LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer (‘LoF’) is sent to you as a shareholder(s) of **Kalindee Rail Nirman (Engineers) Limited** (‘Target Company’). If you require any clarifications about the action to be taken, you may consult your stockbroker or investment consultant or Manager to the Offer or Registrar to the Offer. In case you have recently sold your shares in the Target Company, please hand over this Letter of Offer and the accompanying Form of Acceptance-cum-Acknowledgement and Transfer Deed(s) to the Members of Stock Exchange through whom the said sale was effected.

OPEN OFFER BY
JUPITER METAL PRIVATE LIMITED (‘JMPL’ or ‘Acquirer’)
Om Tower, Church Road, M.I.Road, Jaipur-302 001, Rajasthan;
Tel.: 0141-5163333; Fax: 0141-4044283

TO ACQUIRE
42,91,975 fully paid up Equity Shares of ₹ 10/- each constituting 26% of the Fully Diluted Voting Equity Share Capital at a price of ₹ 70/- (Rupees Seventy only) per share (‘Offer Price’), payable in cash, of KALINDEE RAIL NIRMAN (ENGINEERS) LIMITED (‘KRNEL’ or ‘Target Company’)
Regd. Off.: F-5, Gautam Nagar, Gulmohar Park Road, New Delhi-110 049
Tel.: +91-11-26857375; Fax: +91-11-26851279; E-mail: info@kalindee.net
Corp. Off.: 2nd Floor, Building No. 9A, Cyber City, DLF Phase-III, Gurgaon-122 002;
Tel.: +91-124-4674800; Fax: +91-124-4674887/8

pursuant to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereof [‘SEBI (SAST) Regulations 2011’]

- This Offer is being made by the Acquirer under Regulation 3(1) & 4 and other applicable provisions of SEBI (SAST) Regulations, 2011.
- This Offer is not conditional upon any minimum level of acceptance by the shareholder(s) of the Target Company.
- As on date of this LoF, there are no statutory approvals required to acquire equity shares that are validly tendered pursuant to this Open Offer. However, the Open Offer would be subject to all the statutory approvals that may become applicable at a later date but before the completion of the Open Offer.
- If there is any upward revision in the Offer Price/Offer Size at any time up to three (3) working days prior to commencement of the Tendering Period i.e. upto November 15, 2013(Friday) in terms of the SEBI (SAST) Regulations, 2011, the same would also be informed by way of an announcement in the same newspapers where the Detailed Public Statement (DPS) was published. Such revised Offer Price would be payable to all the shareholders, who have validly tendered their shares anytime during the Tendering Period to the extent their shares have been verified and accepted under the Offer, by the Acquirer. If the Offer is withdrawn pursuant to Regulation 23 of the SEBI (SAST) Regulations, 2011, the same would be communicated within two (2) working days by an announcement in the same newspapers in which the DPS had appeared.
- **There is a Competing Offer and the Public Offers under all the subsisting bids shall open and close on the same date.**
- A copy of the Public Announcement (‘PA’), Detailed Public Statement (‘DPS’), First Addendum to the Public Announcement and Detailed Public Statement (‘First Addendum’), Second Addendum to the Public Announcement and Detailed Public Statement (‘Second Addendum’) and this Letter of Offer, including Form of Acceptance cum Acknowledgment (LoF) are also available on the website of Securities and Exchange Board of India (‘SEBI’) at www.sebi.gov.in.

MANAGER TO THE OFFER		**REGISTRAR TO THE OFFER**	
	ASHIKA CAPITAL LIMITED 1008, 10th Floor, Raheja Centre, 214, Nariman Point, Mumbai – 400 021. Tel: +91-22-66111700; Fax: +91-22-66111710 E-mail: mbd@ashikagroup.com **Contact Person: Mr. Niraj Kothari /** **Mr. Narendra Kumar Gamini**		**SKYLINE FINANCIAL SERVICES PRIVATE LIMITED** D-153 A, 1st Floor, Okhla Industrial Area, Phase – I, New Delhi – 110 020. Tel.: +91-11-26812682, 64732681 to 88; Fax: +91-11-26812683; E-mail: alok@skylinerta.com **Contact Person: Mr. Alok Ranjan**

SCHEDULE OF ACTIVITIES OF THE OFFER IS GIVEN BELOW:

Activities	Original Date & Day	Revised Date & Day
Public Announcement	July 10, 2013 (Wednesday)	July 10, 2013 (Wednesday)
Publication of Detailed Public Statement	July 17, 2013 (Wednesday)	July 17, 2013 (Wednesday)
First Addendum to the Public Announcement and Detailed Public Statement	July 24, 2013 (Wednesday)	July 24, 2013 (Wednesday)
Second Addendum to the Public Announcement and Detailed Public Statement	-	November 07, 2013 (Thursday)
Filing of Draft Letter of Offer with SEBI	July 24, 2013 (Wednesday)	July 24, 2013 (Wednesday)
Last date for a Competing Offer	August 07, 2013 (Wednesday)	August 07, 2013 (Wednesday)
Receipt of comments from SEBI on Draft Letter of Offer	August 16, 2013 (Friday)	October 31, 2013 (Thursday)
Identified Date*	August 20, 2013 (Tuesday)	November 05, 2013 (Tuesday)
Date by which Letter of Offer be posted to the Shareholders	August 27, 2013 (Tuesday)	November 12, 2013 (Tuesday)
Last date for upward revision of the Offer Price or any increase in the Offer Size	August 29, 2013 (Thursday)	November 15, 2013 (Friday)
Last date for public announcement by the Independent Directors Committee of the Target Company on their recommendation to the shareholders of the Target Company for this Offer	August 30, 2013 (Friday)	November 18, 2013 (Monday)
Date of publication of Offer opening Public Announcement in the newspapers where this DPS has been published	September 02, 2013 (Monday)	November 19, 2013 (Tuesday)
Date of commencement of Tendering period#	September 03, 2013 (Tuesday)	November 20, 2013 (Wednesday)
Date of closing of Tendering period#	September 17, 2013 (Tuesday)	December 03, 2013 (Tuesday)
Date of communicating the rejection/ acceptance and payment of consideration for the acquired shares	October 1, 2013 (Tuesday)	December 17, 2013 (Tuesday)

**Identified 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.*

 # There is a Competing Offer and the Public Offers under all the subsisting bids shall open and close on the same date.

RISK FACTORS:

Given below are the risks related to the transaction, proposed Offer and those associated with the Acquirer:

Relating to the Offer:

1. In terms of Regulation 20 of SEBI (SAST) Regulations, 2011, a Public Announcement making a Competitive Bid was made on July 20, 2013 by ICICI Securities Limited for and on behalf of Texmaco Rail & Engineering Limited to acquire 49,52,280 equity shares constituting 30% of the fully diluted voting equity share capital of the Target Company at a price of ₹ 68/- per share. A Corrigendum to the Public Announcement and Detailed Public Statement was issued by ICICI Securities Limited, for on behalf of Texmaco, informing an upward revision of the Offer Price from ₹ 68/- (Rupees Sixty Eight) per equity share to ₹ 71/- (Rupees Seventy One) per equity share. For further details on Competitive Offer, please refer to SEBI's website: www.sebi.gov.in.

