya Apts., Narayan Nagar, Bhayander (W), Thane Dist.-400101.	B. Sc.	More than three decades in Construction Industry	28.04.1984
7.	Sanjeev P. Puri Director	Puri Niketan, 12th Road, Chembur, Mumbai-400071.	B. Com.	More than a decade in Transport Industry	16.11.1994

6.10. Financial Information:

Brief financials of the company for the last 3 years and for the half-year ended 30.09.2005 (Audited) are as under:

Profit & Loss Statement (Rs. in Lakhs)

For the Year ended	30.09.2005 (6 months) (Rs.)	31.03.2005 (Rs.)	31.03.2004 (Rs.)	31.03.2003 (Rs.)
Income: Contracting Income	--	65.19	565.94	1134.75
Increase/ (Decrease) in work in progress	276.12	576.74	(106.34)	(391.14)
Other Income	5.00	5.41	3.44	12.16
Total Income	**281.12**	**647.34**	**463.04**	**755.77**
Total Expenditure	293.61	617.69	430.35	684.48
Profit/(Loss) Before Dep., Int. and Tax	(12.49)	29.65	32.69	71.29
Depreciation	24.00	46.68	46.46	41.29
Prel. & Pre Opt. Exp. Written off	3.65	8.09	8.09	8.09
Loss on Sale of Assets	--	16.12	--	--
Profit/ (Loss) Before Tax	(40.14)	(41.25)	(21.86)	21.91
Provision for Fringe Benefit Tax	2.38			
Provision for Tax - Current Tax - Deferred Tax	 -- (0.84)	 -- (0.57)	 -- (0.27)	 6.00 3.96
Profit/ (Loss) After Tax	(43.36)	(41.82)	(22.13)	11.95
Prior Period Adjustments	--	--	(1.46)	1.47
Profit/ (Loss) After Tax after Prior Period Adjustments	(43.36)	(41.82)	(23.59)	13.42

Balance Sheet Statement (Rs. in Lakhs)

As at	30.09.2005 (6 months) (Rs.)	31.03.2005 (Rs.)	31.03.2004 (Rs.)	31.03.2003 (Rs.)
Sources of Funds:				
Paid-up Share Capital	489.79	489.79	489.79	489.38
Reserves and Surplus (Excluding revaluation reserves)	--	--	10.10	33.69
Profit & Loss Account (Debit Balance)	(75.07)	(31.72)	--	--
Networth	**414.72**	**458.07**	**499.89**	**523.07**
Secured Loans	337.50	324.72	302.65	229.79
Unsecured Loans	94.00	94.00	84.00	--
Deferred Tax	113.65	112.81	112.24	111.98
Total	**959.87**	**989.60**	**998.78**	**864.84**
Application of Funds:				
Net Fixed Assets*	434.77	446.31	515.82	495.51
Investments	0.01	0.01	0.01	0.01
Net Current Assets	515.10	529.64	461.22	339.50
Total Miscellaneous Expenditure (to the extent not written off)	9.99	13.64	21.73	29.82
Total	**959.87**	**989.60**	**998.78**	**864.84**

*Net of Revaluation Reserve

Other Financial Data

For year ended	31.03.2005	31.03.2004	31.03.2003
Dividend (%)	Nil	Nil	Nil
EPS (Rs.)	Negative	Negative	0.27
Return on Networth	Negative	Negative	2.57%
Book Value per share (Rs.)	9.09	9.77	10.08

Note:

EPS = Profit after Tax /No. of equity shares

Networth=Paid up Share Capital + Reserves & Surplus-P & L Account (Debit Balance)

Return on Net Worth = Profit after Tax /Net Worth

Book Value per Share = Net Worth-Total Misc. Exp. Not Written Off / No. of equity shares

Note: During the year 2004-05, the Total Income of the company increased to Rs. 647.34 Lakhs compared with Rs. 463.04 Lakhs in the previous year on account of execution of major bridge and building projects. However, the net loss in the year 2004-05 have risen to Rs. 41.82 Lakhs compared with Rs. 23.58 Lakhs in the previous year due to unprecedented price rise in construction inputs such as Steel, High Tensile Steel, Cements, Diesel, etc.

6.11.

a. Pre and Post-Offer Shareholding Pattern of SIL (Based on Subscribed Capital)

Shareholders' Category	Shareholding prior to the Preferential Issue and Offer		Shares Acquired through Preferential Issue		Shareholding after the Preferential Issue and prior to Offer		Shares to be Acquired in Open Offer (Assuming full acceptances)		Shareholding after the Preferential Issue and Offer	
	(A)		(B)		(C) = (A+B)		(D)		(E) = (C+D)	
	No.	No.	%	%	No.	%	No.	%	No.	%
1. Promoter Group:										
a. Parties to Agreement	--	--	--	--	--	--	--	--	--	--
b. Promoters other than (a) above	13,17,398	26.35	1,00,000	4.17	14,17,398	19.16	Nil	Nil	14,17,398	19.16
Total (a+b)	**13,17,398**	**26.35**	**1,00,000**	**4.17**	**14,17,398**	**19.16**	**Nil**	**Nil**	**14,17,398**	**19.16**
2. Acquirers:										
A. Acquirer										
a. Rajesh Babulal Vardhan			5,00,000	20.84						
B. PACs										
a. Babulal Mishrimal Vardhan	1,45,000*	2.90	2,00,000	8.33	24,45,000	33.04	14,80,000	20.00	39,25,000	53.04
b. Diwalibai Babulal Vardhan			3,00,000	12.50						
c. Ramesh Babulal Vardhan			3,00,000	12.50						
d. Manju Ramesh Vardhan			3,50,000	14.58						
e. Aruna Rajesh Vardhan			3,00,000	12.50						
f. Dilip Babulal Vardhan			3,50,000	14.58						
Total (A+B)	**1,45,000**	**2.90**	**23,00,000**	**95.83**	**24,45,000**	**33.04**	**14,80,000**	**20.00**	**39,25,000**	**53.04**
3. Parties to Agreement other than (1) (a) & (2)	**--**	**--**	**--**	**--**	**--**		**--**	**--**	**--**	**--**
4. Public: (Other than Promoters & Acquirer/PACs)										
a. FIs/MFs/FIIs/Banks, SFIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b. Others	35,37,602	70.75	Nil	Nil	35,37,602	47.80	(14,80,000)	(20.00)	20,57,602	27.80
Total (a+b)	**35,37,602**	**70.75**	**Nil**	**Nil**	**35,37,602**	**47.80**	**(14,80,000)**	**(20.00)**	**20,57,602**	**27.80**
GRAND TOTAL (1+2+3+4)	**50,00,000**	**100.00**	**24,00,000**	**100.00**	**74,00,000**	**100.00**	**Nil**	**Nil**	**74,00,000**	**100.00**

