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 **Kidderpore Holdings Limited ("KHL").** If you require any clarification(s) about the action to be taken, you may consult your stock broker or investment consultant or Manager to the Offer/Registrar to the Offer. In case you have sold your Shares in KHL, please hand over this Letter of Offer and the accompanying Form of Acceptance cum Acknowledgement, Form of Withdrawal and Transfer Deed to the purchaser of Equity Shares or the Member of Stock Exchange through whom the said sale was effected.

ADINATH BUILDERS PRIVATE LIMITED having its registered office at 216, Shah & Nahar Industrial Estate, Dr. E. Moses Road, Worli, Mumbai – 400 018, Tel no: 022- 2302 4400, Fax No: 022- 2302 4690 **(hereinafter referred as "the Acquirer" or "ABPL")** Pursuant to Regulations 10 and 12 and applicable provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 1997 and subsequent amendments thereto ("the Regulations").

MAKES A CASH OFFER

TO ACQUIRE 48,000 (Forty Eight Thousand) fully paid-up Equity Shares of Rs. 10/- (Rupees Ten) each, representing in aggregate 20% of the Issued, Subscribed, Paid-up and Voting Equity Share Capital for cash, **at a price of Rs. 9,725/- (Rupees Nine Thousand Seven Hundred and Twenty Five Only) per fully paid-up Equity Share.**

TO THE EXISTING SHAREHOLDERS OF KIDDERPORE HOLDINGS LIMITED having its Registered Office at Shreeniwas House, 2nd Floor, H. Somani Marg, Fort, Mumbai-400 001.Tel. No. 022-2207 3058, 022- 2207 2455, Fax No. 022-2207 9401 **(hereinafter referred as "KHL" or "the Company" or "Target Company")**

Notes:

- The Offer is made by the Acquirer pursuant to and in compliance with the Regulations.
- This Offer is not conditional to any minimum level of acceptance.
- This is not a competitive bid.
- There has been no revision of Offer Price, till the date of this Letter of Offer.
- As on the date of this Letter of Offer, no approvals are required, to acquire the Equity Shares that are tendered pursuant to the Offer. However, the Offer would be subject to all statutory approvals that may become applicable at a later date.
- The Acquirer is permitted to revise the Offer price of Equity Shares/ number of Equity Shares upward. Such upward revision will be made in accordance with Regulation 26 of the Regulations not later than September 22, 2010 i.e. upto 7 (Seven) working days prior to the date of closure of the Offer. Any such upward revision would be informed by way of an announcement in the same Newspapers where the original Public Announcement had appeared. Such revised Offer Price would be payable to all the shareholders who have tendered their shares any time during the Offer and which are accepted under the Offer.
- There was no competitive bid.
- In case of withdrawal of Offer, in terms of Regulation 27 of the regulations, the same would be informed by way of an announcement in the same newspapers in which the original Public Announcement had appeared.
- The registration of all the intermediaries associated with the Offer, viz., Arihant Capital Markets Limited, Manager to the Offer and Sharex Dynamic (India) Pvt. Ltd., Registrar to the Offer, are valid and no action has been initiated by SEBI or any Government body against them.
- A copy of this Letter of Offer (including the Form of Acceptance -cum -Acknowledgement, Form of Withdrawal) and Copy of Public Announcement are also available on SEBI's website www.sebi.gov.in. from the date of the opening of the Offer i.e. Wednesday, September 15, 2010. All the correspondence may be addressed to the Manager to the Offer/Registrar to the Offer at their respective addresses given below.
- **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 3 working days prior to the date of closure of the Offer. The Last date for such withdrawal is September 28, 2010.**

THE SCHEDULE OF ACTIVITIES IS AS FOLLOWS:

ACTIVITY	ORIGINAL SCHEDULE	REVISED SCHEDULE
Public Announcement (PA)	Monday, May 17, 2010	Monday, May 17, 2010
Last date for a competitive bid	Monday, June 07, 2010	Monday, June 07, 2010
Specified Date (for the purpose of determining the names of shareholders to whom the Letter of Offer (LOF) will be sent).	Friday, May 28, 2010	Friday, May 28, 2010
Date by which LOF will be dispatched to shareholders of KHL	Friday, June 25, 2010	Thursday, September 09, 2010
Date of opening of the Offer	Thursday, July 01, 2010	Wednesday, September 15, 2010
Last date for revising the Offer Price /Number of Shares of Target Company	Thursday, July 08, 2010	Wednesday, September 22, 2010
Last date for withdrawal of acceptance by the shareholders	Wednesday, July 14,2010	Tuesday, September 28, 2010
Offer Closing date	Tuesday, July 20,2010	Monday, October 4, 2010
Date of communicating acceptance/rejection and payment of consideration for accepted shares and/or return of share/share certificate for applications rejected.	Wednesday, August 04, 2010	Tuesday, October 19, 2010

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
ARIHANT capital markets ltd. 3rd Floor, Krishna Bhavan, 67, Nehru Road, Vile Parle (East), Mumbai- 400 057 Tel. No. : +91- 22- 4225 4800/847; Fax. No.: +91- 22- 4225 4880 Email: mbd@arihantcapital.com Website: www.arihantcapital.com **Contact Person: Mr. Amol Kshirsagar** SEBI REGN NO.: INM 000011070	Sharex **Sharex Dynamic (India) Private Limited** Unit – 1, Luthra Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri (E), Mumbai – 72. Tel No.: +91- 22- 2851 5606 / 5644; Fax No.: +91- 22- 2851 2885 Email: sharexindia@vsnl.com Website: www.sharexindia.com. **Contact Person: Mr. B. S. Baliga** SEBI Registration No. INR 000002102
OFFER OPENS ON: September 15, 2010	**OFFER CLOSES ON: October 4, 2010**

RISK FACTORS

Risk Factors relating to the transaction

1. The Acquirer proposes to take control of the Target Company. The likely changes in the management of KHL shall be subject to compliance with Regulation 23(6) of the Regulations.

2. In the event that either (a) statutory and regulatory approval, if any, is not received in a timely manner, (b) there is a litigation, if any, leading to a stay of the offer, or (c) SEBI instructing the Acquirers not to proceed with the Offer, the Offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the shareholders of KHL whose shares have been accepted in the Offer as well as the return of shares not accepted by the Acquirers may be delayed. In case of delay, due to non receipt of statutory approvals, as per the Regulation 22(12) of the Regulations, SEBI may, if satisfied that the non – receipt of approvals was not due to willful default or negligence or failure to diligently pursue on the part of the Acquirer, grant an extension for the purpose of the completion of the Offer subject to the Acquirer paying interest to the shareholders, as may be specified by SEBI.

3. Further, shareholders should note that after the last date of withdrawal i.e. September 28, 2010, Shareholders who have lodged their acceptances would not be able to withdraw them even if the acceptance of shares under the Offer and dispatch of consideration gets delayed. The tendered shares and documents would be held by the Registrar to the Offer, till such time as the process of acceptance of tendered shares, the payment of consideration and other Offer obligations are completed.

4. The Share Purchase Agreement dated May 11, 2010 (SPA) contains a clause that in case of non-compliance of any provisions of Takeover Code, the SPA shall not be acted upon by the parties to the Agreement.

5. The transaction is subject to completion risks as would be applicable to similar transactions.

Risk Factors relating to the proposed Offer

6. If the aggregate of valid responses exceeds the offer size, then the Acquirer will accept the valid applications on a proportionate basis in accordance with Regulation 21(6) of the Regulations.
7. The Shares tendered in the Offer will be held in trust by the Registrar to the Offer till the completion of the offer formalities and the Shareholders will not be able to trade such Shares. The Acquirer makes no assurance with respect to the market price of the Shares both during the Offer period and after completion of the Offer and disclaims any responsibility with respect to any decision by the Shareholders on whether or not to participate in the Offer.

Probable Risks involved in associating with the Acquirer

8. Association of the Acquirer with KHL/taking control of KHL by the Acquirer does not warrant any assurance with respect to the future financial performance of KHL.

9. The acquirer belongs to Lodha Group which is predominantly in the real estate business and has limited experience in the activity carried on by the KHL.

10. The subsidiary of the Acquirer, Shreeniwas Cotton Mills Limited, was under liquidation, before it became the subsidiary of the Acquirer, since July 25, 1984 until by Order dated August 03, 2009, the Honourable High Court, Mumbai ordered Shreeniwas Cotton Mills Ltd. to be brought out of liquidation subject to the fulfilment / settlement of conditions / claims specified in the Order. Shreeniwas Cotton Mills Limited is deemed PAC as per the regulations for the purpose of this Open Offer.

The indicative risk factors set forth above are in relation to the Offer and not in relation to the present or future business or operations of KHL or any other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a Shareholder in the Offer or in associating with the Acquirers. The Shareholders of KHL are advised to consult their stock broker or investment consultant or tax advisor, if any, for further risks with respect to their participation in the Offer.

TABLE OF CONTENTS

ABBREVIATIONS /DEFINITIONS

1.	Acquirer/ ABPL	Adinath Builders Private Limited having its registered office at 216, Shah & Nahar Industrial Estate, Dr. E. Moses Road, Worli, Mumbai – 400 018.
2.	B.Com	Bachelor of Commerce
3.	Book Value	Book Value of each equity share as on the date referred to; calculated as follows: [Share Capital + Reserves (Net of revaluation reserves) – (Miscellaneous expenses to the extent not written off – Accumulated losses)]/ Number of shares
4.	Eligible Persons	All owners of shares of KHL, registered or unregistered (other than Acquirer and Sellers) who own shares at any time prior to the closure of the Offer.
5.	EPS	Earnings Per Share / Earnings per Equity Share.
6.	FIs	Financial Institutions.
7.	FIIs	Foreign Institutional Investors.
8.	Form of Acceptance/FOA	Form of Acceptance-cum-acknowledgement.
9.	LOF / LoF	Letter of Offer.
10.	Manager/Manager to the Offer/Merchant Banker/ACML	Arihant Capital Markets Ltd.
11.	Maximum Consideration / Total Consideration	Total Consideration payable by the Acquirers under this offer assuming full acceptance by eligible Person(s) for the offer, amounting to Rs. 46,68,00,000/-
12.	NRI(s)	Non Resident Indians and persons of Indian origin residing abroad
13.	Offer	Cash Open Offer made by the Acquirer for acquisition of 48,000 (Forty Eight Thousand) Equity Shares to the public shareholders, representing 20% of the voting equity capital of the Target Company at the Offer Price payable in cash.
14.	Offer Price	Rs. 9,725/- per equity share of KHL
15.	PACs	Person Acting in Concert with the Acquirer; in this case none.
16.	PAT	Profit After Tax

17.	Persons Deemed to be acting in Concert / deemed PAC	Persons deemed to be acting in concert, as per the Regulations. For the purpose of this Open Offer Shreeniwas Cotton Mills Limited is person deemed to be acting in concert / deemed PAC
18.	Persons eligible to participate in the Offer	All Equity Shareholders of the Target Company, other than the Acquirer and Sellers.
19.	Persons not eligible to participate in the Offer	Sellers and the Acquirer.
20.	Public Announcement / PA	Announcement of the Offer made by the Acquirer to shareholders of KHL on May 17, 2010 which appeared in Financial Express, Jansatta, Navshakti and Lokbharati.
21.	RBI	Reserve Bank of India
22.	Registrar to the Offer	Sharex Dynamic (India) Pvt. Ltd. The registrar appointed by the Acquirer, having its registered office at 17/B, Dena Bank Building, 2nd Floor, Horniman Circle Fort, Mumbai – 400 001
23.	RoC	Registrar of Companies
24.	RONW	Return on Net Worth
25.	SEBI	Securities and Exchange Board of India
26.	SEBI (SAST) Regulations / the Regulations / Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and amendments thereof.
27.	Sellers	Mr. Rangnath Somani, Mrs. Sarla Somani, Ms. Kanak Somani through father and natural guardian Mr. Madhur Somani, Mr. Madhur Somani and M/s. Rangnath Somani HUF
28.	Shares	Fully paid up Equity Shares
29.	Shareholders	Shareholders of the Target Company
30.	SCML	Shreeniwas Cotton Mills Limited
31.	SPA	Share Purchase Agreement dated May 11, 2010 between the Acquirer and Sellers for purchase of 93,400 equity shares of the Target company by the Acquirer from the Sellers.
32.	Specified Date	Friday, May 28, 2010
33.	Target Company/Kidderpore Holdings Limited/ KHL/the Company	Company whose shares are proposed to be acquired Viz. Kidderpore Holdings Limited
34.	UPSE	The Uttar Pradesh Stock Exchange Association Limited, Kanpur
35.	w.r.t.	with respect to

Specified Date is only for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer would be sent. All owners (registered or unregistered) of equity shares of the Target Company (except the Acquirer and Sellers) are eligible to participate in the Offer anytime before the closure of the Offer.