2. As of the date of this Letter of Offer, the Acquirer is not aware of any statutory approvals required by the Acquirer to complete this Offer. However, in case of any statutory approvals being required by the Acquirer at a later date, this Offer shall be subject to such approvals and the Acquirer shall make the necessary applications for such approvals. In case of delay in receipt of any such statutory approvals, as per Regulation 18(11) of the SEBI (SAST) Regulations, 2011, SEBI may, if satisfied, that non-receipt of such approvals was not attributable to any wilful default, failure or neglect on the part of the Acquirer to diligently pursue such approvals, grant an extension of time for the purpose of completion of this Offer, subject to the Acquirer agreeing to pay interest to the Shareholders for a delay beyond 10 Working Days, at such rate as may be specified by SEBI from time to time. Furthermore, in case of delay in receipt of any such statutory approvals, this Offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of

consideration to the Shareholders, whose Equity Shares are validly accepted in this Offer, as well as the return of Equity Shares not validly accepted in this Offer, may be delayed. Where the statutory approvals extend to some but not all the Shareholders, the Acquirer will have the option to make payment of the consideration to such Shareholders in respect of whom no statutory approvals are required in order to complete this Offer. The Acquirer will have the right not to proceed with this Offer in the event any statutory approval, as may be required, is refused.

3. In the event that either: (a) there is any litigation leading to a stay on this Offer; or (b) SEBI instructing the Acquirer not to proceed with this Offer, then this Offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the Shareholders, whose Equity Shares are validly accepted in this Offer as well as the return of the Equity Shares not validly accepted in this Offer, may be delayed.

4. In case of over-subscription in the Offer, as per the SEBI (SAST) Regulations, 2011, acceptance would be determined on proportionate basis and hence there is no certainty that all the shares tendered by the shareholders in the Offer will be accepted.

5. The Registrar to the Offer will hold in trust the Equity Shares held in physical form and in credit of the Depository Escrow Account, along with the documents submitted by the Shareholders, on behalf of the Shareholders who have tendered their Equity Shares, till the completion of the formalities of this Offer, and the Shareholders will not be able to trade in such Equity Shares, even if the acceptance of the Equity Shares in this Offer and dispatch of payment consideration are delayed. Further, during such period, there could be fluctuations in the market price of the Equity Shares.

6. The Shareholders who have lodged their acceptance to this Offer are not entitled to withdraw such acceptance during the Tendering Period, even if the acceptance of the Equity Shares in this Offer and dispatch of consideration are delayed.

7. The Shareholders are advised to consult their respective tax advisors for assessing the tax liability pursuant to this Offer, or in respect of other aspects such as the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. The Acquirer and the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in this Letter of Offer.

8. This Offer is subject to completion risks as would be applicable to similar transactions.

Relating to the Acquirer:

1. The Acquirer makes no assurances with respect to their investment/divestment decisions relating to their shareholding in the Target Company.

2. The Acquirer makes no assurances with respect to the continuation of the past trend in the financial performance or the future performance of the Target Company

3. The Acquirer makes no assurances with respect to the market price of the Equity Shares before, during or after this Offer and expressly disclaim their responsibility or obligation of any kind (except as required under applicable law) with respect to any decision by any Shareholder on whether to participate or not to participate in this Offer.

4. The Acquirer and the Manager to the Offer accept no responsibility for statements made otherwise than in the PA, the DPS, Addendum and this Letter of Offer (excluding all information pertaining to the Target Company, which has been obtained from publicly available sources). Any person placing reliance on any other source of information will be doing so at his / her / its own risk.

The risk factors set forth above pertain to the Offer and do not relate to the present or future business or operations of the Target Company or any other matters and are neither exhaustive nor intended to constitute a complete or comprehensive analysis of the risks involved in or associated with the participation by any Shareholder in the Offer. Each Shareholder of the Target Company is hereby advised to consult with legal, financial, tax, investment or other advisors and consultants of their choosing, if any, for further risks with respect to each such Shareholder's participation in the Offer and related transfer of Equity Shares of the Target Company to the Acquirer.

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1. ABBREVIATIONS / DEFINITIONS

Acquirer	Jupiter Metal Private Limited
First Addendum / Addendum to the Public Announcement and Detailed Public Statement	First Addendum to the Public Announcement and Detailed Public Statement, issued by the Manager to the Offer, on behalf of the Acquirer, in relation to this Offer, published on July 24, 2013
BSE	BSE Limited
Board of Directors	Board of Directors of the Target Company
CSE	The Calcutta Stock Exchange Limited
CDSL	Central Depository Services (India) Limited
Companies Act	Companies Act, 1956, as amended or modified from time to time
DIN	Director Identification Number
DSE	The Delhi Stock Exchange Limited
DP	Depository Participant
Depositories	CDSL and NSDL
DPS / Detailed Public Statement	Detailed Public Statement, issued by the Manager to the Offer, on behalf of the Acquirer, in relation to this Offer, published on July 17, 2013
Eligible Persons for the Offer	All owners (registered or unregistered) of Equity Shares of the Target Company who own the shares at any time before the Closure of the Tendering Period, except the Acquirer
Equity Shares	Fully paid-up equity shares of the Target Company of the face value ₹ 10/- (Rupees Ten only) each
Escrow Account	Shall have the meaning given to it in paragraph 6.2 (b) of this Letter of Offer
Escrow Amount	Shall have the meaning given to it in paragraph 6.2 (b) of this Letter of Offer
Escrow Bank	HDFC Bank Limited
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time
FII	Foreign Institutional Investor registered with SEBI
FIPB	Foreign Investment Promotion Board
Form of Acceptance / Form of Acceptance cum Acknowledgement	Form of Acceptance cum Acknowledgement, accompanying with this Letter of Offer
Fully diluted Voting Equity Share Capital	Fully paid-up Equity Shares of ₹ 10/- each of the Target Company carrying Voting Rights, as of the 10th (Tenth) working day from the Closure of the Tendering Period for the Offer
Identified Date	November 05, 2013 (Tuesday) i.e. date falling on the Tenth (10th) Working Day prior to the commencement of Tendering Period, for the purposes of determining the Public Shareholders to whom this Letter of Offer shall be sent
IFSC	Indian Financial System Code
Income Tax Act	Income Tax Act, 1961, as amended from time to time
INR / Rs. / ₹	Indian Rupees, the legal currency of India
Letter of Offer / LoF	This Letter of Offer, including the Form of Acceptance-cum-Acknowledgement.
Manager to the Offer	Ashika Capital Limited
Maximum Consideration	The total funding requirement for the Offer of ₹ 30,04,38,250/- (Rupees Thirty Crores Four Lakhs Thirty Eight Thousand Two Hundred and Fifty only), assuming full acceptance of the Offer
MICR	Magnetic Ink Character Recognition
NA	Not Applicable
NECS	National Electronic Clearing System
NEFT	National Electronic Funds Transfer
Non-Resident Shareholder(s)	Persons resident outside India as defined under FEMA, holding Equity Shares of the Target Company