*****The shares are held by Vardhan Capital and Finance Limited (Group Company).

b. Pre and Post-Offer Shareholding Pattern of SIL (Based on Voting Capital)

Shareholders' Category	Shareholding prior to the Preferential Issue and Offer		Shares Acquired through Preferential Issue		Shareholding after the Preferential Issue and prior to Offer		Shares to be Acquired in Open Offer (Assuming full acceptances)		Shareholding after the Preferential Issue and Offer	
	(A)		(B)		(C) = (A+B)		(D)		(E) = (C+D)	
	No.	No.	%	%	No.	%	No.	%	No.	%
1. Promoter Group:										
a. Parties to Agreement	--	--	--	--	--	--	--	--	--	--
b. Promoters other than (a) above	13,17,398	27.88	1,00,000	4.17	14,17,398	19.89	Nil	Nil	14,17,398	19.89
Total (a+b)	**13,17,398**	**27.88**	**1,00,000**	**4.17**	**14,17,398**	**19.89**	**Nil**	**Nil**	**14,17,398**	**19.89**
2. Acquirers:										
A. Acquirer										
a. Rajesh Babulal Vardhan			5,00,000	20.84						
B. PACs										
a. Babulal Mishrimal Vardhan	1,45,000	3.07	2,00,000	8.33	24,45,000	34.31				
b. Diwalibai Babulal Vardhan			3,00,000	12.50			14,80,000	20.77	39,25,000	55.08
c. Ramesh Babulal Vardhan			3,00,000	12.50						
d. Manju Ramesh Vardhan			3,50,000	14.58						
e. Aruna Rajesh Vardhan			3,00,000	12.50						
f. Dilip Babulal Vardhan			3,50,000	14.58						
Total (A+B)	**1,45,000**	**3.07**	**23,00,000**	**95.83**	**24,45,000**	**34.31**	**14,80,000**	**20.77**	**39,25,000**	**55.08**
3. Parties to Agreement other than (1) (a) & (2)	**--**	**--**	**--**	**--**	**--**		**--**	**--**	**--**	**--**
4. Public: (Other than Promoters & Acquirer/PACs)										
a. FIs/MFs/FIIs/Banks, SFIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b. Others	32,63,102	69.05	Nil	Nil	32,63,102	45.80	(14,80,000)	(20.77)	17,31,102	25.03
Total (a+b)	**32,63,102**	**69.05**	**Nil**	**Nil**	**32,63,102**	**45.80**	**(14,80,000)**	**(20.77)**	**17,31,102**	**25.03**
GRAND TOTAL (1+2+3+4)	**47,25,500**	**100.00**	**24,00,000**	**100.00**	**71,25,500**	**100.00**	**Nil**	**Nil**	**71,25,500**	**100.00**

*****The shares are held by Vardhan Capital and Finance Limited (Group Company).

6.12. There are 2840 Equity Shareholders under Public category.

6.13. **Name and Contact details of the Compliance Officer:**
Mrs. Arti J. Gandhi, Executive Director, Ground Floor, Chaddha Building, Plot No. 95, Scheme No. 57, Sewri-Wadala Estate, Wadala (W), Mumbai-400 031.

6.14. The details of pending Litigations are as follows:

S. No.	Year	Name of the Client	Status	Cause of Litigation	Claim Amount (Rs.)
i.	1992	Chief Admin Officer (C), Western Railway, Churchgate, Mumbai	Pending with High Court, Ahmedabad	Change in specification and scope of work	153.57 Lakhs
ii.	1996	Public Works Department, Maharasthra	Pending with Court	Change in specification and scope of work	56.00 (claimed) and 52.00 Lakhs (counter claimed)
iii.	1996	Abhyudaya Cooperative Bank	Pending with Court, Mumbai	Illegal demand for payment Interest	4,74,166 Plus Interest
iv.	1998	Gujarat Housing Board	Pending with Arbitration Tribunal	Change in specification	71.00 Lakhs
v.	2000	Zoom Developers Pvt. Ltd., Andheri (E), Mumbai	Pending with Arbitration Tribunal	Illegal withdrawal of contract	112.00 Lakhs

7. OFFER PRICE AND FINANCIAL ARRANGEMENTS

7.1. Justification of Offer Price:

a. The Equity Shares of SIL are listed at Bombay Stock Exchange Limited, Mumbai (BSE). The shares of the company are frequently traded at BSE.

b. The details of annualized trading turnover during the preceding 6 calendar months prior to the month in which the P.A. is made i.e. June 2005 to November 2005 (both Inclusive) at BSE is as under: -

Name of 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	15,78,809	50,00,000	63.15%

(Source: BSE Website www.bseindia.com)

c. The Offer Price has been determined taking into account the following parameters:

i. The Acquirer/PACs have entered into a Share Acquisition Agreement with SIL on December 23, 2005 to subscribe 23,00,000 Equity Shares on a preferential allotment basis at a price of Rs. 15.25 per share.