Disclosure by Manager to the Offer with respect to the following Regulations:

- **Regulation 24(1) (e): Arihant Capital Markets Ltd.**, the Manager to the Offer does not hold any shares in KHL on their own account.

- **Regulation 24(5A):** They declare and undertake that they shall not deal in the shares of KHL on their own account during the period commencing from the date of their appointment as Manager to the Offer till the expiry of 15 days from the date of closure of the offer.

1. DISCLAIMER CLAUSE

"IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF LETTER OF OFFER WITH SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF KIDDERPORE HOLDINGS LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER, PACs OR THE COMPANY WHOSE SHARES / CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRER DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER, ARIHANT CAPITAL MARKETS LTD HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED MAY 31, 2010 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER."

2. DETAILS OF THE OFFER

2.1 Background of the Offer

A. The Offer is being made in compliance with Regulations 10 and 12 of the Regulations for substantial acquisition of Equity Shares and voting rights of KHL accompanied with the change in control and management of KHL.

B. Adinath Builders Private Limited, incorporated on September 4, 2006 with the Registrar of Companies, Mumbai, Maharashtra, having its registered office at 216, Shah & Nahar Industrial Estate, Dr. E. Moses Road, Worli, Mumbai – 400 018. Tel no: 022- 2302 4400, Fax No: 022- 2302 4690, e-mail id: jinal.shah@lodhagroup.com, is the Acquirer. The Acquirer belongs to Lodha Group which is predominantly engaged in the business of real estate development.

C. Shreeniwas Cotton Mills Limited, Subsidiary of Acquirer Adinath Builders Private Limited, acquired 34,450 equity shares of the KHL, representing about 14.35 % of the voting equity share capital of KHL, at a price of Rs. 9,650/- per share. These shares were acquired in two tranches – 8,600 shares aggregating 3.58 % of voting equity share capital of KHL on 06/11/2009 and 25,850 shares aggregating 10.77% of voting equity share capital of KHL on 07/12/2009.

D. On Tuesday, May 11, 2010, the Acquirer has entered into Share Purchase Agreement **("SPA")** with the following shareholders who belong to the promoter group of KHL **("Sellers")**

Sr. No.	Name of the shareholder	No. of Shares agreed to be sold	% of Share Capital of the target company	Father's Name / Husband's Name	Age (Yrs.)	Complete Address	Tel. no. and Fax no.
1.	Mr. Rangnath Somani	22,500	9.38	Basudev Somani	66	301, Harvansh Bldg. N.S. Road No.8, J.V.P.D. Scheme, Juhu,	Tel. No. 022-2628 9466, Fax No.2207 9401

						Mumbai-400 049	
2.	Mrs. Sarla Somani	20,300	8.46	Rangnath Somani	60	301, Harvansh Bldg. N.S. Road No.8, J.V.P.D. Scheme, Juhu, Mumbai-400 049	Tel. No. 022-2628 9466, Fax No.2207 9401
3.	Ms. Kanak Somani through father and natural guardian Mr. Madhur Somani	30,400	12.67	Madhur Somani	16	301, Harvansh Bldg. N.S. Road No.8, J.V.P.D. Scheme, Juhu, Mumbai-400 049	Tel. No. 022-2628 9466, Fax No.2207 9401
4.	Mr. Madhur Somani	10,000	4.16	Rangnath Somani	42	301, Harvansh Bldg. N.S. Road No.8, J.V.P.D Scheme, Juhu Mumbai-400 049	Tel. No. 022-26289466, Fax No.2207 9401
5.	M/s. Rangnath Somani HUF	10,200	4.25	N.A	N.A	301, Harvansh Bldg. N.S. Road No.8, J.V.P.D Scheme, Juhu Mumbai-400 049	Tel. No. 022-2628 9466, Fax No.2207 9401
	Total	**93,400**	**38.92**				

The Acquirer has entered into the SPA to acquire an aggregate of **93,400** (Ninety Three Thousand Four Hundred) fully paid-up Equity Shares of face value Rs.10/- each from the Sellers, representing 38.92% of the voting equity share capital of **Kidderpore Holdings Limited** having its Registered office at Shreeniwas House, 2nd Floor, H. Somani Marg, Mumbai – 400 001 **("KHL", "The Target Company" or "the Company")** at a price of Rs.9,725/- (Rupees Nine Thousand Seven Hundred Twenty Five Only) per fully paid up equity share payable in cash **("Negotiated Price")**.

E. The salient features of the SPA are:

1. The total Consideration payable under the SPA by the Acquirer to the Sellers at the negotiated price of Rs. 9,725 per fully paid up equity shares for 93,400 shares is Rs. 90, 83,15,000.

2. The Acquirer shall pay on the SPA date an amount of Rs. 16,00,00,000 (Rupees Sixteen Crores) to the Sellers and the remaining purchase price of Rs, 74,83,15,000 (Rupees Seventy Four Crores Eighty Three Lakhs Fifteen Thousand Only) under the SPA is payable in installments till 31.10.2010.

3. At the time of execution of the SPA , the Sellers shall deliver to the Acquirer, the Depository Instruction Slip with regard to the sale shares held in the demat form, duly filled and signed to be retained by the Acquirer as a security of the deposit placed with the Sellers.

4. In case of non-compliance of any provisions of the Regulations, the SPA shall not be acted upon by the Sellers or the Acquirer.

5. The completion of sale and purchase of sale shares (as defined under SPA) shall take place after due compliance with the Takeover Code in this regard is done and ,*interalia,* the Acquirer shall have made the payment of Purchase Price as per the schedule of payments prescribed under the SPA.

F. As on the date of the SPA, Shreeniwas Cotton Mills Limited, Subsidiary of Acquirer holds 34,450 fully paid equity share in KHL and the Acquirer has not acquired any other shares of KHL in the period of 12 months prior to the date of PA.

G. Adinath Builders Private Limited, is making an open offer to the public shareholders (i.e. Shareholders other than the Acquirer and parties to the SPA) of Kidderpore Holdings Limited to acquire 48,000 (Forty Eight Thousand) Equity Shares of Rs.10/- each, at a price of Rs.9,725/- (Rupees Nine Thousand Seven Hundred Twenty Five Only), representing 20% of issued, subscribed, paid up and voting capital of KHL. The Offer per fully paid up equity share of Rs. 10/- (Rupees Ten) each is at a price of Rs. 9,725/- (Rupees Nine Thousand Seven Hundred Twenty Five Only), (**"the Offer Price"**), payable in cash subject to the terms and conditions mentioned hereinafter (**"the Offer"**).

H. The Acquirer, the Target Company and the Sellers have not been prohibited by SEBI from dealing in securities, in terms of directions issued pursuant to Section 11B of the SEBI Act, 1992 or under any of the Regulations made under the SEBI Act.

I. There is no person on the Board of the Target Company, representing the Acquirer.

J. The Acquirer is entitled to reconstitute the Board of Directors of the Target Company and appoint its own nominees as Directors on the Board of Directors of the target company, only after the completion of the Open Offer and after the payment of balance consideration has been made to the Sellers as per the terms of SPA.

K. The Acquirer proposes to take control over the Target Company.

L. No approval is required from any lenders of funds to KHL with respect to the Open Offer.

M. The offer is not as a result of global acquisition resulting in indirect acquisition of KHL.

2.2 Details of the proposed offer

A. The Public Announcement in accordance with Regulation 15(1) of the Regulations, was made in the newspapers as detailed below:

Newspaper	Language	Editions	Date of Appearance
The Financial Express	English	All editions	May 17, 2010
Jansatta	Hindi	All editions	May 17, 2010
Navshakti	Marathi	Mumbai	May 17, 2010
Lokbharati	Hindi	Kanpur*	May 17, 2010

* Shares of KHL are listed on UPSE, Kanpur

B. The Public Announcement is also available on the SEBI website at www.sebi.gov.in

C. The Acquirer is making the Offer in terms of Regulations 10 & 12 of the Regulations.

D. The present offer is being made to all the shareholders of the Target Company (except the Acquirer and Sellers) to tender 48,000 (Forty Eight Thousand) fully paid equity shares of Rs.10 each of KHL, representing 20% of the issued, subscribed and paid up voting equity share capital at a price of Rs.9,725/- (Rupees Nine Thousand Seven Hundred Twenty Five Only) per fully paid up equity share.

E. The consideration will be paid in cash. There is no differential price since entire consideration is payable in cash.

F. The offer is not subject to any minimum level of acceptance **i.e. it is not a conditional offer**.

G. The Equity Shares acquired by the Acquirer, pursuant to the Offer, will be free from all liens, charges and encumbrances of any kind, whatsoever.

H. There are no partly paid shares in KHL.

I. The Acquirer has not acquired any shares of KHL after the date of PA till the date of this Letter of Offer.

J. This is not a competitive bid.

K. There is no competitive bid to this offer**.**

2.3 Object And Purpose Of Acquisition And Future Plans

A. The objects of the acquisition are substantial acquisition of shares of KHL, accompanied by change in control. The Acquirer is proposing to take control of management of KHL .The likely changes in the management of KHL shall be subject to compliance with the Regulations. The Acquirer is entitled to appoint its nominees, on the Board of Directors of the target company after the completion of the Open Offer and after the payment of balance consideration has been made to the Sellers as per the terms of SPA.

B. Barring unforeseen circumstances, the Acquirer expects to significantly improve the business of KHL. It is presently engaged in activities relating to trading and investment in shares. The acquirer proposes to continue with the existing activities. The acquirer may undertake other business activities in future, including real estate development, subject to the approval of members of the company and other necessary approvals.

C. The Acquirer does not have any plans to dispose off or otherwise encumber any assets of KHL in the succeeding two years from the date of closure of the Offer, except in the ordinary course of business. The acquirer undertakes that it shall not sell, dispose of or otherwise encumber any substantial assets of the target company except with the prior approval of the Shareholders.

3 BACKGROUND OF THE ACQUIRER

A. ABPL was incorporated on September 4, 2006 with the Registrar of Companies, Mumbai, Maharashtra. The registered office of ABPL is situated at 216, Shah & Nahar Industrial Estate, Dr. E. Moses Road, Worli, Mumbai – 400 018. Tel no: 022- 2302 4400, Fax No: 022- 2302 4690, e-mail id: jinal.shah@lodhagroup.com. ABPL belongs to Lodha Group which is engaged predominantly in the business of real estate development.

B. ABPL is involved in the business of real estate development and related activities since its incorporation.

C. The Memorandum of Association of ABPL provides that its main object is

(1) "To carry on the business of builders, contractors, erectors, constructors, furnishers, decorator of building, houses, apartments, complexes, for residential, office, industrial, institutions or commercial purpose or structures, street, road, bridges, gardens squares or developers of co-operative housing societies, developers of housing schemes, township, holiday resorts, hotels models and in particular preparing of building sites construction, reconstructing, erecting, altering, demolishing, improving, enlarging, developing, decorating, furnishing and maintaining of structures, flats, houses, factories, shop, offices, garages, ware-houses, building, works,

workshops, hospitals, nursing homes, clinics, godowns and other commercial, educational purposes and conveniences."

D. The Objects Incidental or Ancillary to the attainment of Main Objects of Memorandum of Association of ABPL are amended vide special Resolution passed at the Extra Ordinary General Meeting held on 2nd April, 2010. The amendments made are as follows:

1. "To form, promote, assist or take control of companies, partnerships, firms or person having similar or dissimilar objects in any manner as may be thought fit in connection with any of the objects of the company or having land, building or property of any nature or rights to any land, building or property which can be applied towards attainment of main objects of the company.
2. To subscribe for, take or otherwise acquire and hold shares, stocks, debentures or other securities of any company having objects altogether similar or dissimilar or in part similar or dissimilar to those of the company or having land, building or property of any nature or rights to any land, building or property which can be applied towards attainment of main objects of the company."