NRI	Non-Resident Indians as defined under the Foreign Exchange Management (Deposit) Regulations, 2000
NSDL	National Securities Depositories Limited
NSE	The National Stock Exchange of India Limited
OCBs	Overseas Corporate Bodies as defined under the Foreign Exchange Management (Deposit) Regulations, 2000
Offer/Open Offer	The Open Offer made by the Acquirer to the Public Shareholders to acquire 42,91,975 Equity Shares, representing 26% of the Fully Diluted and Voting Equity Share Capital of Target Company
Offer Period	Period from the date of release of Public Announcement to the date of payment of consideration
Offer Price	₹ 70/- (Rupees Seventy only) per Equity Share
Offer Size	42,91,975 Equity Shares representing 26% of the Fully Diluted Voting Equity Share Capital of the Target Company
PA / Public Announcement	Public Announcement dated July 10, 2013 (Wednesday), issued by the Manager to the Offer, on behalf of the Acquirer, in relation to this Offer
Paid-up and Voting Share Capital	Fully paid-up Equity Shares of ₹ 10/- each of the Target Company carrying Voting Rights
Preferential Allotment	Allotment of 41,10,400 Equity Shares to Texmaco Rail and Engineering Limited on a preferential basis as authorized by the Board of Directors of the Target Company in its meeting held on July 13, 2013 and approved by the shareholders of the Target Company by passing a special resolution through postal ballot, and allotted by the Board of Directors of the Target Company in its meeting held on August 21, 2013.
Promoters	Promoter and Promoter Group of the Kalindee Rail Nirman (Engineers) Limited as per clause 35 of the Listing Agreement entered with Stock Exchanges
RBI	Reserve Bank of India
Registrar / Registrar to the Offer	Skyline Financial Services Private Limited
RTGS	Real Time Gross Settlement
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended or modified from time to time
SEBI (ICDR) Regulations, 2009	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended
SEBI (SAST) Regulations / SEBI (SAST) Regulations, 2011	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, and subsequent amendments thereof
SEBI (SAST) Regulations, 1997	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, and subsequent amendments thereof
Second Addendum / Addendum to the Public Announcement and Detailed Public Statement	Second Addendum to the Public Announcement and Detailed Public Statement, issued by the Manager to the Offer, on behalf of the Acquirer, in relation to this Offer, published on November 07, 2013
Stock Exchange(s)	BSE, NSE, CSE and DSE
Target Company/ KRNEL	Kalindee Rail Nirman (Engineers) Limited
Tendering Period	Period within which Shareholders of Target Company may tender their Equity Shares in acceptance to the Offer, i.e. the period between and including November 20, 2013 (Wednesday) and December 03, 2013 (Tuesday)
Texmaco	Texmaco Rail and Engineering Limited
Working Day	A working day of SEBI

2. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011. THIS REQUIREMENT IS TO FACILITATE SHAREHOLDERS OF KALINDEE RAIL NIRMAN (ENGINEERS) LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER OR THE COMPANY WHOSE SHARES AND CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRER ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRER DULY DISCHARGE ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER, ASHIKA CAPITAL LIMITED, HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED JULY 24, 2013 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THIS 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.

3. DETAILS OF THE OFFER

3.1 BACKGROUND OF THE OFFER

a. This Open Offer (‘Offer’) is being made by Jupiter Metal Private Limited (hereinafter referred to as the ‘Acquirer’) to the equity shareholders, of Kalindee Rail Nirman (Engineers) Limited (hereinafter referred to as ‘KRNEL’ or the ‘Target Company’), in terms of Regulation 3(1) & 4 and other applicable provisions of the SEBI (SAST) Regulations, 2011 for substantial acquisition of shares/voting rights accompanied with effective management control over the Target Company.

b. For the purpose of this Open Offer there is no Person Acting in Concert (‘PAC’) with the Acquirer in terms of Regulation 2 (1) (q) of the SEBI (SAST) Regulations, 2011.

c. The Acquirer has not entered into any Share Purchase Agreement (‘SPA’) with the Promoter / Promoter Group of the Target Company.

d. This Offer is not pursuant to any global acquisition resulting in an indirect acquisition of shares of the Target Company.

e. Upon the successful completion of all formalities under the SEBI (SAST) Regulations, 2011, the Acquirer will seek appointment of representative Directors on the Board of the Target Company and the Target Company will take effective steps to induct them on its Board.

f. The Acquirer does not hold any Shares/ Voting Rights of the Target Company.

g. The Acquirer have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act or under any other regulations made under the SEBI Act.

h. As per Regulations 26(6) and 26(7) of SEBI (SAST) Regulations, 2011, the Board of Directors of the Target Company is required to constitute a committee of Independent Directors who would provide its written reasoned recommendation on the Offer to the Shareholders of the Target Company and such recommendations shall be published at least two working days before the commencement of the Tendering Period in the same newspaper where the DPS of the Offer was published. A copy whereof shall be sent to SEBI, Stock Exchanges and Manager to the Offer and in case of a Competing Offer/s to the Manager/s to the Open Offer for every Competing Offer.

3.2 DETAILS OF THE PROPOSED OFFER

a. The Acquirer has published a Detailed Public Statement on July 17, 2013, First Addendum to the Public Announcement and Detailed Public Statement ('First Addendum') on July 24, 2013 and Second Addendum to the Public Announcement and Detailed Public Statement ('Second Addendum') on November 07, 2013 in the following newspapers in accordance with the Regulation 14 (3) & 18(5) of the SEBI (SAST) Regulations, 2011:

Publication	Language	Edition
Financial Express	English	All Editions
Jansatta	Hindi	All Editions
Mumbai Lakshadweep	Marathi	All Editions

The Public Announcement, Detailed Public Statement, First Addendum to the Public Announcement and Detailed Public Statement and Second Addendum to the Public Announcement and Detailed Public Statement are also available on the SEBI website at www.sebi.gov.in.

b. Simultaneously with the publication of DPS and Addendum in the newspapers, a copy of the DPS and Addendum was filed through the Manager to the Offer with SEBI, Stock Exchanges and the Target Company at its Registered Office.

c. The Offer is being made by the Acquirer to the equity shareholders of the Target Company to acquire 42,91,975 Equity Shares representing 26% of the Fully Diluted Voting Equity Share Capital of the Target Company at a price of ₹ 70/- (Rupees Seventy only) per Equity Share ('Offer Price'), payable in cash subject to the terms and conditions set out in the PA, DPS, Addendum and this LoF.

d. There are no partly paid up Equity Shares in the Target Company. Further, there is no differential pricing for the Offer.

e. The Board of Directors of the Target Company at its meeting held on July 13, 2013, has approved, subject to compliance with applicable laws and regulations, approval of the shareholders and other necessary approvals, the issuance, by way of a preferential allotment pursuant to the provisions of Section 81(1A) of the Companies Act, 1956 and other applicable legal provisions, including Chapter VII of the SEBI (ICDR) Regulations, of 41,10,400 equity shares of the face value of ₹ 10/- (Rupees Ten only) each to Texmaco Rail and Engineering Limited ('Texmaco') such that the post preferential allotment shareholding of Texmaco in the Company is approximately 24.90% of the paid up equity share capital of the Company at a price which shall be ₹ 65/- (Rupees Sixty Five only) per equity share or such higher price determined in accordance with the provisions of the SEBI ICDR Regulations. The approval of the shareholders for such issuance and allotment was sought by way of a Special Resolution by Postal Ballot. Further on July 19, 2013 the Target Company has informed that, the price for the purposes of the preferential allotment to Texmaco has been fixed at ₹ 65.13 per equity share, subject to the special resolution being passed by the shareholders of the Company through postal ballot. *(Source: www.bseindia.com).*

f. The result of the Postal Ballot approving the Special Resolution for Preferential Allotment of 41,10,400 equity shares was declared on August 17, 2013. Accordingly, the Board of Directors in their meeting held on August 21, 2013 had approved the allotment of 41,10,400 equity shares to Texmaco on Preferential basis at a price of ₹ 65.13 per equity share.