ii. Except for the above, neither the Acquirer nor PACs have acquired any shares of SIL through allotment in a public, rights or preferential issue during 26-week period prior to the date of this PA.

iii. The average of the weekly high and low of closing prices of the shares of SIL during 26-weeks or the average of the daily high and low of the prices of the shares during 2-weeks preceding the Board Meeting Date (i.e. December 23, 2005) is as under:

S. No.	Particulars	Amount (Rs.)
a.	The average of the weekly high and low of closing prices of the Shares during twenty six weeks period preceding the Board Meeting Date (i.e. December 23, 2005)	15.15
b.	The average of the daily high and low of the prices of the shares during two weeks preceding the Board Meeting Date (i.e. December 23, 2005)	12.15

(Source: www.bseindia.com)

Calculation of Average of the weekly high and low of the closing prices of the shares of SIL during the 26 weeks period preceding the Board Meeting i.e. December 23, 2005:

Week No.	Week ending	High (Rs.)	Low (Rs.)	Average (Rs.)	Volume (Shares)
1	June 30, 2005	9.25	7.55	8.40	32,800
2	July 07, 2005	9.62	8.00	8.81	34,476
3	July 14, 2005	9.50	9.01	9.26	5,610
4	July 21, 2005	10.17	8.32	9.25	29,670
5	July 28, 2005	10.68	10.00	10.34	32,035
6	August 04, 2005	12.03	9.15	1059	70,451
7	August 11,2005	15.65	12.87	14.26	1,33,829
8	August 18, 2005	15.55	13.75	14.65	46,680
9	August 25, 2005	17.38	15.12	16.25	1,30,201
10	September 01, 2005	28.65	19.61	24.13	60,161
11	September 08, 2005	34.75	30.05	32.40	3,01,978
12	September 15, 2005	38.25	32.85	35.55	2,59,654
13	September 22, 2005	31.25	25.55	28.40	32,138
14	September 29, 2005	24.30	19.90	22.10	9,880
15	October 06, 2005	18.95	15.50	17.23	4,725
16	October 13, 2005	14.75	14.00	14.38	42,492
17	October 20, 2005	14.05	12.10	13.08	12,050
18	October 27, 2005	11.50	9.95	10.73	1,21,484
19	November 3, 2005	10.05	9.14	9.60	36,325
20	November 10, 2005	9.90	9.75	9.83	20,935
21	November 17, 2005	10.92	9.80	10.36	13,092
22	November 24, 2005	13.03	11.46	12.25	27,576
23	December 01, 2005	15.07	13.68	14.39	32,577
24	December 08, 2005	14.10	12.13	13.12	12,369
25	December 15, 2005	12.73	11.75	12.24	11,335
26	December 22, 2005	13.15	11.80	12.48	18,200
	26 Weeks Average			**15.15**	

Calculation of Average of the daily high and low of the equity shares of SIL during the 2 weeks preceding the Board Meeting Date i.e. December 23, 2005:

Day No.	Date	High (Rs.)	Low (Rs.)	Average (Rs.)	Volume (Shares)
1	December 09,2005	12.73	11.91	12.32	610
2	December 12,2005	12.12	12.12	12.12	200
3	December 13,2005	11.79	11.55	11.67	6,300
4	December 14,2005	11.75	11.21	11.48	600
5	December 15,2005	12.33	11.30	11.82	3,625
6	December 16,2005	12.48	11.51	12.00	7,400
7	December 19,2005	12.00	11.41	11.72	2,950
8	December 20,2005	12.39	12.39	12.39	300
9	December 21,2005	13.00	13.00	13.00	1,300
10	December 22, 2005	13.65	12.36	13.01	6,250
	2 Weeks Average			**12.15**	

d. In view of the above, The Offer Price of Rs. 15.25 is justified in terms of regulation 20 (4) of the Regulations. The price to be paid per fully paid-up equity share is Rs. 15.65 (Rs. 15.25 calculated as per regulation 20 of the Regulations and Re. 0.40 being the interest @ 10% p.a.) and per partly paid-up equity share is Rs. 11.85 (including interest of Re. 0.40).

e. If the Acquirer/PACs acquire Shares after the Original PA and upto seven working days prior to Closure of the Offer at a price higher than the Offer Price, then the highest price paid for such acquisitions shall be payable for all acceptances received under this Offer as per regulation 20(4) of the Regulations. Any revision in the Offer Price shall be notified by advertisement in the same newspapers in which the original Public Announcement appeared.

f. There is no non-compete agreement.

7.2. Financial Arrangements:

a. Assuming full acceptance, the total Financing Resources required to fulfill the Offer is Rs. 2,31,62,000/- (Rupees Two Crores Thirty One Lakhs Sixty Two Thousand only.

b. In accordance with the regulation 28 of the Regulations, the Acquirer/PACs has opened an Escrow Account in **Oriental Bank of Commerce**, whose details are given below:

1.	Name of the Bank	**Oriental Bank of Commerce**
2.	Address	Jash Chambers, Ground Floor, Sir P. M. Road, Fort, Mumbai-400 001.
3.	Amount	Rs. 58,87,047/-
4.	Account Number	**00231011000943**

c. The Manager to the Offer, Ashika Capital Limited has been empowered by the Acquirer/PACs to operate the said Escrow Account solely and accordingly **Oriental Bank of Commerce** have issued a Letter dated December 27, 2005 in favour of Manager to the Offer confirming the same.

d. In accordance with regulation 22(11) of the Regulations, The Acquirer and PACs have adequate financial resources and have made firm financial arrangements for implementation of the Offer in full out of their own sources/Networth and no borrowings from any Bank and/or Financial Institutions is envisaged. Mr. Shravankumar R. Gandhi (Membership No. 44753), Proprietor of M/s. Shravan Gandhi & Associates, Chartered Accountants, having office at 701,Emerald Park, Veera Desai Road, Andheri (West), Mumbai-400 058 has certified vide letter dated 23.12.2005 that sufficient resources are available with the Acquirer and PACs for fulfilling the obligations under this "Offer" in full.

e. The Manager to the Offer, Ashika Capital Limited confirms that the firm arrangements for the funds and money for payment through verifiable means are in place to fulfill the Offer obligations.