E. The Acquirer is authorised by its members' resolution dated April 02, 2010 passed under section 372A of the Companies Act, 1956 and the Board resolution dated May 11, 2010 to acquire the shareholding in the target company and the said acquisition of shares is in accordance with its Memorandum of Association.

F. The Promoter of ABPL is Lodha Developers Limited, which is promoted by Mr. Mangal Prabhat Lodha, Mr. Abhisheck Lodha and Mr. Abhinandan Lodha along with Lodha Ruling Realtors Private Limited. Lodha Ruling Realtors Private Limited is in turn promoted by Mr. Mangal Prabhat Lodha, Mr. Abhisheck Lodha and Mr. Abhinandan Lodha.

G. Shreeniwas Cotton Mills Limited (SCML) is deemed PAC as per the regulations for the purpose of this Open Offer. SCML was incorporated on February 05, 1935 under the Companies Act 1913. The registered office of SCML is situated at Shreeniwas House, 2nd Floor, H. Somani Marg, Fort, Mumbai-400 001.SCML SCML belongs to Lodha Group which is engaged predominantly in the business of real estate development. SCML was under liquidation, since July 25, 1984 until, the Honorable High Court, Mumbai by its Order dated August 03, 2009 ordered SCML to be brought out of liquidation. After coming out of liquidation SCML is engaged in the business of real estate development.

H. Shreeniwas Cotton Mills Limited, subsidiary of acquirer, Adinath Builders Private Limited, acquired 34,450 equity shares of KHL, representing about 14.35 % of the voting equity share capital of KHL, at a price of Rs. 9,650/- per share. These shares were acquired in two tranches – 8,600 shares aggregating 3.58 % of voting equity share capital of KHL on 06/11/2009 and 25,850 shares aggregating 10.77% of voting equity share capital of KHL on 07/12/2009.

This acquisition attracted the disclosures requirement under the provisions of Regulation 7 of Chapter II of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1997, and subsequent amendments thereto and the disclosure requirements have been complied with within stipulated time.

I. The current shareholding of ABPL is as follows:

Sr.No.	Shareholders	No. of Equity Shares	% of Shareholding
1.	**Promoters**		
	Lodha Developers Limited	9,994	99.94
	Mr. Mangal Prabhat Lodha –Nominee of Lodha Developers Limited	1	00.01
	Mr. Abhisheck Lodha –Nominee of Lodha Developers Limited	1	00.01
	Mr. Abhinandan Lodha –Nominee of Lodha	1	00.01

	Developers Limited		
	Siddheswer Buildcon Pvt. Ltd. –Nominee of Lodha Developers Limited	1	00.01
	Shalibhadra Buildtech Pvt. Ltd. –Nominee of Lodha Developers Limited	1	00.01
	Padamprabhu Buildmart Pvt. Ltd. –Nominee of Lodha Developers Limited	1	00.01
2.	**Total Promoter Shareholding**	**10,000**	**100**
3.	**FII/ MUTUAL Funds/ FIs/ Banks**	**NIL**	**NIL**
4.	**Public**	**NIL**	**NIL**
	Total Paid up Capital	**10,000**	**100**

The Current Shareholding of Preference Shares issued by ABPL is as follows

Sr. No.	Shareholder	No. of 7.2 % Optionally Convertible Redeemable Cumulative Preference Shares	% of Shareholding	Face Value (Rs.)	Issue Price per share (Rs.)
1	Macrotech Construction Private Limited	2,09,326	100	10	10,000

Macrotech Construction Private Limited belongs to the Promoter group of ABPL.

J. The details of the Board of Directors of ABPL as on May 17, 2010, the date of the PA:

Name	Residential Address	Date of Appointment	Date of Birth	Qualification	Experience
Mr. Abhisheck Lodha	12, Anupam CHS. Ltd. 11, Manav Mandir Road, Walkeshwar, Mumbai-400 006.	31/08/2009	01/11/1979	Bachelor's and Master's degree in Industrial Engineering from the Georgia Institute of Technology, Atlanta, USA.	He has over 11 years of experience in the field of corporate administration and management and construction. His experience includes tenure at McKinsey and Company, USA.
Mr. Abhinandan Lodha	12, Anupam CHS. Ltd. 11, Manav Mandir Road, Walkeshwar, Mumbai 400 006.	31/08/2009	05/05/1981	Master’s Degree in Business Administration from the University of Cardiff, UK.	He has experience in financial aspects of the business and has 5 years of experience in marketing in the construction industry.
Mr. Mangesh Puranik	A/204, Ganraj Apt. Next to Marthand Apt. on Thane-Belapur Road, Vitawa, Thane 400 605.	31/08/2009	18/03/1970	Diploma in Mechanical Engineering from K.B.P. Polytechnic, Kopargaon.	He has worked in the field of real estate development and allied areas for 16 Years. He has handled operational aspects of many real estate projects during past 16 years.

There has been no change in the Board of ABPL since the date of the PA. None of the above directors are on the board of the target company.

K. None of the directors on the Board of the target company represent the Acquirer.

L. The Board of Directors of ABPL has vide Resolution adopted on May 11, 2010, authorized Mr. Abhisheck Lodha and Mr. Abhinandan Lodha, Directors on the Board of the Acquirer to severally sign the Letter of Offer, on behalf of the acquirer.

M. ABPL is Private Limited Company and, its shares are not listed on any Stock exchange.

N. The Acquirer and the directors of the Acquirers have not been prohibited by SEBI from dealing in securities, under directions issued pursuant to Section 11B of the SEBI Act, 1992 or under any of the Regulations made under the SEBI Act, 1992.

O. There are no pending litigations against the Acquirer in any court of law.

P. There is no person acting in concert with the Acquirer other than persons deemed to be acting in concert as per the Regulations, in this case Shreeniwas Cotton Mills Ltd. is the deemed PAC.

Q. Mr. S. Sankar, Partner of M/s. Shanker and Kapani, Chartered Accountants, having their office at NTC House 2nd Floor ,15 Narottam Morarjee Marg, Ballard Estate, Mumbai – 400 038 (Membership No. 40,476; Firm Registration No. 117761W), Tel no. 022 – 2269 5719; 2269 5720; 2261 4439, Fax No. 022 – 2269 5720, email: Kapani@vsnl.com, has certified vide their certificate dated May 11, 2010 that the net worth of Adinath Builders Private Limited as on 31st March 2010 is Rs.15,801.22 Lacs and that it has sufficient liquid resources as on the said date to fulfil the obligation under this Open Offer and the SPA.

R. Brief audited financial data of ABPL for financial year 2006-07, 2007-08, 2008-09 & audited financial data for nine months period ended December 31, 2009 are given hereunder:

(Rs. in Lacs)

Particulars	**For Nine Months Ended 31st Dec, 2009**	**Year ended 31st March 2009**	**Year ended 31st March 2008**	**Year ended 31st March 2007**
Profit & Loss Statement	**Audited**	**Audited**	**Audited**	**Audited**
Income from operations	8526.10	1209.52	0.00	0.00
Other Income	0.00	0.00	0.00	0.00
Total Income	8526.10	1209.52	0.00	0.00
Total Expenditure	8526.96	1210.16	0.19	0.08
Profit Before Depreciation Interest and Tax	(0.87)	(0.64)	(0.19)	(0.08)
Depreciation	0.00	0.00	0.00	0.00
Interest	1042.59	3623.64	425.41	24.87
Profit Before Tax	(1043.46)	(3624.29)	(425.60)	(24.95)
Extra Ordinary Income /Expenditure	0.00	0.00	0.00	0.00
Provision for Tax	0.00	0.00	0.00	0.00
Profit After Tax	(1043.46)	(3624.29)	(425.60)	(24.95)

(Rs. Lacs)

Particulars	As At 31.12.2009	As At 31.03.2009	As At 31.03.2008	As At 31.03.2007
Balance Sheet Statement	**Audited**	**Audited**	**Audited**	**Audited**
Sources of Funds				
Paid Up Share Capital	1.00	1.00	1.00	1.00
Reserves and Surplus (excluding revaluation reserves)	0.00	0.00	0.00	0.00
Networth	Negative	Negative	Negative	Negative
Share Application money*	20,932.60	0.00	0.00	0.00
Secured Loans	0.00	0.00	0.00	0.00
Unsecured Loans	27487.01	38430.50	25078.73	4376.15
Total	**48,420.61**	**38,431.50**	**25,079.73**	**4,377.15**
Uses of Funds				
Net Fixed Assets	0.00	0.00	0.00	0.00
Investments	45362.98	9552.08	9541.94	0.00
Net Current Assets	(2060.70)	24804.52	15087.15	4352.08
Total miscellaneous expenditure not written off	5118.33	4074.9	450.64	25.07
Total	**48,420.61**	**38,431.50**	**25,079.73**	**4,377.15**
Other Financial Data				
Dividend (%)	NIL	NIL	NIL	NIL
Earning Per Share	Negative	Negative	Negative	Negative
Return on Networth	Negative	Negative	Negative	Negative
Book Value Per Share	Negative	Negative	Negative	Negative

* ABPL has allotted 2,09,326 “7.2 % Optionally Convertible Redeemable Cumulative Preference Shares” of Rs. 10 each at a price of Rs. 10,000 each including a premium of Rs. 9,990 per share aggregating to Rs. 20932.60 lacs on 30th March 2010, against the share application money received, to Macrotech Construction Private Limited. Macrotech Construction Private Limited belongs to the Promoter group of ABPL and is engaged in construction activities.

Statement of Significant Accounting Policies:

a. BASIS OF ACCOUNTING:

The financial statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles in India, the Accounting Standards issued by The Institute of Chartered Accountants of India, the Provisions of the Companies Act, 1956 and on the accounting principle of going concern. Expenses and Income to the extent considered payable and receivable, respectively, are accounted for on accrual basis, except those with significant uncertainties.

b. USE OF ESTIMATES:

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The estimates are made to the best of the management's knowledge considering all necessary information. Differences, if any, between actual results and estimates are recognized in the period in which the results are ascertained.

c. INVESTMENTS:

Investments are classified into Long term and Current Investment.

Long term investments are carried at cost, Provision for diminution, if any, in the value of each long term investment is made to recognize a decline, other than of temporary nature.

Current investment are carried individually at lower of cost and fair value and the resultant decline, if any, is charged to revenue.

d. INVENTORIES:

I. Stock of Building Materials is valued at lower of cost and net realizable value. Cost is generally ascertained on average basis.

II. Stock of Commercial Premises is valued at lower of cost and net realizable value.

III. a) Work-in-progress is stated at Cost or Net Realizable value, which ever is lower. Work-in-Progress includes costs of incomplete projects for which the Company has not entered into sale agreements and the costs incurred on the projects where the revenue is yet to be recognized (before the work has progressed to the extent of 30% of the total work involved and 20% of the sales consideration is yet to be received).

b) Completed unsold inventory is valued at lower of cost or net realizable value.

c) Cost for this purpose includes cost of land, premium for development rights, construction costs, interest, indirect overheads and expenses incidental to the projects undertaken.

d) Net realizable value is the estimated selling price in the ordinary course of business.

e. REVENUE RECOGNITION:

Income from property development is recognized on the transfer of all significant risks and rewards of ownership to the buyers and it is not unreasonable to expect ultimate collection and no significant uncertainty exists regarding the amount of consideration. However, if at the time of transfer substantial acts are yet to be performed under the contract, revenue is recognized on proportionate basis as the act are being performed and monies received i.e. on the percentage of completion method on achieving at least 30 percent of physical progress of project and receipt of 20% of the sales consideration. The percentage of completion is stated on the basis of physical measurement of work actually completed as at the balance sheet date and certified by the Architect. As the long-term contracts necessarily extend beyond one year, revision in costs and revenues estimated during the course of the contract are reflected in the accounting period in which the facts requiring the revision become known.

Determination of revenues under the percentage of completion method necessarily involves making estimates by the Company, some of which are of technical nature, concerning, where relevant, the percentage of completion, costs to completion, the expected revenues from the project and the foreseeable losses to completion.

f. BORROWING COSTS:

Borrowing costs that are directly attributable to long term project management and development activities are inventorized / capitalized as part of project cost. Other borrowing costs are recognised as expense in the period in which they are incurred.