g. Further, BSE vide its notice no. 20130924-4 dated September 24, 2013 and NSE vide its letter no. NSE/LIST/216628-M dated September 20, 2013 has granted the listing and trading permission for the said shares w.e.f. September 25, 2013 & September 22, 2013 respectively.

h. This is not a Competing Offer in terms of Regulation 20 of the SEBI (SAST) Regulations, 2011. In terms of Regulation 20 of SEBI (SAST) Regulations, 2011, a Public Announcement making a Competitive Bid was made on July 20, 2013 by ICICI Securities Limited for and on behalf of Texmaco Rail & Engineering Limited to acquire 49,52,280 equity shares constituting 30% of the fully diluted voting equity share capital of the Target Company at a price of ₹ 68/- per share. A Corrigendum to the Public Announcement and Detailed Public Statement was issued by ICICI Securities Limited, for on behalf of Texmaco, informing an upward revision of the Offer Price from ₹ 68/- (Rupees Sixty Eight) per equity share to ₹ 71/- (Rupees Seventy One) per equity share. For further details on Competitive Offer, please refer to SEBI's website: www.sebi.gov.in

i. This Offer is unconditional and not subject to any minimum level of acceptance from the shareholders in terms of Regulation 19(1) of the SEBI (SAST) Regulations, 2011.

j. The Acquirer will accept those Equity Shares of the Target Company which are tendered in valid form in terms of this Offer upto a maximum of 42,91,975 Equity Shares representing 26% of the fully diluted Voting Equity Share Capital of the Target Company. If the aggregate valid responses to this Offer by the Shareholders are more than the Offer Size, then the offers received from the Shareholders will be accepted on a proportionate basis, in consultation with the Manager to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner. The Acquirer will acquire all the Equity Shares validly accepted in this Offer.

k. The Offer is made to all the shareholders of the Target Company, in term of the Regulation 7(6) of the SEBI (SAST) Regulations, 2011 other than the Acquirer.

l. The Acquirer has not acquired any shares of the Target Company after the date of PA i.e. July 10, 2013, up to the date of this LoF.

m. As on date, the Manager to the Offer, Ashika Capital Limited does not hold any Equity Shares in the Target Company. The Manager to the Offer further declares and undertakes that they will not deal on their own account in the Equity Shares of the Target Company during the Offer Period as per Regulation 27(6) of the SEBI (SAST) Regulations, 2011.

n. The Equity Shares of the Target Company acquired by the Acquirer shall be free from all liens, charges and encumbrances together with all rights attached thereto, including the right to all dividends, bonus and rights offer declared hereafter.

o. The Equity Shares are listed on the Stock Exchanges. As per Clause 40A of the listing agreement read with Rule 19A of the Securities Contract (Regulation) Rules, 1957 and subsequent amendments thereto ('SCRR'), the Target Company is required to maintain at least 25% public shareholding, on a continuous basis for listing. Assuming full acceptance in this Offer, the public shareholding in the Target Company would not reduce below the minimum level required as per the listing agreement entered into by the Target Company with the Stock Exchanges read with Rule 19A of the SCRR.

3.3 OBJECT OF THE OFFER

a. The Acquirer is making an Offer in terms of Regulation 3(1) & 4 of SEBI (SAST) Regulations, 2011. Upon completion of the Offer the Acquirer will become the major shareholder by virtue of which it will be in a position to exercise effective management control over the Target Company.

b. At present, the Acquirer does not have any plans to make major change to the existing line of business of the Target Company except in the ordinary course of business. The Acquirer would support the existing business of the Target Company. The Acquirer intends to grow the existing business of the Target Company and strengthen its position in the industry. The Acquirer is interested in substantial acquisition of equity shares of the Target Company and in taking over the management control of the Target Company. The Acquirer will seek reconstitution of the Board of Directors of the Target Company, in accordance with the provisions contained in the SEBI (SAST) Regulations, 2011 Companies Act, 1956 and other applicable laws. On completion of the Offer, the Acquirer will endeavour to be classified as one of the promoter of the Target Company.

c. The Acquirer does not have any plans to alienate any significant assets of the Target Company or any of its subsidiaries whether by way of sale, lease, encumbrance or otherwise for a period of two years except in the ordinary course of business of the Target Company. The Target Company's future policy for disposal of its assets, if any, for two years from the completion of Offer will be decided by its Board of Directors, subject to the applicable provisions of the law and subject to the approval of the shareholders through Special Resolution passed by way of postal ballot in terms of Regulation 25(2) of SEBI (SAST) Regulations, 2011.

4. BACKGROUND OF THE ACQUIRER

1. **Jupiter Metal Private Limited ('JMPL')**

a) **JMPL** was incorporated on December 19, 1978 under the Companies Act 1956 with the Registrar of Companies, Gujarat. Presently, JMPL falls under the purview of Registrar of Companies, Rajasthan due to change in its Registered Office from the State of Gujarat to State of Rajasthan. The Registered Office of JMPL is situated at Om Tower, Church Road, M.I.Road, Jaipur-302 001, Rajasthan. The Corporate Identity Number (CIN) of JMPL is U27100RJ1978PTC029026. JMPL is into the business of Heavy Engineering for Hydro and Irrigation Dams, Structural Work and Real Estate activities. The Acquirer belongs to the OM Kothari Group. The Equity Shares of JMPL are not listed on any Stock Exchange.

b) The Shareholding Pattern of JMPL, as on date, is as under:

S. No.	Name of the Shareholder	No. of Shares	%
1.	Mrs. Seema Kothari	35,027	14.56
2.	Mrs. C. Manju Kothari	34,061	14.16
3.	Mrs. D. Manju Kothari	26,689	11.10
4.	Mrs. Anita Kothari	21,376	8.89
5.	Mrs. Lad Devi Kothari	14,101	5.86
6.	Ms. Vidhushi Kothari	11,984	4.98
7.	Mrs. Payal Kothari	9,322	3.88
8.	T. C. Kothari & Sons Family Trust	9,000	3.74
9.	Mrs. Surabhi Kothari	8,941	3.72
10.	Mr. Vivek Kothari	8,218	3.42
11.	Mr. Bahubali Kothari	8,157	3.39
12.	Mr. Vikas Kothari	8,037	3.34
13.	Mr. Vishal Kothari	8,036	3.34
14.	T. C. Kothari & Sons (HUF)	7,734	3.22
15.	Mr. Siddarth Kothari	4,250	1.77
16.	Mrs. Jyoti Kothari	4,250	1.77
17.	Mrs. Meenal Kothari	4,250	1.77
18.	Mr. Veer Kothari	4,250	1.77
19.	Mr. Vishesh Kothari	4,250	1.77
20.	Mr. Bharat Kothari	3,466	1.44
21.	Mrs. Sonali Tholia	2,663	1.11
22.	OM Kothari Foundation	2,000	0.83
23.	Mr. Vaibhav Kothari	483	0.20
TOTAL SHARES			**100.00**