8. TERMS AND CONDITIONS OF THE OFFER

a. The Letter of Offer (“LOO”) along with Form of Acceptance cum Acknowledgement will be mailed to all those shareholders of SIL (except the Acquirer and PACs, Promoters and Persons Acting in Concert) whose name appear on the Register of Members of SIL in respect of shares held in physical form and to those equity shareholders whose names appear as beneficial owners as per the list furnished by the respective Depository Participants in respect of shares held in electronic form, at the close of business hours on December 31, 2005 (the "Specified Date").

b. None of the shares of SIL as on date are under lock-in. However, the shares proposed to be allotted under the Preferential Issue will be under lock-in as per SEBI (Disclosure and Investor Protection) Guidelines, 2000 for Preferential Issue.

c. Shareholders (holding equity shares in physical form) who wish to accept the offer and tender there shares will be required to send duly signed Form of Acceptance cum Acknowledgement, Original Share Certificate(s) and duly signed and executed Transfer Deed(s) to the Registrar to the Offer or Manager to the Offer, either by hand delivery on weekdays between (10.00 a.m. to 1.00 p.m. and 2.00 p.m. to 4.00 p.m.) or by Registered Post so as to reach on or before the Closing of the Offer, i.e. June 10, 2006, in accordance with the instructions specified in the LOO and Form of Acceptance cum Acknowledgement.

d. The Registrar to the Offer has opened a Special Depository Account with Inventure Growth & Securities Limited, (Registered with CDSL), styled “PSIPL ESCROW ACCOUNT-SIL OPEN OFFER". The DP ID is 12011200 and Client ID is 00035471. Shareholders having their beneficiary account in NSDL have to use Inter depository delivery instruction slip for the purpose of crediting their shares in favour of the Special Depository Account.

e. Beneficial owners (Shareholders holding shares in the Dematerialised Form) who wish to tender their shares will be required to send Form of Acceptance cum Acknowledgement along with a photocopy of the delivery instructions in "Off-Market" mode or counterfoil of the delivery instruction in "Off-Market" mode, duly acknowledged by the Depository Participant, in favour of the Special Depository Account, to the Registrar to the Offer or Manager to the Offer either by hand delivery on weekdays between (10.00 a.m. to 1.00 p.m. and 2.00 p.m. to 4.00 p.m.) or by Registered Post, on or before the Closing of the Offer, i.e. June 10, 2006 (Saturday), in accordance with the instructions to be specified in the LOO and Form of Acceptance cum Acknowledgement.

f. Shareholders who have sent their shares for dematerialisation need to ensure that the process of getting shares dematerialized is completed well in time so that the credit in the Special Depository Account should be received on or before the Closure of the Offer i.e. June 10, 2006 (Saturday), else the application would be rejected.

g. All owners of the shares, Registered or Unregistered, (except the Acquirer and PACs, Promoters and Persons Acting in Concert) 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 or Manager to the Offer, on a plain paper stating the Name & Address of the First Holder, Name(s) & Address (es) of Joint Holder(s) if any, Number of Shares held, Number of Shares offered, Distinctive Numbers, Folio Number, together with the original Share Certificate(s), valid Transfer Deeds and the original Contract Note issued by the Broker through whom they acquired their shares. No indemnity is required from the unregistered owners

h. In case of non-receipt of the Letter of Offer, the eligible persons may send their consent to the Registrar to the Offer or Manager to the Offer, on a plain paper stating the Name, Address, Number of Shares held, Distinctive Number, Folio Number and Number of Shares offered, along with documents as mentioned in above point ("g"), so as to reach the Registrar to the Offer or Manager to the Offer on or before the Closure of the Offer, i.e. June 10, 2006. In case of beneficial owners, they may send the application in writing to the Registrar to the Offer or Manager to the Offer, on a plain paper stating the name, address, number of shares held, number of shares tendered, DP name, DP ID, Beneficiary Account Number and a photocopy of the delivery instruction in "Off-Market" mode or counterfoil of the delivery instruction in "Off-Market" mode, duly acknowledged by the DP, in favour of the Special Depository Account, so as to reach the Registrar to the Offer or Manager to the Offer, on or before the Closure of the Offer, i.e. June 10, 2006.

i. The Registrar to the Offer will hold in trust the Share Certificates, shares lying in credit of the Special Depository Account, Form of Acceptance cum Acknowledgement, if any, and the Share Transfer Form/s on behalf of the shareholders of SIL who have accepted the Offer, till the Cheques/Drafts for the consideration and/or the unaccepted shares/share certificates are despatched/returned.

j. The Equity shares of the company are being traded in Dematerialised mode only. In case the number of shares validly tendered in the Offer by the shareholders of SIL are more than the shares to be acquired in the Offer (i.e. 14,80,000 Fully paid-up Equity shares), then acquisition of the shares from each shareholder will be as per the provision of regulation 21(6) of the Regulations on a proportionate basis. The rejected Applications / Documents will be sent by Registered Post.

k. Share Certificates, Transfer Forms and other documents in respect of shares not accepted under the Offer, if any, will be returned by Registered Post at the shareholders or 'unregistered owners' sole risk to the sole/first shareholder. Shares held in dematerialised form to the extent not accepted will be credited back to the beneficial owners' depository account with the respective DP as per the details furnished by the beneficial owner in the Form of Acceptance cum Acknowledgement.