Borrowing costs are inventorized / capitalized as part of project cost when the activities that are necessary to prepare the asset for its intended use or sale are in progress. Borrowing costs are suspended from inventorization / capitalization on the project when development work on the project is interrupted for extended periods.

g. PRELIMINARY EXPENSES:

Preliminary Expenses are written off equally over a period of five years.

h. TAXATION:

Provision for the current income tax is made on the basis of the estimated taxable income for the current accounting year in accordance with Income Tax Act, 1961.

MAT credit asset is recognized and carried forward only if there is a reasonable certainty of it being set off against regular tax payable within the stipulated statutory period.

Deferred Tax resulting from timing differences between book and tax profits is accounted for under the liability method, at the current rate of tax, to the extent that the timing differences are expected to crystallize. Deferred tax assets are recognized and carried forward only if there is a virtual/reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

i. PROVISIONS AND CONTINGENT LIABILITIES:

Provisions are recognised in the accounts in respect of present probable obligation, the amount of which can be reliably estimated. Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company.

Notes:
1. The Contingent Liability as on 31st December 2009 is Rs. 0.21 Lacs.

3.1 Brief particulars of the listed companies promoted by acquirer:

The Acquirer has neither promoted any Listed Company nor has control over any listed company.

3.2 Brief details of other ventures /unlisted companies promoted by the acquirer

A. The Acquirer has neither promoted any unlisted Company nor has control over any other unlisted company except the following.

Name of the Entity	**Date of Incorporation**	**Nature of Business**	**Acquirer's Position**
Shreeniwas Cotton Mills Limited (deemed PAC)	February 5, 1935	SCML is in the business of spinning, weaving, real estate and other activities.	Holding Company

Brief audited financial data of SCML for nine months period ended December 31, 2009 are given hereunder:

Rs. (in Lacs)

Particulars	**For Nine Months Ended 31st Dec, 2009**
	Audited
Paid Up Share Capital	990
Reserves and Surplus (excluding revaluation reserves)	16,720

Total Income	Nil
Profit After Tax	(590.24)
EPS (Rs.)	Negative
NAV (Rs.)	1624.12

Non-availability of Old Records of SCML

As SCML was under liquidation since July 25, 1984 till August 03, 2009, the responsibility of maintaining the accounts of SCML, as per the provisions of the Companies Act, 1956 during this period was with Official Liquidator.

The first audited accounts of SCML after coming out of liquidation were prepared for period ended 30th September 2009.

In this regard, the Board of Directors of SCML at their meeting held on December 22, 2009 had taken note of the fact about non-availability of old financial records of SCML. The relevant extract of the minutes of the said meeting are given below:

"During the period of liquidation the business affair of the company suspended and the liquidator was the sole custodian of assets and records of the company during such period, the liquidator was supposed to maintain the records as handed over to him by office of Registrar of Companies and update the same from time to time and subsequently should be handed over to new management. However, as noted by the board in its meeting held on August 05, 2009, financial statements and other statutory records of the company for the period during which the Company was in liquidation was not provided by office of Official Liquidator, Mumbai. Even after several follow-ups by various executives, company was unable to obtain the required records from liquidator's office or from Registrar of Companies."

In view of the reasons cited above, the financial data of SCML for last 3 years have not been produced in the Letter of Offer.

A. **Positions held on the Board of directors of any listed company (ies)**
No director of ABPL is on the Board of Directors of any listed Company.

B. The Acquirer became the holding company of SCML by acquiring 8,80,000 Equity Shares of SCML constituting 88.88 % of the equity share capital of SCML, through allotment of Equity Shares made on 19.09.2009 by SCML. The Acquirer currently holds 90.68% of equity share capital of SCML.

4 OPTION IN TERMS OF REGULATION 21 (2)

Consequent to the Offer, the public holding of Equity Shares in KHL will not fall below 25% of the issued capital, being the minimum level stipulated in the Listing Agreement for continued listing, thereby complying with continued listing eligibility norms.

5 BACKGROUND OF THE TARGET COMPANY

The Company was incorporated under the Companies Act, 1956 as Kidderpore Holdings Limited on August 1, 1980 with the Registrar of Companies, West Bengal at Kolkata. The company received the Certificate for Commencement of Business on August 19, 1980.

1) The Registered Office of the company is located at Shreeniwas House, 2nd Floor, H. Somani Marg, Fort, Mumbai – 400 001, Tel. No. 022-2207 3058, Fax No. 022-2207 9401, email-id: kidderpore.holdings@gmail.com The company has informed that it has no other office or place of business.

2) The Registered Office of the company was located at 75, Park Street, Kolkata on its incorporation. The company shifted its Registered Office from its earlier location to the present location vide its members' resolution dated July 05, 2008 and order of Company Law Board dated January 02, 2009.

3) KHL was originally promoted by Mr. S. Misra, Mr. Mahipat Raj Bhandari, Mr. Sanwarmal Pasari, Mr. D. P. Agarwal, Mr. Sukhsampat Raj Bhandari, Mr. Narendra Nath Deb, and Mr. Kiran Singh Nahar in the year 1980. The Present promoters acquired shareholding in various tranches from year 1981-82 till year 1995-96 from the original promoters of the company.

4) The present promoters of Target Company are Mr. Rangnath Somani, Mr. Madhur Somani, Mrs. Sarla Somani, M/s Basudev Somani (HUF), M/s Rangnath Somani (HUF), Mrs. Aparna Somani, .Ms. Kanak Somani and Mr. Tanay Somani.

5) KHL came out with its maiden public issue in November, 1980.

6) The present Directors of KHL are Mr .Madhur Somani, Mr. Rangnath Somani, Mr. Surendra Kumar Mohatta and Mr. Kamal Kumar Ladha.

7) The authorized share capital of KHL as on date is Rs.24 Lacs comprising 2.4 Lacs equity shares of Rs. 10/- (Rupees Ten) each. The issued, subscribed and paid up capital of the company is Rs. 24 Lacs comprising of 2.4 Lacs equity shares of Rs. 10/- each. There are no partly paid shares in the company.

8) All equity shares of the Target Company are listed on UPSE. The shares are not admitted as permitted security in any other Stock Exchange.

9) There are no outstanding warrants, options or convertible instruments convertible into Equity Shares on a later date. There are no partly paid up equity shares in the company.

10) KHL has entered into agreement only with National Securities Depository Limited (NSDL) for offering Shares in dematerialized form. The Marketable lot for the Shares of KHL is 1(one) in the demat form. The ISIN Number of Equity Shares in dematerialized form is INE884J01010.

11) KHL is engaged in the business of investment and trading in securities.

12) There has been no change in Main Objects of the Company

The Main Objects of the Company, as per its Memorandum of Association, are as follows:

A. THE MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION :

1. To carry on, as it principal business, the business of investment company and to invest in and acquire and hold and otherwise deal in share, stock, debentures, debentures stocks, bonds, obligations and securities issued or guaranteed by any company constituted or carrying on business in India or elsewhere and debentures, debentures stocks, bonds and obligation and securities issued or guaranteed by any government, State, dominion sovereign, Ruller, commissioner, public body or authority supreme, municipal, local or otherwise, whether in India or elsewhere.
2. To acquire any such shares, stocks, debentures, debentures stocks, bonds, obligations or securities, by original subscription, participations in syndicates, tender, purchase, exchange or otherwise and to subscribe for the same, either conditionally or otherwise, and to guarantee the subscriptions thereof and to exercise and enforce all rights and powers conferred by or incidental to the ownership thereof.
3. To vary and otherwise dispose of, sell, exchange, transfer or alienate and of the company's investments and those mentioned in (1) and (2) above.

4. To deal with invest the moneys of the company in such manner and upon such securities as shall from time to time be thought necessary or for the benefit of the company, and to land, advance or deposit money securities and property with or without any charge, interest or security to or with such persons and to receive and accept deposits, advances and loans on such terms and conditions as may be thought expedient and in that the company shall not carry on the business of banking defined in the banking Companies Act, 1949.
5. To act as guarantors, financiers, brokers, agents, commission agents, executors, administrator, and nominees for any person, firm, company, body corporate, trust, institutions, associations, society or any other organizations whatsoever and to work and perform and undertake the formation, supervision and control of any business or operations of any person, firm, company, body corporate, trust, institution, association, society or any other organization whatsoever.
6. To carry on the business of buyers and sellers of and dealers in gunny, hessian, carpet backing cloth, Tarpoline cloth, Raw jute, jute cuttings, jute rejection, phesua, Caddies, Jute yarn, cotton yarn, cotton cloth, Terelene, Rayon, Mineral, Polyester and textile of all kinds and any other fibrous materials, Chemicals, Drugs, Plastics including polyprophyline and polythine etc. hides, skins, oil seeds, iron steel scrap and produce and goods or merchandise made thereof.

13) KHL has no Subsidiary, as on date.

14) None of the Directors of KHL represent the Acquirer.

15) The company's shares were listed on UPSE pursuant to its maiden public issue in 1980.

16) The Company has not filed returns regularly under Chapter II of SEBI (SAST) Regulations. The returns required to be filed under regulation 6(2), 6(4) and 8(3) for the financial years 1997 to 2009 have been filed on 04.02.2010. The return under regulation 8(3) for the financial year 2010 has been filed on 03.05.2010. SEBI may initiate action against the Company for this delay.

17) The Promoters of KHL who are also Sellers and who are also the major shareholders have complied with the provisions of Chapter II of the Regulations with respect to filings required to be made under regulation 6(1), 6(3) and regulation 8(1) / 8(2) within stipulated time. The Promoters of KHL have filed the returns required to be filed under regulation 7(1) /7(1A) with delay on 28.05.2010. SEBI may initiate actions against the promoters of KHL for this delay. The details of individual non-compliances by the promoters of the Target Company are given by way of notes to Para 5.5

18) The Company has not been filing various periodic information, returns with UPSE as per the provisions of Listing Agreement including filings required to be made under chapter II of the Regulations. The said filings are done with delay on 04.02.2010. The Company has paid listing fees to UPSE upto Financial Year 2009-10.

19) There have been no instances of issuance of notices by UPSE regarding any non- compliances of listing agreement and no punitive action has been taken against KHL by the Stock Exchange or any other statutory / regulatory authority.

20) There has not been any merger or demerger or spin off of activity in the preceding 3 years.

21) The Compliance Officer of the Target Company is Mr. Vimal Kumar Jain, Contact No. 022- 2207 3058, Fax No. 022- 2207 9401, email: khlcompliance@gmail.com, the Compliance Officer will be available at the address of the Registered Office of KHL.

22) There are no outstanding litigations against the company as on date.

5.1 The Share Capital structure of KHL is mentioned below:

Paid up Equity Shares of KHL	No. of Shares / Voting Rights	% of Shares w.r.t. total equity capital	%of Shares w.r.t voting capital
Fully paid equity shares	2,40,000	100%	100%
Partly paid equity shares	NIL	N.A.	N.A.
Total equity shares	2,40,000	100%	100%
Total voting shares in KHL	2,40,000	100%.	100%

5.2 Build up of Authorized capital

(In Rs.)