The Face Value of the Equity Shares is ₹10/-.

c) The details of Board of Directors of JMPL, as on the date of LoF, are as follows:

Sr. No.	Name of the Director	Address of Director	Date of Appointment	Qualifications	Experience	DIN
1.	Anita Kothari	W3/3, Western Avenue Sainik Farms, Khanpur, New Delhi-110 062	14.02.2013	Graduate	20 years in family Business Planning & Management	00200394
2.	Manjula Kothari	W3/3, Western Avenue Sainik Farms, Khanpur, New Delhi-110 062.	14.02.2013	Graduate	25 years in family Business Planning & Management	00223607
3.	Seema Kothari	W3/3, Western Avenue Sainik Farms, Khanpur, New Delhi-110 062.	06.03.2010	Graduate & LLB	20 years in family Business Planning & Management	00279133

4.	Vidushi Kothari	W3/3, Western Avenue Sainik Farms, Khanpur, New Delhi-110 062.	23.02.2011	Graduate & LLB	2 years in Education sector	02707387
5.	Vaibhav Kothari	W3/3, Western Avenue Sainik Farms, Khanpur, New Delhi-110 062.	23.02.2011	Graduate	2 years in execution of Civil work	03290663

None of the above Directors are on the Board of Directors of Target Company.

d) Brief audited Financial Information of JMPL are given as under:

Profit & Loss Statements

(₹ in Lakhs)

For the period/year ended	Year ended 31.03.2013	Year ended 31.03.2012	Year ended 31.03.2011
Income:			
Income from Operations	13.61	54.84	114.66
Other Income	608.81	227.92	408.83
Increase / (Decrease) in Stock	-	-	(0.38)
Total Income	**622.42**	**282.76**	**523.11**
Total Expenditure	37.20	46.55	100.28
Profit/(Loss) Before Depreciation, Interest and Tax	**585.22**	**236.21**	**422.83**
Interest & Bank Charges	0.51	0.88	1.36
Depreciation	22.94	5.94	5.95
Profit/ (Loss) Before Tax	**561.77**	**229.39**	**415.52**
Current Tax	-	1.26	3.03
Deferred Tax Liabilities	(0.78)	(1.33)	0.18
Profit/ (Loss) After Tax	**562.55**	**229.46**	**412.31**

Balance Sheet Statement

(₹ in Lakhs)

As on	Year ended 31.03.2013	Year ended 31.03.2012	Year ended 31.03.2011
Sources of Funds:			
Paid up Share Capital	24.05	4.50	4.50
Reserves & Surplus	3797.90	1710.17	1480.71
NETWORTH	**3821.95**	**1714.67**	**1485.21**
Non-Current Liabilities	24.27	248.46	23.86
Current Liabilities	2381.96	455.98	1347.01
TOTAL	**6228.18**	**2419.11**	**2856.08**
Use of funds:			
Non-Current Assets	4449.83	2352.37	1684.76
Current Assets	1778.35	66.74	1171.32
TOTAL	**6228.18**	**2419.11**	**2856.08**
Other Financial Data			
Dividend (%)	-	-	-
EPS (₹ per Share of ₹ 10/-)	233.86	509.92	916.24

(Source: Audited Financial Statements)

e) There are no Contingent Liabilities as per the Audited Financials for the year ended March 31, 2013.

2. The Acquirer currently does not hold any Equity Shares in the Target Company. Hence the provisions of Chapter V of SEBI (SAST) Regulations 2011 and Chapter II of SEBI (SAST) Regulations, 1997 are not applicable to Acquirer till date.

3. The Acquirer has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992 and subsequent amendments thereto or under any other regulations made under the SEBI Act, 1992.

5. BACKGROUND OF TARGET COMPANY – Kalindee Rail Nirman (Engineers) Limited ('KRNEL')

(Information relating to the Target Company has been obtained from information available in public domain and neither the Acquirer nor the Manager to the Offer has independently verified the same)

a) **KRNEL** was incorporated on February 15, 1984 under the Companies Act, 1956 with the Registrar of Companies, Rajasthan. The Company obtained the Certificate for Commencement of Business on July 2, 1984. Presently, KRNEL falls under purview of Registrar of Companies, NCT of Delhi & Haryana due to change in its Registered Office from the state of Rajasthan to the State of NCT of Delhi and Haryana. The Registered Office of the Target Company is situated at F-5, Gautam Nagar, Gulmohar Park Road, New Delhi-110 049. There have been no changes in the name of the Target Company during the last three years.

b) The main object of the Target Company as per Memorandum of Association inter-alia included to carry on the business as manufacturers, producers, job-workers assemblers, designers, developers, importers, exporters, sellers, providers of repair and services in the line of telecommunication including telegraph, telephone, telex, teleprinters, wireless equipments, signals and similar apparatus and their components and accessories and electrical goods, wires, cables and wire ropes to be used in telecommunication, to carry on the business of manufacturing, assembling and dealing in railways rolling stocks, rails and other materials or parts of machinery connected with railways etc.

c) The Target Company is operating in the areas of Signaling, Telecommunications, Track and Information Systems, etc. for Rail Transport.

d) The Authorized Share Capital of the Target Company is ₹ 6500.00 Lakhs comprising of 6, 50, 00,000 Equity Shares of ₹ 10/- each. The Issued, Subscribed and Paid-up Capital as on date of the Target Company is ₹ 1650.76 Lakhs comprising of 1,65,07,597 fully paid-up Equity Shares of ₹ 10/- each.

e) **Share Capital Structure:**

The equity share capital structure of the Target Company as on date is as follows:

Paid-up Shares	No. of Shares/Voting Rights*	% Shares/Voting Rights
Fully Paid-up Equity Shares	1,65,07,597	100%
Partly Paid-up Equity Shares	Nil	Nil
Total Paid-up Equity Shares	1,65,07,597	100%
Total voting rights in Target Company	1,65,07,597	100%

* includes 41,10,400 equity shares allotted to Texmaco on preferential basis.

f) As on date, out of the total Promoters / Promoters Group holding of 19,53,160 Equity Shares, constituting 11.83% of the fully diluted voting equity capital of the Target Company, 1, 50,000 equity shares are under lock in upto July 28, 2014. Further, 41,10,400 equity shares, which were allotted to Texmaco on August 21, 2013 on preferential basis, are locked-in upto September 30, 2014 *(Source: www.bseindia.com).*

g) The equity shares of the Target Company are presently listed on BSE Limited (BSE) under Indonext Category, The National Stock Exchange of India Limited (NSE), The Calcutta Stock Exchange Limited (CSE) and The Delhi Stock Exchange Limited (DSE). The equity shares of the Target Company were delisted from The Ahmedabad Stock Exchange Limited (ASE) on October 17, 2005, The Jaipur Stock Exchange Limited (JSE) on September 10, 2005 and The Madras Stock Exchange Limited (MSE) on March 31, 2005 respectively. The equity shares of the Target Company are not currently traded on CSE & DSE. The Target Company has applied for delisting of its shares from CSE and DSE.