l. The payment of acquisition of shares will be made by the Acquirer/PACs in Cash through a crossed Cheque/Demand Draft/Pay Order and the same will be sent by Registered Post, to those equity Shareholders/unregistered owners of SIL whose shares/share certificates and other documents are found in order and accepted by the Acquirer/PACs in part or in full, with in 15 Days from the date of Closure of the Offer. The Acquirer/ PACs undertake to pay interest pursuant to regulation 22(12) of the Regulations to the shareholders for the delay, if any, in payment of consideration.

m. The Offer is subject to receiving necessary approval(s), if any, from Reserve Bank of India under Foreign Exchange Management Act, 1999 and subsequent amendments there to for acquiring equity shares tendered by Non Resident Shareholders, if any and Approval from Banks/Financial Institutions. The Acquirer/PACs and the Target Company shall apply for the same, if any.

n. To the best of the knowledge of the Acquirer/PACs, there are no other statutory Approvals/or consents required. However, if any statutory approvals become applicable at a later date, the Offer would be subject to such statutory approvals.

o. In case of non-receipt of statutory approvals within time, SEBI has a power to grant extension of time to Acquirer/PACs for payment of consideration to the shareholders, who have accepted the Offer, subject to Acquirer/PACs agreeing to pay interest for the delayed period as directed by SEBI under regulation 22(12) of the Regulations. Further, if the delay occurs on account of willful default by the Acquirer/PACs in obtaining the approvals, regulation 22(13) of the Regulations will become applicable.

p. Accidental omission to dispatch this Letter of Offer to any person to whom this Offer is made or the non-receipt or delayed receipt of this Letter of Offer by any such person will not invalidate this Offer in any way.

q. Attention of the shareholders is invited to the fact that the Letter of Offer along with the form of Acceptance would also be available on the SEBI web site at www.sebi.gov.in and eligible persons may download the Form of Acceptance cum Acknowledgement from the website for participating in the Offer.

r. The form of Acceptance along with Share Certificate (s) and other documents delivered as per the requirements mentioned above, shall become acceptance on your part, but will become a fully valid and binding contract between you and the Acquirer/PACs only upon the fulfillment of all the conditions mentioned herein.

9. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF OFFER

a. The Shareholder(s) of SIL who qualify and who wish to avail of this Offer are free to offer their shareholding in full or in part. They should send their shares to the Registrars to the Offer as mentioned in the Form of Acceptance at the following address: -

Purva Sharegistry India Pvt. Ltd.
33, Printing House, 28-D, Police Court Lane,
Behind Old Handloom House, Fort, Mumbai-400 001.

Acceptances may be sent by Registered Post or by hand so as to reach the Registrars/Manager to the Offer on or before June 10, 2006 (Saturday).

Shareholders may send their acceptances by hand accordingly:

Working Days	Timings	Mode of Delivery
Monday-Friday	10.00 a.m. to 1.00 p.m. and 2.00p.m. to 4.00 p.m.	Hand Delivery
Saturday	10.00 a.m. up to 2.00 p.m.	Hand Delivery

Delivery made by Registered Post would be received on all working days except Sunday & Public Holidays.

b. Shareholders are advised to ensure that the Form of Acceptance cum Acknowledgement and other relevant documents are complete in all respects; otherwise the same is liable to be rejected. In the case of demat shares, the shareholders are advised to ensure that their shares are credited in favour of the special depository account, before the closure of the Offer. The form of Acceptance cum Acknowledgement of such demat shares not credited in favour of the special depository account, before the closure of the Offer will be rejected

c. Shareholders should enclose the following:

i. For Equity Shares held in Physical Form:

Registered Shareholders should enclose:

- **Form of Acceptance cum Acknowledgement** duly completed and signed in accordance with the instructions contained therein, by all shareholders whose names appear in the share certificates.
- **Original Share Certificate(s)**
- **Valid Share Transfer form(s)** duly signed as Sellers by all the registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with SIL and duly witnessed at the appropriate place. **A blank Share Transfer Form is enclosed along with this Letter of Offer.**

Notwithstanding that the signature(s) of the transferor(s) has/have been attested, if the signature(s) of the transferor(s) differs from the Specimen signature(s) recorded with SIL or are not in the same order, such shares are liable to be rejected under the Open Offer even if the Offer has been accepted by bonafide owner of such shares.

Unregistered Shareholders should enclose:

- **Form of Acceptance cum Acknowledgement** duly completed and signed in accordance with the instructions contained therein, or application on plain paper.
- **Original Share Certificate(s)**
- **Original Broker Contract Note.**
- **Valid Share Transfer form(s)** as received from the market**.**

No indemnity is required from unregistered shareholders. **Unregistered shareholders should not sign the transfer deed.** The details of buyer should be left blank failing which the same will be invalid under the Offer. The details of the Acquirer/PACs will be subsequently filled in upon verifying the Form of Acceptance and the validity of the Share Transfer Form. All other requirements for valid transfer will be preconditions for valid acceptance.

ii. **For Equity shares held in Demat form: -**

The Registrar to the Offer, **Purva Sharegistry India Private Limited,** has opened a Special Depository Account with Inventure Growth & Securities Limited, (Registered with CDSL), whose details are as under: -.

Name of the Account	PSIPL ESCROW ACCOUNT-SIL OPEN OFFER
DP Name	Inventure Growth & Securities Limited
DP ID	12011200
Client ID	00035471

Shareholders having their beneficiary account with NSDL have to use inter-depository slip for the purpose of crediting their shares in favour of the special Depository Account.

Beneficial Owners should enclose:

- **Form of Acceptance cum Acknowledgement** duly completed and signed in accordance with the instructions contained therein, as per the records of the respective depository.
- **Photocopy of the delivery instruction** in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP.