Date/Year	From (in Rs.)	To (in Rs.)	Authorized Capital after enhancement
On Incorporation	0	24,00,000	24,00,000

5.3 Build Up of Current Capital

Date of allotment	No. and % of Shares Issued		Cumulative paid up capital (Rs.)	Mode of allotment	Identity of allottees (e.g.-promoters /ex-promoters /others	Status of compliance With SEBI (SAST) Regulations /other Regulations under SEBI Act 1992
1st August, 1980	700	0.3%	7,000	Subscribers to MOA	Ex-Promoters	N.A.
23rd August, 1980	15,600	6.5%	1,63,000	Private Placement	Ex-Promoters	N.A
6th September, 1980	62,000	25.83 %	7,83,000	Private Placement	Ex-Promoters	N.A
13th October, 1980	17,700	7.37%	9,60,000	Private Placement	Ex-Promoters	N.A
21st November, 1980	1,44,000	60.00	24,00,000	Issued in terms of IPO	Others	Within the exemption limit of Rs. 25 Lacs under the Capital Issue (Exemption) Order 1969.
Total	**2,40,000**	100%	**24,00,000**			

5.4 Change in Shareholding of promoters and status of Compliance

Date	Opening Balance Promoter Group (No. Of Shares)	Opening Capital (No. Of Shares)	Opening % holding-promoter group	No. Of Shares Acquired	Mode of Acquisition / Transfer	Number of Shares Transfer-red	Closing Capital (No. Of Shares)	Closing Balance (Number of Shares)	Closing % holding-Promoter group	Increase/decrease in % holding Promoter Group	Compliance Status
20.02.1997	92,000	2,40,000	38.33	0	-	0	2,40,000	92,000	38.33	0.00	
31.03.1997	92,000	2,40,000	38.33	0	-	0	2,40,000	92,000	38.33	0.00	
31.03.1998	92,000	2,40,000	38.33	0	-	0	2,40,000	92,000	38.33	0.00	
31.03.1999	92,000	2,40,000	38.33	0	-	0	2,40,000	92,000	38.33	0.00	
31.03.2000	92,000	2,40,000	38.33	0	-	0	2,40,000	92,000	38.33	0.00	
31.03.2001	92,000	2,40,000	38.33	0	-	0	2,40,000	92,000	38.33	0.00	
31.03.2002	92,000	2,40,000	38.33	0	-	0	2,40,000	92,000	38.33	0.00	
31.03.2003	92,000	2,40,000	38.33	0	-	0	2,40,000	92,000	38.33	0.00	
31.03.2004	92,000	2,40,000	38.33	0	-	0	2,40,000	92,000	38.33	0.00	
31.03.2005	92,000	2,40,000	38.33	0	-	0	2,40,000	92,000	38.33	0.00	
21.06.2005	92,000	2,40,000	38.33	42,500	Purchase	0	2,40,000	1,34,500	56.04	17.71	Refer note 1
08.12.2005	1,34,500	2,40,000	56.04	10,000	Gift	0	2,40,000	1,44,500	60.21	4.17	Refer note 2
31.03.2006	1,44,500	2,40,000	60.21	0	-	0	2,40,000	1,44,500	60.21	0	
31.03.2007	1,44,500	2,40,000	60.21	0	-	0	2,40,000	1,44,500	60.21	0	
01.10.207	1,44,500	2,40,000	60.21	12,400	Gift / Purchase	0	2,40,000	1,56,900	63.57	5.16	Refer note 3
31.03.2008	1,56,900	2,40,000	65.38	0	-	0	2,40,000	1,56,900	65.37	0	
31.03.2009	1,56,900	2,40,000	65.38	0	-	0	2,40,000	1,56,900	65.37	0	
17.09.2009	1,56,900	2,40,000	65.38	0	Gift	2,000	2,40,000	1,54,900	64.54	- 0.83	N A
22.09.2009	1,54,900	2,40,000	64.54	0	Gift	1,350	2,40,000	1,53,550	63.98	- 0.56	N A
23.09.2009	1,53,550	2,40,000	63.98	0	Gift	10,000	2,40,000	1,43,550	59.81	- 4.17	Refer note 4
29.09.2009	1,43,550	2,40,000	59.81	0	Gift	5,500	2,40,000	1,38,050	57.52	- 2.29	Refer note 5
31.03.2010	1,38,050	2,40,000	57.52	0	-	0	2,40,000	1,38,050	57.52		

Notes:

1) On 21.06.2005, the promoters of the company namely Ms.Kanak Somani and Master Tanay Somani acquired 19,900 and 22,600 equity shares respectively of the Target Company aggregating to 42,500 shares of Target Company constituting 17.71% of the voting equity share capital of the Target Company. These transactions were not reported by the Promoters (Ms.Kanak Somani and Master Tanay Somani) under Reg. 7 (1) and 7(1A) of the Regulations earlier, and have now been reported with delay on 28.05.2010. These acquisitions have resulted in non-compliance of Reg. 11(1) and 11(2) of the Regulations by the Promoters (Ms.Kanak Somani and Master Tanay Somani). SEBI may initiate action against the Promoters (Ms.Kanak Somani and Mstr. Tanay Somani) for this non-compliance.

2) On 08.12.2005, the promoters of the company Mr. Rangnath Somani acquired 10,000 equity shares of the Target Company constituting 4.17% of the voting equity share capital of the Target Company. This transaction was not reported by the Promoter (Mr. Rangnath Somani) under Reg. 7 (1) / 7(1A) of the Regulations earlier, and has now been reported with delay on 28.05.2010. This acquisition has resulted in non-compliance of regulation 11(2) of the Regulations by the Promoter (Mr. Rangnath Somani). SEBI may initiate action against the Promoter (Mr. Rangnath Somani) for this non-compliance.

3) On 01.10.2007, the promoters of the company namely Mrs. Sarla Somani, M/s. Rangnath Somani HUF and Master Tanay Somani acquired 10,300, 200 and 1’900 equity shares respectively of the Target

Company aggregating to 12,400 shares of Target Company constituting 5.16% of the voting equity share capital of the Target Company. These transactions were not reported by the Promoter (Mrs.Sarla Somani) under Reg. 7 (1) / 7(1A) of the Regulations earlier, and have now been reported with delay on 28.05.2010. These acquisitions have resulted in non-compliance of Reg. 11(2) of the Regulations by the Promoters (Mrs. Sarla Somani, M/s. Rangnath Somani HUF and and Master Tanay Somani). SEBI may initiate action against the Promoters (Mrs.Sarla Somani, M/s. Rangnath Somani HUF and Master Tanay Somani) for this non-compliance.

4) On 23.09.2009, the promoter Mr. Madhur Somani transferred 10,000 shares constituting 4.17% of the voting equity share capital of Target Company. The required returns under regulation 7(1A) were not filed in this regard earlier, and have now been filed with delay on 28.05.2010.

5) On 29.09.2009, the promoter Mr. Rangnath Somani transferred 5,500 shares constituting 2.29% of the voting equity share capital of Target Company. The required returns under regulation 7(1A) were not filed in this regard earlier, and have now been reported with delay on 28.05.2010.

5.5 There is no outstanding instrument in the nature of warrants / fully convertible debentures / partly convertible debentures, etc. convertible into equity shares on any later date. The Company also does not have any partly paid equity shares.

5.6 Composition Of Board Of Directors

i. As on the date of the PA the composition of the Board of Directors of KHL is as follows:

Name	Date of appointment	Residential Address	Designation
Mr. Rangnath Somani	June 7, 1984	301, 3rd Floor, Harvansh Bldg., Nutan Laxmi C.H.S., 66, JVPD Scheme, Mumbai- 400 049.	Director
Mr. Madhur Somani	September 5, 1996	301, 3rd Floor, Harvansh Bldg., Nutan Laxmi C.H.S., 66, JVPD Scheme, Mumbai- 400 049.	Director
Mr. Surendra Kumar Mohatta	October 22, 1981	31, Lotus Court, 14, J. Tata Road, Churchgate, Mumbai- 400 020.	Director
Mr. Kamal Kumar Ladha	June 7, 1984	132, Rashbehari Avenue, Kolkata, 700 029, West Bengal.	Director

ii. There has been no change in the Board of Directors since the date of PA.
iii. There has been no change in Directors of KHL in the last three years.
iv. Age, Qualification and experience details of the directors:

Name	Age & Qualification	Experience in brief
Mr. Rangnath Somani	Age: 66 years Qualification: B.Com.	He has experience of over 40 years in Managing Textile Mills and in Manufacturing of Electricals and Electronic Components. He also holds directorships in Weljewel Trading Pvt. Ltd. and Fraser Techno Circuits Ltd.
Mr. Madhur Somani	Age: 42 years Qualification: B.Com.	He has experience of over 20 years in Trading & Manufacturing of Switch Gears, Surge Protection Plugs, Net Boxes & Elecrticals & Electronic Items. He also holds directorship in Fraser Techno Circuit Ltd.,Weljewel Trading Pvt. Ltd. and Gama Leafin Pvt.

		Ltd.
Mr. Surendra Kumar Mohatta	Age: 54 years Qualification: B.Com.	He has experience of over 30 years in Trading & Manufacturing of Chemical Items. He is also a director of Benzo Chem Industries Pvt. Ltd. and Gaurav Chemicals (India) Pvt. Ltd.
Mr. Kamal Kumar Ladha	Age: 56 years Qualification: B.Com.	He is having over 25 years of experience in trading in copper and other metals. He is also a director of Lark Wire & Infotech Ltd.

5.7 The brief audited financial details of KHL for the preceding three financial years ended 31st March 2010 2009, 2008 & 2007 are mentioned below:

(Rs. in Lacs)

Profit & Loss Statement	Year ended 31st March 2010	Year ended 31st March 2009	Year ended 31st March 2008	Year ended 31st March 2007
Particulars	**Audited**	**Audited**	**Audited**	**Audited**
Income from Operations				
Sale of Shares	201.95	159.39	0.00	0.00
Dividend	0.76	1.72	0.02	0.02
Long Term Capital Gain (Shares)	0.00	0.00	104.12	0.00
Other Income	0.05	0.005	0.00	2.79
Closing Stock	0.00	84.23	0.00	0.00
Total Income	**202.76**	**245.35**	**104.14**	**2.81**
Total Expenditure	200.67	269.83	7.58	5.01
Profit/(Loss) Before Depreciation, Interest and Tax	2.09	(24.47)	96.53	(2.24)
Depreciation	0.02	0.02	0.03	0.04
Interest	0.00	0.00	0.00	0.00
Profit Before Tax	2.07	(24.49)	96.56	(2.28)
Provision for Tax	0.22	0.00	20	0.00
Profit/(Loss) after Tax	1.85	(24.49)	76.56	(2.28)

(Rs. in Lacs)

Balance Sheet Statement	As At 31st March 2010	As At 31.03.2009	As At 31.03.2008	As At 31.03.2007
Particulars	**Audited**	**Audited**	**Audited**	**Audited**
Sources of funds				
Paid up Equity Share Capital	24.00	24.00	24.00	24.00
Reserves & Surplus (excluding revaluation reserves)	54.77	52.91	77.41	0.86
Net Worth	**78.77**	**76.91**	**101.41**	**24.86**
Secured loans	0.00	0.00	0.00	0.00
Unsecured loans	247.30	22.64	5.74	90.00
Total	**326.07**	**99.56**	**107.16**	**114.86**
Uses of funds				
Net Fixed Assets	0.00	0.06	0.09	0.11
Investments	325.00	3.01	3.01	3.13
Net Current Assets	1.07	96.49	104.06	111.61

Total	326.07	99.56	107.16	114.86
Other Financial Data				
Dividend (%)	0.00	0.00	0.00	0.00
Earnings per Share(Rs.) (Profit after Tax /No. of Issued and subscribed Shares)	0.77	Negative	31.90	Negative
Return on Net Worth (%) (Profit after Tax X100/Net Worth)	2.35	Negative	75.50	Negative
Book Value Per Share (Rs.) (Net Worth/No. of Issued and subscribed Equity Shares)	32.82	32.05	42.25	10.36

Notes:

- There are no contingent liabilities.
- Statement of profit or loss discloses both the profit and loss arrived at before considering extraordinary items and after considering the profit or loss from extraordinary items.
- The company's Total Income and profitability is dependent on its Investment activities and the tax treatment of the investment income. Accordingly, the Total Income and Profit After Tax for past years has not shown a steady trend.