h) The equity shares of the Target Company are frequently traded on BSE & NSE and in-frequently traded on CSE & DSE within the meaning of Regulation 2(1)(j) of the SEBI (SAST) Regulations, 2011.

i) As on date 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. There are no partly paid up shares in the Target Company.

j) The Board of Directors of the Target Company at its meeting held on July 13, 2013, has approved, subject to compliance with applicable laws and regulations, approval of the shareholders and other necessary approvals, the issuance, by way of a preferential allotment pursuant to the provisions of Section 81(1A) of the Companies Act, 1956 and other applicable legal provisions, including Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended

(‘SEBI (ICDR) Regulations) of 41,10,400 equity shares of the face value of ₹ 10/- (Rupees Ten only) each to Texmaco Rail and Engineering Limited (‘Texmaco’) such that the post preferential allotment shareholding of Texmaco in the Company is approximately 24.90% of the paid up equity share capital of the Company at a price which shall be ₹ 65/- (Rupees Sixty Five only) per equity share or such higher price determined in accordance with the provisions of the SEBI ICDR Regulations. The approval of the shareholders for such issuance and allotment was sought by way of a Special Resolution by Postal Ballot. Further on July 19, 2013 the Target Company has informed that, the price for the purposes of the preferential allotment to Texmaco has been fixed at ₹ 65.13 per equity share, subject to the special resolution being passed by the shareholders of the Company through postal ballot. *(Source: www.bseindia.com)*

k) The result of the Postal Ballot approving the Special Resolution for Preferential Allotment of 41,10,400 equity shares was declared on August 17, 2013. Accordingly, the Board of Directors in their meeting held on August 21, 2013 had approved the allotment of 41,10,400 equity shares to Texmaco on Preferential basis at a price of ₹ 65.13 per equity share.

l) Further, BSE vide its Notice No. 20130924-4 dated September 24, 2013 and NSE vide its Letter No. NSE/LIST/216628-M dated September 20, 2013 has granted the listing and trading permission for the said shares w.e.f. September 25, 2013 & September 22, 2013 respectively.

m) All the outstanding Equity Shares are admitted for trading at BSE & NSE. The Company has been complying with the relevant provisions of the listing agreement entered into with BSE & NSE.

n) In the past, non-compliance / delayed compliance has been observed on the part of the Target Company, the Promoters and Promoter Group of the Target Company and certain Major Shareholders of the Target Company, with respect to the applicable provisions of Chapter II of SEBI (SAST) Regulations, 1997 and Chapter V of SEBI (SAST) Regulations, 2011. SEBI may initiate appropriate action for the same against such entities / persons in terms of the SEBI Act and other applicable laws and regulations.

o) **Details of the Board of Directors of Target Company:**

As on the date of the PA, the Directors representing the Board of Target Company are:

Sr. No.	Name of the Director & DIN	Address of Director	Date of Appointment	Qualification	Experience
1.	Ram Dayal Sharma **DIN:** 00232077	B-12/7, DLF, Phase No. 1, Gurgaon-122 001.	15.02.1984	Matriculate	45 years of experience in Railway business
2.	Kalpana Gemini **DIN:** 02415685	5F, Gautam Nagar, Gulmohar Park Road, New Delhi-110 049.	20.07.2012	Bachelor of Arts (Hons)	15 years of experience in Insurance
3.	Sunita Gemini **DIN:** 03516990	8, Manvashram Colony, Ward 21, Tonk Road, Gopal Pura Bye Pass, Jaipur-302 015.	20.07.2012	Masters of Arts (History)	18 years of experience in Stock Market
4.	Shanti Narain **DIN:** 00233438	202, Besant Enclave, Rao Tula Ram Marg, New Delhi-110 057.	20.06.2003	B.Sc (Hons), M.Sc. (Maths)	37 years of experience in Indian Railways
5.	Suresh Kumar Khanna **DIN:** 00233505	504-B, Beverly Park-1, M.G. Road, Gurgaon, Haryana.	10.09.2002	Bachelor in Engineering	35 years of experience in Indian Railways
6.	Kamal Kishore Agarwal **DIN:** 02655349	Flat No. A-69, 2nd Floor, A-1, Swarn Jayanti Rail Nagar, Sector-50, Noida-201 307.	28.04.2009	B.A. (Hons), M.A. (Hons)	25 years of experience in Indian Railways
7.	Mahendra Kumar Khanna **DIN:** 03509134	C-41, Hari Marg, Malviya Nagar, Jaipur-302 015.	29.04.2011	B.Com, M.A. (English)	29 Years of experience in Government Administration

None of the above Directors are representing the Acquirer.

p) There has been no merger / de-merger or spin off in the Target Company during the past three years.

q) **Financial Information:**

Brief audited Financial Information for the year ended March 31, 2011, March 31, 2012 and March 31, 2013 are as follows:

Profit & Loss Statements

(₹In Lakhs)

For the period/year ended	Year ended 31.03.2013	Year ended 31.03.2012	Year ended 31.03.2011
Income:			
Income from Operations	25722.21	24433.11	22964.26
Other Income	345.86	266.22	311.39
Total Income	**26068.07**	**24699.33**	**23275.65**
Total Expenditure:	23302.92	22354.74	21148.65
Profit/(Loss) before Depreciation, Interest & Tax	2765.15	2344.59	2127.00
Interest & Bank Charges	1387.32	1047.20	754.36
Depreciation	156.00	153.86	144.16
Profit/ (Loss) Before Tax	**1221.83**	**1143.53**	**1228.48**
Tax	412.39	375.28	540.72
Profit/ (Loss) After Tax	**809.44**	**768.25**	**687.76**

Balance Sheet Statement

(₹in Lakhs)

As on	Year ended 31.03.2013	Year ended 31.03.2012	Year ended 31.03.2011
Sources of Funds:			
Paid up Share Capital	1239.72	1239.72	1224.72
Reserves & Surplus	14017.68	12888.98	11800.49
Amount received against Conversion of Warrants	-	319.25	485.15
NETWORTH	**15257.40**	**14447.95**	**13510.36**
Non-Current Liabilities	299.62	208.08	194.40
Current Liabilities	15755.17	13400.97	11137.77
TOTAL	**31312.19**	**28057.00**	**24842.53**
Use of funds:			
Non-Current Assets	1799.80	1878.99	1635.89
Current Assets	29512.39	26178.01	23206.64
TOTAL	**31312.19**	**28057.00**	**24842.53**

Other Financial Data

(₹in Lakhs)

For period / year ended	Year ended 31.03.2013	Year ended 31.03.2012	Year ended 31.03.2011
Dividend (%)	Nil	Nil	Nil
EPS (₹)	6.53	6.20	5.62
Return on Networth (%)	5.31	5.32	5.09
Book Value per share (₹)	123.07	116.54	110.31

(Source: Audited Financial Statements and Financial Information filed with BSE)

r) **Pre and Post-Offer Shareholding Pattern of the Target Company as on date is as follows:**