For each delivery instruction, the beneficial owner should submit a separate Form of Acceptance. All beneficial owners maintaining account with NSDL are required to fill in an additional inter depository slip, maintained with the DP while giving instructions to their respective DPs.

d. The shareholders should also provide all relevant documents, which are necessary to ensure transferability of the shares in respect of which the application is being sent. Such documents may include but are not limited to:
   i. Duly attested death certificate and succession certificate (in case of single shareholders) if the original shareholder is deceased, in case succession certificate has not been obtained, the legal heir may approach the registrar.
   ii. Duly attested power of attorney if any person apart from the shareholder has signed the application form and / or transfer deed(s).
   iii. In case of Companies, the necessary corporate authorization (including Board Resolution) and specimen signatures of authorized signatories.

e. The Share Certificate(s), Share Transfer Form(s) or photocopy of the delivery instruction in "Off-Market" mode or counterfoil of the delivery instruction in "Off-Market" mode, duly acknowledged by the DP, in favour of the Special Depository Account and the Form of Acceptance along with the relevant documents should be sent to the Registrar to the Offer/Manager to the Offer and not to the Acquirer/PACs or SIL.

f. In case of non-receipt of the Letter of Offer, the eligible persons may send their consent to the Registrar or Manager to the Offer, on a plain paper stating the Name, Address, Number of Shares held, Distinctive Number, Folio Number and Number of Shares offered, along with other relevant documents as mentioned above, so as to reach the Registrar or Manager to the Offer on or before the Closure of the Offer, i.e. June 10, 2006 (Saturday). In case of beneficial owners, they may send the application in writing to the Registrar or Manager to the Offer, on a plain paper stating the name, address, number of shares held, number of shares tendered, DP name, DP ID, Beneficiary Account Number and a photocopy of the delivery instruction in "Off-Market" mode or counterfoil of the delivery instruction in "Off-Market" mode, duly acknowledged by the DP, in favour of the Special Depository Account, so as to reach the Registrar or Manager to the Offer, on or before the Closure of the Offer, i.e. June 10, 2006 (Saturday).

Unregistered owners will not sign the transfer deed and the transfer deed will be valid for transfer.

The eligible persons can write to the Manager to the Offer requesting for the Letter of Offer and Form of Acceptance cum Acknowledgement and fill up the same in accordance with the instructions given therein, so as to reach the Registrar to the Offer or Manager to the Offer, on or before the Closure of the Offer i.e. June 10, 2006 (Saturday).

Alternatively, the Letter of Offer and Form of Acceptance cum Acknowledgement will be available on SEBI's website www.sebi.gov.in from the date of opening of the Offer. The eligible persons can download the Form of Acceptance cum Acknowledgement from the SEBI's website and apply in the same.

g. The equity shareholders, who are desirous of withdrawing their acceptances tendered in the Offer, can do so upto three working days prior to the date of the Closure of the Offer i.e. on or before June 7, 2006 (Wednesday). The withdrawal option can be exercised by submitting the 'Form of Withdrawal' (separately enclosed with Letter of Offer) to the Registrar to the Offer, so as to reach them on or before June 7, 2006 (Wednesday). In case of non-receipt of 'Form of Withdrawal', the withdrawal option can be exercised by making an application on plain paper along with the following details:

   a) **In case of physical shares:** Name, Address, distinctive numbers, folio nos., number of shares tendered/withdrawn, and
   b) **In case of dematerialised shares:** Name, Address, number of shares tendered/withdrawn, DP name, DP ID, Beneficiary account number and a photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP in favour of the Special Depository Account.

   Shares [Physical /Dematerialised form] withdrawn by the shareholders would be returned by the Registered post.

   The form of Withdrawal can also be downloaded from SEBI's website www.sebi.gov.in or obtained from the Manager/ Registrar to the Offer.

h. Unaccepted Share Certificate(s), 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. Shares held in demat form to the extent not accepted will be credited back to the beneficial owners' depository account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance cum Acknowledgement.

i. The Registrar to the Offer will hold in trust the Shares / Share Certificates, Shares lying in credit of the special depository account, 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, till the Cheques/Drafts/Pay Orders for the consideration and / or the unaccepted shares / share certificates are dispatched / returned.

10. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection at the office of the Manager to the Offer, **Ashika Capital Limited**, 1008, 10th Floor, Raheja Centre, 214, Nariman Point, Mumbai-400021, on any working day between 10.00 A. M. to 2.00 P. M. during the period the Offer is open i.e., from May 22, 2006 (Monday) to June 10, 2006 (Saturday):

i) Copy of the Share Acquisition Agreement dated December 23, 2005 entered into between Acquirer/PACs and the SIL.
ii) Memorandum & Articles of Association of SIL along with Certificate of Incorporation.
iii) Audited Annual Reports of SIL for the Financial Years ended 31.03.2003, 31.03.2004 and 31.03.2005 and audited accounts for the period ended 30.09.2005.
iv) Copy of Prospectus dated 9th November 1995.
v) Memorandum & Articles of Association and Audited Annual Reports for the Financial Years ended 31.03.2003, 31.03.2004 and 31.03.2005 of Vardhan Capital & Finance Limited, Vardhman Developers Limited, Bluestock Investments Private Limited, Diwali Capital & Finance Limited along with Certificate of Incorporation.
vi) Audited Accounts of M/s. Diwali Construction Company for the financial years ended 31.03.2003, 31.03.2004 and 31.03.2005.
vii) Chartered Accountant's Certificates dated 23.12.2005 certifying the Networth of the Acquirer/PACs.
viii) Chartered Accountant's Certificate dated 23.12.2005 certifying the adequacy of financial resources with Acquirer/PACs to fulfill the Open Offer obligations.
ix) A Letter from Oriental Bank of Commerce dated 27.12.2005 and May 9, 2006 for the amount kept in the Escrow Account and empowering solely the Manager to the Offer to operate it.
x) Copy of confirmation regarding opening of Special Depository Account in the name and style of "PSIPL ESCROW ACCOUNT-SIL OPEN OFFER ".
xi) Published copies of the Public Announcement made on December 29, 2005 and Corrigendum to Public Announcement made on May 10, 2006.
xii) Copy of the Letter No. CFD/DCR/AK/TO/59470/2006 dated February 02, 2006 of SEBI in terms of Provisions of regulation 18(2).
xiii) Other relevant documents such as:
   a. Copy of the Memorandum of Understanding between the Acquirer/PACs & the Manager to the Offer dated December 24, 2005.