5.8 Pre and Post-Offer share holding pattern of KHL on the basis of issued, subscribed, paid-up and voting equity share capital as on the date of LOF is as follows:

Share holders category	**Shareholding & voting rights prior to the acquisition and offer (A)**		**Shares/voting agreed to be acquired which triggered off the Regulation (B)**		**Shares/voting rights to be acquired in open offer (Assuming full Acceptance) (C)**		**Shareholding /voting rights after the acquisition and offer i.e. (A)+(B)+(C)=(D)**	
	No.	**%**	**No.**	**%**	**No.**	**%**	**No.**	**%**
(1) Promoter Group a. Parties to agreement:								
Mr.Rangnath Somani	22,500	9.38	(22,500)	(9.38)	NIL	-	NIL	0.00
Mrs. Sarla Somani	20,300	8.46	(20,300)	(8.46)	NIL	-	NIL	0.00
Mr. Madhur Somani	10,000	4.17	(10,000)	(4.17)	NIL	-	NIL	0.00
Ms. Kanak Somani	30,400	12.67	(30,400)	(12.67)	NIL	-	NIL	0.00
M/s. Rangnath Somani – HUF	10,200	4.25	(10,200)	(4.25)	NIL	-	NIL	0.00
Total 1 (a)	**93,400**	**38.92**	**(93,400)**	**(38.92)**				
a. Promoters other than Parties to agreement:								
Ms. Aparna Somani	9,650	4.02			-		Refer Note 2	Refer Note 2
Master Tanay Somani	30,000	12.50			-		Refer Note 2	Refer Note 2
M/s. Basudev Somani-HUF	5,000	2.08			-		Refer Note 2	Refer Note 2
Total 1 (b)	44,650	18.60					Refer Note 2	Refer Note 2
Total 1(a+b)	1,38,050	57.52						
(2) Acquirer a. Main Acquirer Adinath Builders Private Limited	Nil	Nil	93,400	38.92	48,000	20%	1,41,400	58.92

b. PACs Shreeniwas Cotton Mills Limited (deemed PAC)	34,450	14.35	N.A.	N.A.	NIL	NIL	34,450	14.35
Total 2 (a + b)	34,450	14.35	93,400	38.92	48,000	20%	1,75,850	73.27
(3) Parties to agreement other than 1(a) and 2	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
(4) Public (other than parties to agreement/ Acquirer / deemed PAC) (No. of shareholders =6)							**Refer Note 1 & 3**	**Refer Note 1 & 3**
a. FIs MFs / Flls / Banks:	0.00	0.00	0.00	0.00	-	-	-	-
b. Others:					-	-	-	-
1.Private & Corporate Bodies	0.00	0.00			-	-	-	-
2. NRIs / OCBs	0.00	0.00	0.00	0.00	-	-	-	-
3. Indian Public	67,500	28.12	0.00	0.00	48,000	20%	64,150	26.73
4. Clearing Members	0.00	0.00	0.00	0.00	-	-	-	-
Total (4) (a+b)	67,500	28.12	0.00	0.00	48,000	20%	64,150	26.73
Grand Total (1+2+3+4)	**2,40,000**	**100**					**2,40,000**	**100**

Note:

1 The actual Post-Offer Shareholding of Public would depend on the response and acceptance of the present public in this Open Offer.

2 The shareholding of Promoters who are not parties to the SPA i.e. 44,650 shares constituting 18.60% of the voting equity share capital of the company shall be classified under 'public' category, upon completion of the Open Offer and the resulting minimum public shareholding shall be 64,150 shares constituting 26.73% of the voting equity share capital of the company.

3 The number of Shareholders under Public Category, i.e. under 4 above, is 6.

6 OFFER PRICE AND FINANCIAL ARRANGEMENTS.

6.1 Justification of Offer price.

A. T**he** Equity Shares of KHL are listed at The Uttar Pradesh Stock Exchange Association Ltd., Kanpur (UPSE). The Shares are not admitted as permitted Security in any other Stock Exchange.

B. The annualized trading turnover of Shares of KHL, during the preceding 6 calendar months prior to the month in which Public Announcement was made, i.e. during the months, November 2009 to April 2010 (both inclusive) is given below.

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)
UPSE	0	2,40,000	0.00

C. As per the information available, there is no trading in the Company shares on UPSE. Considering the information given in para 'B" above, the shares are infrequently traded at the UPSE in terms of explanation (i) to Regulation 20(5) of the Regulations. Since the shares are frequently traded the

Offer Price is justified, taking into account, the following parameters, as set out under Regulations 20(5):

1. Negotiated price	Rs. 9,725
2. The highest price paid by the acquirer or persons acting in concert with him for acquisitions, if any, including by way of allotment in a public or rights or preferential issue during the twenty-six week period prior to the date of PA (Acquisition by M/s. Shreeniwas Cotton Mills Limited, subsidiary of Acquirer and deemed PAC)	Rs. 9,650
3. Other parameters including return on networth, book value of the shares of the target company, earning per share, price earning multiple vis-a-vis the industry average Based on audited financials as on March 31, 2010	
3.1 Return on Networth (%)	2.35
3.2 Book Value (Rs.) per share	32.82
3.3 Earnings Per Share of Face Value of Rs. 10 (in Rs.)	0.77
3.4 Price Earning Multiple (based on Offer Price of Rs.9,725)	12629
3.5 Price Earning Multiple –The Industry Average**	7.80
4. Highest of the above	Rs. 9,725
5. Offer price	**Rs. 9,725**

** Source: Capitaline Database for grouping "Finance and Investments – Others"

D. The Target Company holds rights in respect of land located at Lower Parel, Mumbai. As per the valuation report of M/s. Dadbhawala Architects, Engineers & Valuers Pvt. Ltd., dated 29th April 2010, the fair market value of the said land is estimated to be approximately Rs. 210 crores. This works out to per share value of Rs. 8,750/- on the existing paid up capital of the Target Company.

E. Considering the above factors, the offer price of Rs. 9,725/- per share is justified in terms of Regulation 20 (5) of the Regulations.

F. Non-compete Fee:
The Acquirer have not entered into any agreement for payment of non-compete fee and have not made payment of any non-compete fees either to target company or to any person other than target company.

G. The Acquirer shall not acquire any shares in KHL during the Offer Period except in compliance with the Regulations and the details of such acquisitions shall be disclosed to UPSE and to the Manager to the Offer within 24 hours thereof in terms of Regulation 22(17) of the Regulations.

H. If the Acquirer acquires shares after the date of Public Announcement 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 the valid acceptances received under the Offer. Any such revision in the Offer Price shall be notified by advertisement in the same newspapers in which the PA has appeared.

I. This is not an indirect acquisition/control.

6.2 FINANCIAL ARRANGEMENT

A. The maximum fund requirement for the Offer assuming full acceptance will be Rs. 46,68,00,000 (Rupees Forty Six Crores Sixty Eight Lacs Only.)

B. In accordance with Regulation 28 of the Regulations, the Acquirer has deposited Rs. 11,67,00,000/- (Rs. Eleven Crores Sixty Seven Lacs only), being 25% of the entire amount of the consideration (assuming full acceptance by the shareholders) in an Escrow Account with HDFC Bank Ltd., Fort Branch, Maneckji Wadia Building, Nanik Motwani Marg, Fort, Mumbai – 400 001, in the form of a current account with exclusive authority to operate the account in favour of the Manager to the Offer. The said current account has been converted into Fixed Deposit account and all other conditions relating to operation and control of the account remain same.

C. The Acquirer has duly empowered M/s Arihant Capital Markets Ltd., the Manager to the Open Offer, to realize the value of the Escrow Account in term of the SEBI (SAST) Regulations, 1997.

D. Mr. S. Sankar, Partner of M/s. Shanker and Kapani, Chartered Accountants, having their office at NTC House 2nd Floor ,15 Narottam Morarjee Marg, Ballard Estate, Mumbai – 400 038 (Membership No. 40,476; Firm Registration No. 117761W), Tel no. 022 – 2269 5719; 2269 5720; 2261 4439, Fax No. 022 – 2269 5720, email: Kapani@vsnl.com, has certified vide their certificate dated May 11, 2010 that the net worth of Adinath Builders Private Limited as on 31st March 2010 is Rs.15,801.22 Lacs and that it has sufficient liquid resources as on date to fulfil the obligation under this Open Offer and the SPA.

E. The Acquirer, in compliance of Regulation 22(11) of the Regulations have made firm financial arrangements out of own domestic resources to fulfil the obligations under the Offer. The Acquirer has deposited Rs. 11.67 crores in escrow account which is 25% of the amount payable to the shareholders of KHL, assuming tendering and acceptance of the entire offer size. The requirement for balance funds are proposed to be met out of resources of the company, currently deployed in loans and advances repayable/ realisable on demand.

F. The Manager to the Offer is satisfied about the ability of the Acquirer to implement the Offer in accordance with the Regulations and confirms that firm arrangements for funds and money for payment through verifiable means are already in place to fulfil the Offer obligations.

7 TERMS AND CONDITIONS OF THE OFFER

7.1 Operational terms and conditions:

A. The Offer is being made in compliance with the provisions of Regulations 10 and 12 and other applicable provisions of the Regulations for the purpose of substantial acquisition of equity shares accompanied by change in control and management of KHL.

B. The acceptance of the Offer is entirely at the discretion of the equity shareholders of KHL and each shareholder (except Acquirer and Sellers) of KHL holding equity shares to whom this Offer is being made is free to offer his shareholding in KHL, in whole or in part while accepting the Offer.

C. Accidental omission to dispatch this Letter of Offer or any further communication to any person to whom this Offer is made or the non-receipt of this Letter of Offer by any such person shall not invalidate the Offer in any way.

D. The instructions, authorizations and provisions contained in the Form of Acceptance and Form of Withdrawal constitute an integral part of the terms of this Offer.

E. The acceptance of the Offer must be unconditional and should be sent in the attached Form of Acceptance along with the other documents duly filled in and signed by the applicant shareholder(s) which should be received by the Registrar to the Offer at the collection centres mentioned in Para 8.1 under “Procedure for Acceptance and Settlement” on or before October 4, 2010. If any change or modification is made in the Form of Acceptance, the same is liable to be rejected.

F. The Offer is not subject to any minimum level of acceptance. The Acquirer will acquire all the equity shares of KHL that are validly tendered and accepted in terms of this Offer upto 48,000 equity shares of Rs. 10/- each representing 20% of the share capital of the Company.

G. All shares tendered under this Offer should be free from any charge, lien or encumbrances of any kind whatsoever.

H. The Acquirer will not be responsible in any manner for any loss of equity share certificate(s) and Offer acceptance documents during transit. The equity shareholders of KHL are advised to adequately safeguard their interest in this regard.

I. 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 closure of the Offer i.e. upto September 28, 2010.

J. If the aggregate of the valid responses to the Offer exceeds 20% of the equity share capital of KHL, then the Acquirer shall accept the valid applications received on a proportionate basis in accordance with Regulation 21 (6) of the Regulations.

K. In case of withdrawal of Offer, in terms of Regulation 27 of the regulations, the same would be informed by way of an Announcement in the same newspapers in which the original Public Announcement had appeared.

7.2 Locked in Shares: There are no Shares, which are subject to lock in as per SEBI guidelines / regulations.

7.3 Eligibility for accepting the Offer

A. The Letter of Offer shall be mailed to all Equity Shareholders / Beneficial Owners holding Shares in dematerialized form (except the parties to the SPA and the Acquirer) whose names appear in the register of Members of Target Company or as beneficial owners as per records of NSDL as on May 28, 2010, the Specified Date.

B. This Offer is also open to persons who own Equity Shares in KHL but are not registered Shareholders / beneficial owners holding Shares in dematerialized form, as on the “Specified date”.

C. All Equity Shareholders/ Beneficial Owners holding Shares in dematerialized form (except the parties to the SPA and the Acquirer) who own Equity Shares of Target Company anytime before the closure of the Offer are eligible to participate in the Offer.

D. The Form of acceptance cum Acknowledgement and other documents required to be submitted herewith, will be accepted during the offer period by the Registrar to the Offer as per the details mentioned in para 8.1 below.

E. The Public Announcement, Letter of Offer, the Form of Acceptance and Form of Withdrawal will also be available at SEBI’s website: www.sebi.gov.in. In case of non-receipt of Letter of Offer, all Shareholders including unregistered Shareholders, if they so desire, may download the Letter of Offer, the Form of Acceptance cum Acknowledgement or Form of Withdrawal from the SEBI website for applying in the Offer or to withdraw from the Offer.

F. Unregistered Equity Shareholders who have sent the Share Certificates for transfer to KHL/its Share Transfer Agent, and not received them back or hold Shares of KHL without being submitted for transfer or those who hold the shares in Street Name shall also be eligible to participate in this Offer.

G. **Unregistered Equity Shareholders and those who apply in plain paper will not be required to provide any Indemnity.**

H. Unregistered Shareholders may follow the same procedure for accepting the offer or withdrawing from the offer pursuant to acceptance, as mentioned above for registered Shareholders.

I. The acceptance of this Offer by the Equity Shareholders of KHL must be absolute and unqualified. Any acceptance to this Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever.

J. The acceptance of this Offer is entirely at the discretion of the Equity Shareholders of KHL.

K. The Acquirer, Manager to the Offer or Registrar to the Offer accept no responsibility for any loss of Equity Share Certificates, Offer Acceptance Forms etc. during transit and the Equity Shareholders of KHL are advised to adequately safeguard their interest in this regard.

L. The acceptance of Shares tendered in the Offer will be made by the Acquirer in consultation with the Manager to the Offer.

M. The instructions, authorizations and provisions contained in the Form of Acceptance and Form of Withdrawal constitute part of the terms of the Offer.