Shareholders' Category	Shareholding & Voting Rights prior to the Offer		Shares / Voting Rights agreed to be Acquired which triggered off the Regulations		Shares/ Voting Rights to be Acquired in Open Offer (assuming full acceptances)		Shareholding / Voting Rights after the Acquisition and Offer	
	(A)		(B)		(C)		(A)+(B)+(C) = (D)	
	No.	%	No.	%	No.	%	No.	%
1. Promoter Group *								
a) Parties to Agreement	19,53,060	11.83	Nil	NA	Nil	NA	Nil	NA
Total (a)	**19,53,060**	**11.83**	**Nil**	**NA**	**Nil**	**NA**	**Nil**	**NA**
b) Promoters other than (a) above	100	-	Nil	NA	Nil	NA	Nil	NA
Total (b)	**100**	**-**	**Nil**	**NA**	Nil	NA	Nil	NA
Total 1 (a+b)	**19,53,160**	**11.83**	**Nil**	**NA**	**Nil**	**NA**	**Nil**	**NA**
2. Acquirer								
Jupiter Metal Private Limited	Nil	NA	Nil	NA	42,91,975	26.00	42,91,975	26.00
Total	**Nil**	**NA**	**Nil**	**NA**	**42,91,975**	**26.00**	**42,91,975**	**26.00**
3. Parties to agreement other than(1) (a) & (2)	-	-	-	-	-	-	-	-
4. Public (other than parties to agreement, Acquirer & PACs)								
a) FIs / MFs / FIIs / Banks, SFIs, ARCs	1,04,44,037	63.27	-	-	(42,91,975)	(26.00)	1,22,15,622#	74.00#
b) Others			-	-				
Total 4 (a+b)	**1,04,44,037**	**63.27**	-	-	(42,91,975)	(26.00)	1,22,15,622#	74.00#
GRAND TOTAL (1+2+3+4)	**1,23,97,197**	**75.10**	**Nil**	**NA**	**Nil**	**NA**	**1,65,07,597#**	**100.00**

**The present Promoter Group has entered into a Share Purchase Agreement dated July 20, 2013 with Texmaco Rail & Engineering Limited for the sale of 19,37,960 equity shares of the Target Company and, after the Offer, the residual holding of 15,200 equity shares is included in the Public Category.*

 # includes 60, 48,360 equity shares (41, 10,400 allotted through preferential allotment on August 21, 2013 and 19, 37,960 equity shares acquired through SPA) held by Texmaco Rail and Engineering Limited.

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1 JUSTIFICATION OF OFFER PRICE

a. This Offer is not pursuant to any global acquisition resulting in an indirect acquisition of shares of the Target Company.

b. The equity shares of the Target Company are presently listed on BSE under Indonext category, NSE, CSE and DSE. The Target Company has applied for delisting of its shares from CSE and DSE.

c. The trading turnover of the equity shares of the Target Company on the BSE and NSE during 12 (Twelve) calendar months preceding the month in which the PA is issued (i.e. July 2012 to June 2013), is as under:

Name of Stock Exchange	Total No. of Equity Shares Traded	Total No. of Listed Equity Shares	Trading Turnover (in terms of % to total listed equity shares)
BSE	1,59,46,642	1,23,97,197	128.63
NSE	4,92,31,879	1,23,97,197	397.12

(Source: BSE and NSE websites)

The equity shares of the Target Company are not currently traded on CSE & DSE.

Therefore, in terms of Regulation 2(1)(j) of the SEBI (SAST) Regulations, 2011, the Equity Shares are frequently traded on BSE & NSE and are infrequently traded on the CSE and DSE.

d. Based on the parameters set out in Regulation 8(2) of the SEBI (SAST) Regulations, 2011 for frequently traded stocks, as of the date of the PA, the Offer Price of ₹ 70/- (Rupees Seventy Only) is justified in view of the following:

S. No.	Particulars		₹
a)	Negotiated Price under the Agreement	:	Not Applicable
b)	The volume-weighted average price paid or payable for acquisition whether by the Acquirer or by any Person Acting in Concert with him, during 52 weeks immediately preceding the date of PA	:	Not Applicable
c)	The highest price paid or payable for any acquisition, whether by the Acquirer or by any Person Acting in Concert with him, during 26 weeks immediately preceding the date of the PA	:	Not Applicable
d)	The volume-weighted average market price of the equity shares of the Target Company for a period of sixty trading days immediately preceding the date of the PA as traded on the NSE, being the stock exchange where the maximum volume of trading in the equity shares of the Target Company was recorded during such period, the shares being frequently traded	:	54.62

e. In view of the parameters considered and presented in table above, in the opinion of the Acquirer and Manager to the Offer, the Offer Price of ₹ 70/- (Rupees Seventy only) per share is justified in terms of Regulation 8 of the SEBI (SAST) Regulations, 2011.

f. Calculation of the volume-weighted average market price of such Shares for a period of sixty trading days immediately preceding the date of PA as traded on NSE (as the maximum volume of trading in the Shares of the Target Company was recorded on NSE during such period) as per regulation 8(2) (d) of the Regulations is as follows:

Sr. No.	Date	Total Traded Quantity	Turnover (in Lakhs)
1.	15-Apr-13	30165	14.81
2.	16-Apr-13	34172	16.86
3.	17-Apr-13	36802	18.35
4.	18-Apr-13	32406	16.08
5.	22-Apr-13	75116	38.13

6.	23-Apr-13	41589	21.07
7.	25-Apr-13	60940	30.96
8.	26-Apr-13	23747	11.9
9.	29-Apr-13	31697	15.91
10.	30-Apr-13	31200	15.59
11.	2-May-13	35577	17.74
12.	3-May-13	20871	10.33
13.	6-May-13	61096	29.96
14.	7-May-13	236112	116.36
15.	8-May-13	35762	17.69
16.	9-May-13	57599	28.25
17.	10-May-13	38695	18.94
18.	11-May-13	8954	4.4
19.	13-May-13	45290	22
20.	14-May-13	93346	45.8
21.	15-May-13	98599	47.64
22.	16-May-13	260513	130.31
23.	17-May-13	79546	39.05
24.	20-May-13	90959	45.57
25.	21-May-13	1251854	679.09
26.	22-May-13	211955	113.53
27.	23-May-13	106079	54.29
28.	24-May-13	136007	72.42
29.	27-May-13	71086	38.64
30.	28-May-13	74855	40.57
31.	29-May-13	95773	52.7
32.	30-May-13	51454	27.92
33.	31-May-13	81471	42.97
34.	3-Jun-13	43132	22.91
35.	4-Jun-13	44771	24.55
36.	5-Jun-13	24597	13.4
37.	6-Jun-13	44659	24.65
38.	7-Jun-13	215825	127.02
39.	10-Jun-13	83125	48.41
40.	11-Jun-13	56483	32.38
41.	12-Jun-13	47695	27.08
42.	13-Jun-13	64611	36.28
43.	14-Jun-13	53675	30.94
44.	17-Jun-13	37107	21.83
45.	18-Jun-13	73062	43.79
46.	19-Jun-13	132624	82.28
47.	20-Jun-13	69703	41.42
48.	21-Jun-13	88837	52.3
49.	24-Jun-13	69845	41.16
50.	25-Jun-13	91179	52.03
51.	26-Jun-13	28112	16.25
52.	27-Jun-13	28772	16.46
53.	28-Jun-13	153523	91.48
54.	1-Jul-13	109892	67.3
55.	2-Jul-13	78014	45.83
56.	3-Jul-13	94749	55.7