b. Copy of Letter dated December 24, 2005 appointing Purva Sharegistry India Private Limited as Registrar to the Offer.
c. Copy of Power of Attorney from the PACs in favour of Mr. Rajesh Babulal Vardhan for taking all such necessary steps as may be required in the process of Open Offer and sign all such deeds/documents in this regard.
d. Copy of undertakings from Acquirer/PACs and Target Company.

11. DECLARATION BY THE ACQUIRER/PACs

The Acquirer/PACs accept full responsibility severally and jointly for the information contained in the Public Announcement made in this regard, Letter of Offer and also for the ensuring compliance with the obligations of Acquirer laid down in SEBI (SAST) Regulations 1997 and subsequent amendments thereof.

The Manager to the Offer hereby states that the person signing this Letter of Offer is the Acquirer.

Place: Mumbai
Date: May 11, 2006.

Rajesh Babulal Vardhan

Attached: Form of Acceptance cum Acknowledgement and Withdrawal & Blank Share Transfer Form.

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT

Date:

From:

To,
Registrar to the Offer
Purva Sharegistry India Pvt. Ltd.
33, Printing House,
28-D, Police Court Lane,
Behind Old Handloom House,
Fort, Mumbai-400 001;

Dear Sir,

Sub: Open Offer for purchase of 14,80,000 Fully Paid-up Equity Shares of Rs. 10/- each at a price of Rs. 15.65 (Rs. 15.25 calculated as per regulation 20 of the Regulations and Re. 0.40 being the interest @ 10% p.a.) per fully paid-up equity share and at a price of is Rs. 11.85 (including interest of Re. 0.40) per partly paid-up equity share of SIL representing 20.77% of its Post Issue Voting Capital by Mr. Rajesh Babulal Vardhan (Acquirer) along with Mr. Babulal Mishrimal Vardhan, Mrs. Diwalibai Babulal Vardhan, Mr. Ramesh Babulal Vardhan, Mrs. Manju Ramesh Vardhan, Mrs. Aruna Rajesh Vardhan and Mr. Dilip Babulal Vardhan (PACs) .

I/We, refer to the Letter of Offer dated May 11, 2006 for acquiring the Equity Share(s) held by me/us in **Stresscrete India Limited**.

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

I/We, hereby irrevocably & unconditionally 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:

For shares held in Physical Form:

Sl. No.	Regd. Folio Number	Share Certificate Number	Distinctive Numbers	Number of Shares
Total No. of Shares agreed to be sold				

(Please attach an additional sheet of paper and authenticate the same, if the above space is insufficient)

For shares held in Demat Form:

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

I/We have carried out an Off-market transaction for crediting the shares to the Special Depository Account with Inventure Growth & Securities Limited, (Registered with CDSL), styled “PSIPL ESCROW ACCOUNT-SIL OPEN OFFER”, whose particulars are:

DP Name	Inventure Growth & Securities Limited
DP ID	12011200
Client ID	00035471

Shareholders having their beneficiary account with NSDL have to use inter-depository slip for purpose of crediting their shares in favour of the Special Depository Account.

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

I/We note and understand that the original Share Certificate(s) and valid share transfer deed /shares in the Special Depository Account will be held in trust for me/us by the Registrar to the Offer until the time the Acquirer/PACs makes payment of the purchase consideration as mentioned in the Letter of Offer. I/We also note and understand that the Acquirer/PACs will pay the purchase consideration only after verification of the documents and signatures.

Non resident shareholders should enclose No objection Certificate / Tax Clearance Certificate from the income tax authorities under the Income Tax Act, 1961 indicating the amount of tax to be deducted by the Acquirer/PACs before remitting the consideration otherwise tax will be deducted at the maximum marginal rate as may be applicable to the category of shareholder on the consideration payable by the Acquirer/PACs.

I/We authorise the Acquirer/PACs to accept the shares so offered which they may decide to accept in consultation with the Manager to the Offer and in terms of the Letter of Offer and I/We further authorise the Acquirer/PACs to return to me/us, share certificate(s) in respect of which the Offer is not found valid/not accepted, specifying the reasons thereof.

I/We authorise the Acquirer/PACs or the Registrar to the Offer or the Manager to the Offer to send by Registered Post/UCP as may be applicable at my/our risk, the Draft/Cheque/Pay Order, in full and final settlement of the amount due to me/us and/or other documents or papers or correspondence to the sole/first holder at the address mentioned below. I / We authorize the Acquirer/PACs to accept the Shares so offered or such lesser number of Shares that they may decide to accept in terms of the Letter of Offer and I/We authorize the Acquirer/PACs to split / consolidate the share certificates comprising the Shares that are not acquired to be returned to me/us and for the aforesaid purposes the Acquirer/PACs are hereby authorized to do all such things and execute such documents as may be found necessary and expedient for the purpose.

Yours faithfully,
Signed and delivered:

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

Note: In case of joint holding all must sign. A Company must affix the common seal and furnish its corporate authorizations.