N. The Manager to the Offer shall submit a final report to SEBI within 45 days of closure of the Offer in accordance with Regulation 24 (7) of the Regulations.

O. For any assistance please contact Arihant Capital Markets Limited, Manager to the Offer or Sharex Dynamic (India) Private Limited, the Registrar to the Offer.

7.4 Statutory Approvals:

A. As on the date of this Letter of Offer, no approvals are required by the acquirer to acquire the Equity Shares that are tendered pursuant to the Offer, However, the Offer would be subject to all statutory approvals that may become applicable at a later date.

B. Barring unforeseen circumstances, the Acquirer would endeavour to obtain all approvals, if any, within 15 days from the date of closure of the Offer. In terms of Regulation 22(12) of the Regulations, in the case of non-receipt of statutory approvals, SEBI has the power to grant extension of time for the purpose of making payment subject to, the Acquirer agreeing to pay interest to the Shareholders for delay beyond 15 days, as may be specified by SEBI.

C. In case the Acquirer fail to obtain requisite statutory approval in time, on account of any wilful default or neglect or inaction or no-action, then action in terms of Regulation 22(13) will be initiated by SEBI.

D. No approval is required to be obtained from Target Company’s Banks/Financial Institutions for the offer.

8 PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

8.1 Acceptance Of The Offer

A. Name and Address of the persons (Registrar to the Offer) to whom the Equity Shares along with requisite documents should be sent including name of the contact person, telephone no., fax no. etc.

Registrar to the Offer	Working days and timings	Mode of delivery
Sharex Dynamic (India) Pvt. Ltd Unit No. – 1, Luthra Industrial Premises, Andheri Kurla Road, Safed Pool, Andheri (E), Mumbai – 400 072 Email: sharexindia@vsnl.com. Website: http://www.sharexindia.com Contact Person: Mr. B. S. Baliga	Monday to Friday between 10.00 AM to 1.00 PM and from 2.00 PM to 4.00 PM and on Saturday between 10.00 AM and 1.00 PM	By Post/Courier/ Hand delivery

- The centre will be closed on Sunday and public holidays.

Shareholders holding fully Paid-up Equity Shares in physical form and who wish to tender their Equity Shares will be required to send their form of Acceptance- cum- Acknowledgement , original Share certificates and transfer deeds to the Registrar to the Offer: **Sharex Dynamic (India) Pvt. Ltd,** , to reach them on or before the date of Closure of the Offer i.e. October 4, 2010.in accordance with the instructions specified in this Letter of Offer and in the Form of Acceptance. In case the Share Certificate(s) and Transfer Deeds are lodged with KHL/ its Share Transfer Agent for transfer and have not been received back, then the acceptance shall be accompanied by (i) The Share Transfer Deed(s) and (ii) The acknowledgement of the lodgement with, or receipt issued by KHL/its transfer agents for the Share Certificate(s) so lodged. Where the Transfer Deeds are signed by a constituted Attorney, a certified copy of the Power of Attorney shall also be lodged. In the case of body corporate/limited Companies, certified copy of the Memorandum & Articles of Association and copy of the Board Resolution authorizing the signatory, shall also be sent along with.

B. Beneficial owners (holders of Equity Shares in Dematerialized Form) who wish to tender their Equity Shares will be required to send their 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 (DP) in favour of the Special Depository Account opened by the Registrar to the Offer, in accordance with instructions specified in this Letter of Offer and in the Form of Acceptance-cum-acknowledgement. The details of the Special Depository Account is given below:

DP Name	Karvy Stock Broking Limited
DP ID	IN 300394
Account Name	ABPL OPEN OFFER - OPERATED BY SHAREX DYNAMIC (INDIA) PVT LTD
Client ID	17646318

C. The Acceptance Form alongwith Share Certificates/copy of delivery instruction to DP and other relevant documents shall be sent to the Registrars only. The same shall not be sent to the Acquirer, Target Company or Manager to the Offer.

8.2 Procedure for acceptance of the Offer by unregistered Shareholders, owners of Shares who have sent them for transfer or those who did not receive the Letter of Offer

A. Accidental omission to dispatch the Letter of Offer to any person will not invalidate the Offer in any way.

B. In case of non-receipt of the letter of Offer, the eligible person(s), holding Equity Shares of KHL in physical form, may send his/her/their consent on plain paper stating the name, address, number of Shares held, distinctive numbers, certificate numbers and the number of Equity Shares offered along with the Share certificates, duly signed transfer forms and other required documents to the Registrar to the Offer so as to reach them on or before the closure of the Offer.

C. In case of non receipt of the Letter of Offer, beneficial owners holding Equity Shares in dematerialized form, may send their applications in writing to The Registrar to the Offer, on a plain paper stating the name, address, number of Shares held, number of Shares offered, DP name, DP ID, beneficiary account number and photocopy of the delivery instruction in "Off-market", or counterfoil of the delivery instruction in Off-market" mode, duly acknowledged by the DP, in favour of the special depository account, so as to reach the Registrar to the Offer on or before the closure of the Offer. In case the Share Certificate(s) and Transfer Deeds are lodged with KHL/its Share Transfer Agent for transfer and have not been received back, then the acceptance shall be accompanied by (i) The Share Transfer Deed(s) and (ii) The acknowledgement of the lodgement with, or receipt issued by KHL/its Share Transfer Agent, for the Share Certificate(s) so lodged. Where the Transfer Deeds are signed by a constituted Attorney, a certified copy of the Power of Attorney shall also be lodged. In the case of body corporate/limited Companies, certified copy of Memorandum & Articles of Association, shall also be sent along with.

D. **Unregistered owners holding Equity Shares in physical Form should enclose**

(i) Form of Acceptance-cum-acknowledgement duly completed and signed in accordance with instructions contained therein, by all Shareholders whose names appear on the Share certificates and witnessed if possible, by the Notary Public or a Bank Manger or the Member of the stock exchange with membership number.

(ii) Original Share Certificates.

(iii) Original broker contract note of a registered broker of a recognized Stock Exchange.

(iv) Valid Share transfer form as received from the market. The details of the buyer should be left blank. If the details of buyer are filled in, the tender will not be valid under the Offer. All other requirements for valid transfer will be pre-conditions for acceptance.

8.3 The Acquirer shall accept all valid shares tendered (except those, which are withdrawn, within the date specified for withdrawal).

8.4 Where the number of shares offered for sale by the shareholders is more than 48,000 shares, for which the open offer is made, the Acquirer shall accept all valid applications received from the shareholders of the company in accordance with Regulation 21(6) of the Takeover Regulations on a proportionate basis, in consultation with the Merchant banker, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots.

8.5 The market lot for KHL's Shares in physical mode is 50 (Fifty) and in demat mode 1(one).

8.6 Consideration for Equity Shares accepted will be paid by Crossed Account Payee Cheque / demand draft and sent by Registered Post/Under Certificate of Posting.

8.7 The Equity Shares Certificate(s) and the transfer form (s) or Shares transferred to the Special Depository Account together with the Acceptance Form submitted by the acceptors of the Offer, will be held by the Registrars in trust for the acceptors of the Offer until the Acquirer pays the Offer Price.

8.8 In case of acceptance on proportionate basis/or rejection for any reason, the unaccepted Share Certificates, Transfer deeds and other documents, if any, will be returned by Registered Post at the Share holder's / unregistered holder's sole risk as per the details furnished in the form of acceptance-cum-acknowledgement. Shares held in demat form to the extent not accepted will be returned to the beneficial owner to the credit of the beneficial owner's DP Account with the respective DP as per the details furnished by the beneficial owner in the form of acceptance cum acknowledgement.

8.9 While tendering Equity Shares under the Offer, NRI/ OCB/ foreign shareholders will be required to submit the previous RBI approvals (specific or general) that they would have obtained for acquiring Equity Shares of KHL and a No Objection Certificate/ Tax Clearance Certificate from the Income-Tax authorities under the Income-tax Act, 1961, indicating the rate at which the tax is to be deducted by the Acquirer before remitting the consideration. In case the previous RBI approvals are not submitted, Acquirer reserves the right to reject the Equity Shares. In case the aforesaid No Objection Certificate/ Tax Clearance Certificate is not submitted, the Acquirer will deduct tax at the currently prevailing rate, as may be applicable.

8.10 Shareholders who are desirous of withdrawing their acceptances tendered in the Offer can do so upto three working days prior to the date of closure of the Offer, in terms of Regulation 22(5A), i.e. September 28, 2010.

8.11 The Withdrawal option can be exercised by submitting the Form of Withdrawal attached to the Letter of Offer duly filled in, with relevant particulars, so as to reach the Registrar to the Offer on or before September 28, 2010.

8.12 The Withdrawal option can also be exercised by making an application on plain paper alongwith the following details:

- In case of Physical Shares: Name, Address, Distinctive numbers, Folio nos., No. of Shares tendered/ withdrawn.

- In case of Dematerialized Shares: Name, Address, DP Name, DP ID, Beneficiary Account/Client ID No. of the Account from where Shares were tendered, photocopy of the delivery instruction in "Off Market Mode" duly acknowledged by the DP in favour of the Special Depository Account in the name of Registrar and number of Shares tendered /withdrawn.

8.13 The Shares withdrawn by Shareholders, which are in physical form, will be returned by Registered Post. Shares tendered in dematerialized form and withdrawn will be returned by credit to the beneficial owner's DP Account with the respective DP as per the details furnished by the beneficial owner in the form of acceptance cum acknowledgement.

8.14 Settlement/ Payment Of Consideration

A. Barring unforeseen circumstances and factors beyond its control, the Acquirer intends to complete all formalities pertaining to the Offer, including dispatch of consideration to the shareholders who have accepted the Offer, by October 19, 2010. In terms of Regulation 22(12) of the Regulations, in the case of non-receipt of statutory approvals, SEBI has the power to grant extension of time for the purpose of making payment subject to, the Acquirer agreeing to pay interest to the Shareholders for delay beyond 15 days, as may be specified by the Board .

B. Despatches involving payment of a value in excess of Rs. 1,500/- will be made by registered post/speed post at the shareholder's sole risk. In the case of acceptors of this offer having bank accounts in any of the centers specified by SEBI who opt to receive the payment consideration through electronic transfer of funds by using ECS (Electronic Clearing Service), Direct Credit, RTGS (Real Time Gross Settlement) or NEFT (National Electronic Funds Transfer), as is for the time being permitted by the Reserve Bank of India, should provide all the necessary Bank details including MICR code or RTGS code or IFSC code in Form of Acceptance-cum-Acknowledgement. Applicants to whom payments are made through Electronic transfer of funds will be sent a letter (Payment advice) "Under Certificate of Posting" intimating them about the mode of credit/payment within 15 days from the date of closure of the Offer and the payment intimation will be sent to the sole / first named shareholder of KHL whose equity shares are accepted by the Acquirers at his address registered with KHL. Rejected documents will be sent by registered post/speed post. All other despatches will be made by ordinary post at the shareholder's sole risk. All cheques / demand drafts will be crossed Account Payee and will be drawn in the name of the first holder, in case of joint holder(s). In case of unregistered owners of shares, payment will be made in the name of the person stated in the contract note. It will be desirable if the shareholders provide bank account details in the Form of Acceptance-cum- Acknowledgement for incorporation in the cheque / demand draft.

C. Securities Transaction Tax will not be applicable to shares accepted in the Offer.

9 DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection at 3rd Floor Krishna Bhavan, 67 Nehru Road, Vile Parle (E), Mumbai 400 057, the MBD office of Arihant Capital Markets Ltd., the Manager to the Offer. The documents can be inspected on all working days except Sundays and bank holidays during normal business hours (11.00 AM to 4.00 PM) during the period from the date of this Letter of Offer till the Offer closing date (i.e., October 4, 2010.).

1. Memorandum of Understanding dated May 11, 2010 between the Acquirer and Arihant Capital Markets Ltd.
2. Memorandum of Understanding dated May 11, 2010 between the Acquirer and Sharex Dynamic (India) Pvt. Ltd.
3. Share Purchase Agreement dated May 11, 2010 between the Acquirer and Sellers.
4. Certificate of Incorporation, Memorandum and Articles of Association of Kidderpore holdings limited.
5. Annual Reports of KHL for the financial years ended 31st March 2007, 31st March 2008 31st March 2009 and 31st March 2010.
6. Annual Reports of ABPL for the financial years ended 31st March 2007, 31st March 2008 and 31st March 2009 and Audited Financial Statements for the period ended 31st December, 2009
7. Letter dated May 17, 2010 from HDFC Bank Ltd., Fort Branch, Maneckji Wadia Building, Nanik Motwani Marg, Fort, Mumbai – 400 001 confirming the amount kept in escrow account and a lien in favour of Manager to the Offer i.e. Arihant Capital Markets Ltd.
8. Audited Financial Statements of SCML for period ended 30th September 2009 and 31st December 2009.
9. Document evidencing the opening of demat escrow account (Special Depository Account) by the Registrar to the Offer.
10. Copy of Public Announcement published on May 17, 2010.
11. Certificate dated May 11, 2010 by Mr. S. Sankar, Partner of M/s. Shanker and Kapani, Chartered Accountants, having their office at NTC House 2nd Floor ,15 Narottam Morarjee Marg, Ballard Estate, Mumbai – 400 038 (Membership No. 40,476; Firm Registration No. 117761W), Tel no. 022 – 2269 5719; 2269 5720; 2261 4439, Fax No. 022 – 2269 5720, email: Kapani@vsnl.com , certifying that the net worth of Adinath Builders Private Limited as on 31st March 2010 is Rs.15,801.22 Lacs and that it has sufficient liquid resources as on date to fulfil the obligation under this Open Offer and the SPA.
12. Valuation report of M/s. Dadbhawala Architects, Engineers & Valuers Pvt. Ltd., dated 29th April 2010, wherein the fair market value of the land (situated at Lower Parel Mumbai, the rights in respect of which are held by the Target Company) is estimated to be approximately Rs. 210 crores.
13. Copy of SEBI Observation letter bearing reference no. CFD/DCR/TO/DA/8670/10 dated June 15, 2010 and subsequent communication received vide letter bearing reference no. CFD/DCR II/TO/DA/18179/10 dated August 31, 2010.

10 DECLARATION BY THE ACQUIRER:

A. In terms of Regulation 22(6) of the Regulations, the Acquirer and directors of the Acquirer accept full responsibility for the information contained in the Letter of Offer, Form of Acceptance & Form of Withdrawal and also for the respective obligations of Acquirer as laid down in the Regulations.

B. Acquirer is responsible for ensuring compliance with the Regulations. All information contained in this document is as on date of the Public Announcement, unless stated otherwise.

C. The Manager to the Offer hereby states that the person signing this Letter of Offer is duly and legally authorized by the Acquirer.

Signed by the Acquirer
For **Adinath Builders Private Limited**

Abhisheck Lodha
Director

Place: Mumbai
Date: September 09, 2010.

Enclosed: i) Form of Acceptance-cum-Acknowledgement
ii) Form of Withdrawal
iii) Transfer Deed

FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT
THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION
(Please send this Form with enclosures to the Registrars to the Offer)

Offer opens on	Wednesday, September 15, 2010
Offer closes on	Monday, October 4, 2010

From:

Name:
Address:

Tel No.:__________________________________ ; Cell No.:_________________________________;
Fax No.:____________________
e-mail: ______________________________

To

Sharex Dynamic (India) Private Limited
Unit-1, Luthra Industrial Premises, Andheri-Kurla Road, Safed Pool, Andheri (E), Mumbai 400 072
Tel No.: +91-22-2851 5606/5644 Fax: +91-22-2851 2885. **Contact Person: Mr. B S Baliga.**
E-mail: sharexindia@vsnl.com

Dear Sir,

Sub: Open Offer to the shareholders of Kidderpore Holdings Limited ('KHL') for acquisition of 48,000 fully paid-up equity shares of Rs. 10/- each representing 20% of paid up voting equity share capital of KHL, for cash at a price of Rs. 9,725 per share by Adinath Builders Private Limited. ('Acquirer').

I/We refer to the Letter of Offer dated September 09, 2010 for acquiring the Equity Shares held by me/us in Kidderpore Holdings 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, hold Shares in the physical form, 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:

(In the case of Shares in Physical Form)

Sl. No.	Ledger Folio No.	No. of Shares	Share Certificate Nos.	No. of Share Certificates	Distinctive Numbers	
					From	To
TOTAL						

(In case of insufficient space, please attach a separate sheet and authenticate the sheet(s) by putting signature(s) on each sheet(s).)

I/We confirm that the Equity Shares of Kidderpore Holdings 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 will be held in trust for me/us by the Registrars to the Offer until the time the Acquirers makes payment of the purchase consideration as mentioned in the Letter of Offer. I/We also note and understand that the Acquirers will pay the consideration only after verification of the documents and signatures.

---Tear Here---

ACKNOWLEDGEMENT RECEIPT

Received from Mr./Ms./M/s__________________________________Form of Acceptance-cum-Acknowledgement in connection with open offer to Shareholders of Kidderpore Holdings Limited.

Ledger Folio No.___________& _______No. of Share Certificates /Copy of Delivery instructions to DP for _________Shares of Kidderpore Holdings Limited.

Stamp of Registrar	In case of physical Shares, verify the number of Share certificates / number of Shares	In case of dematerialized Shares, ensure that copy of the delivery instruction to the DP and duly acknowledged by the DP is submitted with the tender / offer form.

I/We hold the following Equity Shares of Kidderpore Holdings Limited in Dematerialized Form and accept the Offer and enclose a photocopy of the Depository Delivery instruction(s) duly acknowledged by the DP in respect of my/our Equity Shares, details of which are given below:

Sl.No.	DP Name.	DP ID	Client ID	Name of beneficiary	No. of Shares
				TOTAL	

I/We have done an Off-Market transfer for crediting the Shares to the Special Depository Account noted below:

DP Name	Karvy Stock Broking Limited
DP ID	IN 300394
Client ID	17646318
Account Name	ABPL OPEN OFFER - OPERATED BY SHAREX DYNAMIC (INDIA) PVT LTD

I/We note and understand that the Shares transferred to the above Special Depository Account, will be held in trust for me/us by the Registrars to the Offer until the time the Acquirers makes payment of the purchase consideration as mentioned in the Letter of Offer. I/We also note and understand that the Acquirers will pay the consideration only after verification of the documents and signatures.

I/We confirm that the Equity Shares of Kidderpore Holdings Limited which are transferred by me/us under this offer, are free from liens, charges and encumbrances of any kind whatsoever.

I/We authorize the Acquirer 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 authorize the Acquirer to return to me/us, Equity Share certificate(s) in respect of which the offer is not found valid /not accepted, specifying the reasons thereof. I/We authorize the Acquirer or the Manager to the Offer or the Registrars to the Offer to send by registered post/under certificate of posting, the Cheque, in settlement of the amount to the sole/first holder at the address mentioned below:

The permanent Account No. (PAN/GIR No.) Allotted under the Income Tax Act 1961 is as under

	PAN / GIR No.
Sole / First Holder	
Joint Holder 1	
Joint Holder 2	

Yours faithfully
Signed and delivered

	Full Name	Holder's Signature
Sole / First Holder		
Joint Holder 1		
Joint Holder 2		

Date: ----
Place: ---

Note: In case of joint holdings all must sign. Corporations must affix its common seal and attach herewith the necessary Board Resolution.

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, Branch /Address	**Account No.**	**Savings /Current/ NRE/NRO /Other**
I/We want to receive the payment through ECS ☐ RTGS ☐ NEFT ☐ In case of ECS, 9-digit code number of the Bank & Branch (Appearing on the MICR Cheque issued by the Bank ☐☐☐☐☐☐☐☐☐ In the case of RTGS/NEFT, 8 digit code number issued by the Bank ☐☐☐☐☐☐☐☐		
Address	**Phone / Fax Nos.**	**Contact Person /E-mail ID**

Sharex Dynamic (India) Private Limited. Unit-1, Luthra Industrial Premises, Andheri-Kurla Road, Safed Pool, Andheri (E), Mumbai 400 072	Tel No.: +91-22-2851 5606/5644 Fax: +91-22-2851 2885	**Mr. B S Baliga** e-mail:sharexindia@vsnl.com

FORM OF WITHDRAWAL

Offer opens on	Wednesday, September 15, 2010
Last Date for Withdrawal	Tuesday, September 28, 2010
Offer closes on	Monday, September 04, 2010

From:

Name:

Address:

Tel No.:________________________________ ; Cell No.:________________________________;

Fax No.:____________________

e-mail: ______________________________

To

Sharex Dynamic (India) Private Limited.
Unit-1, Luthra Industrial Premises, Andheri-Kurla Road, Safed Pool, Andheri (E), Mumbai 400 072
Tel No.: +91-22-2851 5606/5644 Fax: +91-22-2851 2885. **Contact Person: Mr. B S Baliga.**
e-mail:sharexindia@vsnl.com

Dear Sir,

Sub: Open Offer to the shareholders of Kidderpore Holdings Limited ('KHL') for acquisition of 48,000 fully paid-up equity shares of Rs. 10/- each representing 20% of paid up voting equity share capital of KHL, for cash at a price of Rs. 9,725 per share by Adinath Builders Private Limited. ('Acquirer').

I/We refer to the Letter of Offer dated September 09, 2010 for acquiring the Equity Shares held by me/us in Kidderpore Holdings Limited I/We, hereby consent to unconditionally and irrevocably; to withdraw my/our Shares from the Offer and I/We further authorize the Acquirers to return to me/us, the tendered Equity Shares at my/our sole risk.

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

I/We note that the Acquirers/Manager to the Offer/Registrar to the Offer shall not be liable for any postal delay /loss in transit of the Share Certificate(s) due to incomplete or inaccurate particulars.

I/We also note and understand that the Acquirers will return the original Share Certificate(s), Share Transfer Deed(s) or credit back the Shares to my/our Beneficiary Account for Shares held in dematerialized form, only on completion of verification of the documents.

The particulars of Share Certificate(s) tendered and duly signed Transfer Deeds which are wished to be withdrawn from the Offer are as given below:
(In the case of Shares in physical form)

Sl. No.	Ledger Folio No.	No. of Shares	Share Certificate Nos.	No. of Share Certificates	Distinctive Numbers	
					From	To
TOTAL						

---Tear Hear---------------------------------------

ACKNOWLEDGEMENT RECEIPT

Received from Mr./Ms./M/s____the Form of withdrawal.

Ledger Folio No. __________for ________No. of Share Certificates /photocopy of delivery instructions to DP for ______________Shares of Kidderpore Holdings Limited

Stamp of Registrar	In case of physical Shares, verify the number of Share certificates / number of Shares	In case of dematerialized Shares, ensure that copy of the delivery instruction to the DP is submitted with the withdrawal form

The particulars of Shares held in Dematerialized Form, which were transferred to Special Depository account noted below

DP Name	Karvy Stock Broking Limited
DP ID	IN 300394
Client ID	17646318
Account Name	ABPL OPEN OFFER - OPERATED BY SHAREX DYNAMIC (INDIA) PVT LTD

The Shares proposed to be withdrawn are as follows. I wish to withdraw the under noted Shares so transferred.

Sl.No.	DP Name.	DP ID	Client ID	Name of beneficiary	No. of Shares
				TOTAL	

(In case of insufficient space, please attach a separate sheet and authenticate the sheet(s) by putting signature(s) on each sheet(s).)

I/We confirm that the Equity Shares of Kidderpore Holdings Limited, which were tendered by me/us under this offer, are free from liens, charges and encumbrances of any kind whatsoever.

Please find a photocopy of the Delivery instructions duly acknowledged by the DP.

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

Yours faithfully,

Signed and delivered

	Full Name	Holder's Signature
Sole / First Holder		
Joint Holder 1		
Joint Holder 2		

Place: ______________

Date: ______________

Note: In case of joint holdings all must sign. Corporations must affix its common seal and attach herewith the necessary Board Resolution.

---Tear Here--

Note: All future correspondence, if any, should be addressed to the Registrars to the Offer, at the following address:

Address	**Phone / Fax Nos.**	**Contact Person /E-mail ID**
Sharex Dynamic (India) Private Limited. Unit-1, Luthra Industrial Premises, Andheri-Kurla Road, Safed Pool, Andheri (E), Mumbai 400 072 . **Contact Person: Mr. B S Baliga.** E-mail: sharexindia@vsnl.com	Tel No.: +91-22-2851 5606/5644 Fax: +91-22-2851 2885	Mr. B S Baliga e-mail:sharexindia@vsnl.com