Place:__________________ Date:____________________

So as to avoid fraudulent encashment in transit, the 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 and Branch: ____
Account Number: __________________ Savings/Current/Others(please specify)_______________

---TEAR HERE ---

ACKNOWLEDGEMENT SLIP

S. No. **PURVA SHAREGISTRY INDIA PRIVATE LIMITED**

33, Printing House, 28-D, Police Court Lane, Behind Old Handloom House, Fort, Mumbai-400 001.
Tel: 022-56348073; Fax: 022-22626407. E-mail: busicomp@vsnl.com

Received from Mr./Ms/Mrs.:____

Address :____

____

Folio Number___________ DP ID ____________Client ID____________

Number of Share Certificates Enclosed ______________

Certificate Numbers ____________________

Total Number of Shares Enclosed____________

Signature of the Official & Date of receipt	Stamp of Registrar/Manager to the Offer

Note: All future correspondence, if any, should be addressed to Registrar to the Offer at the address mentioned above.

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PLEASE USE THIS FORM ONLY IF YOU HAVE TENDERED THE SHARES AND WISH TO WITHDRAW YOUR APPLICATION

FORM OF WITHDRAWAL CUM ACKNOWLEDGEMENT

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

You have an 'OPTION TO WITHDRAW' the acceptance tendered in response to the Offer any time upto three working days prior to the date of closure of Offer i.e. on or before June 7, (Wednesday). In case you wish to withdraw your acceptance please use this form.	**OFFER SCHEDULE** **Offer Opens on : May 22, 2006 (Monday)** **Last Date of Withdrawal : June 7, (Wednesday)** **Offer Closes on : June 10, 2006 (Saturday)**

Please read the Instructions in Letter of Offer before filling-in this Form of Withdrawal

From: **Date:**

To
Registrar to the Offer
Purva Sharegistry India Pvt. Ltd.
33, Printing House,
28-D, Police Court Lane,
Behind Old Handloom House,
Fort, Mumbai-400 001.

Dear Sir,

Sub: Open Offer for purchase of 14,80,000 Fully Paid-up Equity Shares of Rs. 10/- each at a price of Rs. 15.65 (Rs. 15.25 calculated as per regulation 20 of the Regulations and Re. 0.40 being the interest @ 10% p.a.) per fully paid-up equity share and at a price of is Rs. 11.85 (including interest of Re. 0.40) per partly paid-up equity share of SIL representing 20.77% of its Post Issue Voting Capital by Mr. Rajesh Babulal Vardhan (Acquirer) along with Mr. Babulal Mishrimal Vardhan, Mrs. Diwalibai Babulal Vardhan, Mr. Ramesh Babulal Vardhan, Mrs. Manju Ramesh Vardhan, Mrs. Aruna Rajesh Vardhan and Mr. Dilip Babulal Vardhan (PACs) .

I/We refer to the Letter of Offer dated May 11, 2006 for acquiring the equity shares held by me/us in **Stresscrete India 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 _________ 2006 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')

For Shares held in Physical Form:

Sl. No.	Regd. Folio Number	Share Certificate Number	Distinctive Numbers	Number of Equity Shares
Total No. of Shares agreed to be sold				

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

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 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:

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

I/We have carried out an Off-market transaction for crediting the shares to the Special Depository Account with Inventure Growth & Securities Limited, (Registered with CDSL), styled “PSIPL ESCROW ACCOUNT-SIL OPEN OFFER”, whose particulars are:

DP Name	Inventure Growth & Securities Limited
DP ID	12011200
Client ID	00035471

Shareholders having their beneficiary account with NSDL have to use inter-depository slip for purpose of crediting their shares in favour of the special depository account.

I/We note that the Shares will be credited back only to that Depository Account, from which the Shares have been tendered and necessary standing instructions have been issued in this regard.

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

I/We confirm that the particulars given above are true and correct.
Yours faithfully,
Signed and Delivered:

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

Note: In case of joint holding all must sign. A Company must affix the common seal and furnish its corporate authorizations.

Place:__________________ Date:____________________

INSTRUCTIONS

1. The shareholders are advised to ensure that the Form of Withdrawal should reach the Registrar to the Offer at any of the collection centres mentioned in the Letter of Offer or above as per the mode of delivery indicated therein on or before 17.00 hours upto the last date of withdrawal i.e. June 7, 2006 (Wednesday).

2. Shareholders should enclose the following:-

a. For Equity Shares held in demat form:
Beneficial 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.
- Photocopy of the delivery instruction in “Off-market” mode or counterfoil of the delivery instruction in “Off-market” mode, duly acknowledged by the DP.

b. For Equity Shares held in physical form:
Registered Shareholders 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.
- 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
- The withdrawal of Shares will be available only for the Share certificates / Shares that have been received by the Registrar to the Offer/ Special Depository Escrow Account.
- The intimation of returned Shares to the Shareholders will be at the address as per the records of the Target Company/ Depository as the case may be.
- The Form of Withdrawal alongwith enclosure should be sent only to the Registrar to the Offer.
- 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 SIL. The facility of partial withdrawal is available only on to Registered shareholders.
- Shareholders holding Shares in dematerialised form are requested to issue the necessary standing instruction for receipt of the credit in their DP account.

--TEAR HERE--

ACKNOWLEDGEMENT SLIP

S. No.

PURVA SHAREGISTRY INDIA PRIVATE LIMITED

33, Printing House, 28-D, Police Court Lane, Behind Old Handloom House, Fort, Mumbai-400 001.
Tel: 022-56348073; Fax: 022-22626407. E-mail: busicomp@vsnl.com

Received Form of Withdrawal from Mr./ Ms/ Mrs..: ______________________________

Address: ____
____

Folio Number__________ DP ID __________ Client ID__________

Number of Shares tendered __________

Number of Shares withdrawn ______________

Signature of the Official Date of receipt	Stamp of Registrar to the Offer

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To

If undelivered, please return to:
PURVA SHAREGISTRY INDIA PRIVATE LINITED
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Behind Old Handloom House, Fort, Mumbai-400 001.
Tel: 022-56348073/4; Fax: 022-22626407.