57.	4-Jul-13	120007	72.29
58.	5-Jul-13	149050	91.02
59.	8-Jul-13	103083	60.01
60.	9-Jul-13	86,167	51.8
		5833586	**3186.4**
Volume Weighted Average Market Price (Total Turnover divided by the Total Number of Shares Traded)			**54.62**

g. There have been no corporate actions in the Target Company warranting adjustment of relevant price parameters under Regulation 8(9) of the SEBI (SAST) Regulations, 2011.

h. In the event of further acquisition of Equity Shares of the Target Company by the Acquirer during the Offer Period, whether by subscription or purchase, at a price higher than the Offer Price, then the Offer Price will stand revised to equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8) of the SEBI (SAST) Regulations, 2011. However, the Acquirer will not be acquiring any Equity Shares of the Target Company after the third working day prior to the commencement of the Tendering Period and until the expiry of the Tendering Period.

i. An upward revision to the Offer Price or to the Offer Size, if any, on account of competing offers or otherwise, may be done at any time prior to the commencement of the last 3 working days before the commencement of the tendering period of this Offer in accordance with Regulation 18(4) of the SEBI (SAST) Regulations, 2011. In the event of such revision, the Acquirer shall (i) make further deposits into the Escrow Account; (ii) make a public announcement in the same newspapers in which the DPS has been published; and (iii) simultaneously with the issue of such announcement, inform the Stock Exchanges, SEBI and the Target Company at its registered office of such revision. Such revision in the Offer Price would be payable by the Acquirer for all the shares validly tendered in the Offer

j. If the Acquirer acquire Equity Shares of the Target Company during the period of twenty-six (26) weeks after the Tendering Period at a price higher than the Offer Price, then the Acquirer will pay the difference between the highest acquisition price and the Offer Price, to all shareholders whose shares have been accepted in Offer within sixty (60) days from the date of such acquisition in terms of Regulation 8(10) of the SEBI (SAST) Regulations, 2011. However, no such difference shall be paid in the event that such acquisition is made under another open offer under the SEBI (SAST) Regulations, 2011 or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2009, or open market purchases made in the ordinary course on the Stock Exchanges, not being negotiated acquisition of Equity Shares whether by way of bulk deals, block deals or in any other form.

6.2 DETAILS OF FIRM FINANCIAL ARRANGEMENTS

a. The total funding requirement for the Offer (assuming full acceptance), i.e., for the acquisition of 42,91,975 Equity Shares at a price of ₹ 70/- (Rupees Seventy only) per Equity Share is ₹ 30,04,38,250/- (Rupees Thirty Crores Four Lakhs Thirty Eight Thousand Two Hundred and Fifty only) (‘Maximum Consideration’).

b. In accordance with Regulation 17 of the SEBI (SAST) Regulations, 2011, the Acquirer has opened an Escrow Account in the name & style of ‘JMPL-KRNEL-ESCROW ACCOUNT’ with HDFC Bank Limited having one of its branch at Manekji Wadia Building, Ground Floor, Nanik Motwani Marg, Fort, Mumbai - 400 001, bearing account number 00600350116014, and deposited an amount of ₹ 20,96,00,000/- (Rupees Twenty Crores Ninety Six Lakhs only), in cash, being more than 25% of the Maximum Consideration.

c. The Acquirer has empowered the Manager to the Offer i.e. Ashika Capital Limited to operate and to realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations, 2011.

d. The Acquirer has adequate resources to meet the financial requirements of the Offer. No funds are borrowed from banks or financial institution for the purpose of this Offer by the Acquirer. Mr. Sajjan Kumar Mahipal (Membership No. 070366), Proprietor of Mahipal Jain & Co., Chartered Accountants (FRN:007284C) having office at 38, Shopping Centre, Jhalawar Road, Kota-324 007, Rajasthan; Tel.:+91-744-2361042/2361530; E-mail: skmahipal75@yahoo.co.in vide certificate dated October 03, 2013 have confirmed that sufficient resources are available with the Acquirer for fulfilling the obligations under this ‘Offer’ in full.

e. Based on the above, the Manager to the Offer is satisfied about the ability of the Acquirer to implement the Offer in accordance with the SEBI (SAST) Regulations, 2011.

f. In case of any upward revision in the Offer Price or the Offer Size, the value of the Escrow Amount shall be computed on the revised consideration calculated at such revised Offer Price or Offer Size and any additional amounts required will be funded via cash in the Escrow Account by the Acquirer prior to effecting such revision, in terms of Regulation 17(2) of the SEBI (SAST) Regulations, 2011.

7. TERMS AND CONDITIONS OF THE OFFER

7.1 OPERATIONAL TERMS AND CONDITIONS

a. This Offer is not conditional upon any minimum level of acceptance by the shareholder(s) of the Target Company.

b. The Offer is subject to the terms and conditions set out in this LoF, the Form of Acceptance, the PA, the DPS, the Addendum and any other Public Announcements that may be issued with respect to the Offer.

c. The Letter of Offer together with the Form of Acceptance cum Acknowledgment (Form of Acceptance) and Transfer Deed (for Shareholders holding Equity Shares in the physical form) is being mailed to those Shareholders of the Target Company whose names appear on the Register of Members of the Target Company and to the Beneficial Owners of the Equity Shares of the Target Company whose names appear as beneficiaries on the beneficial record of the respective depositories, at the close of business on the Identified Date i.e. November 05, 2013 (Tuesday). Owners of Equity Shares who are not registered as Shareholder(s) are also eligible to participate in the Offer at any time prior to the Date of Closure of the Tendering Period.

d. Accidental omission to dispatch this Letter of Offer to any member entitled to this Open Offer or non-receipt of this Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever.

e. Eligible persons can write to the Registrar / Manager to the Offer requesting for the Letter of Offer and Form of Acceptance cum Acknowledgement and fill up the same in accordance with the instructions given therein, so as to reach the Registrar to the Offer, on or before the Date of Closure of the Tendering Period i.e. December 03, 2013 (Tuesday). Alternatively, the Letter of Offer alongwith the Form of Acceptance cum acknowledgement would also be available at SEBI's website, www.sebi.gov.in, and shareholders can also apply by downloading such forms from the website.

f. This Offer is subject to the receipt of the statutory and other approvals as mentioned under paragraph 'Statutory Approvals' of this Letter of Offer. In terms of Regulation 23(1) of the Regulations, if the statutory approvals are refused, the Offer would stand withdrawn.

g. The Acquirer reserves the right to revise the Offer Price and/or the Offer Size upwards up to 3 (three) working days prior to the commencement of the tendering period, in accordance with the Regulations and the revision, if any, in the Offer Price and/or the Offer Size would be announced in the same newspapers where the DPS was published. The Acquirer would pay such revised price for all the Shares validly tendered at any time during the Offer and accepted under the Offer in accordance with the terms of the DPS and the Letter of Offer.

h. The Public Shareholders to whom the Offer is being made are free to offer their Shares in the Target Company in whole or in part while accepting the Offer. The acceptance of the Offer must be unconditional, absolute and unqualified and should be on the enclosed Form of Acceptance and sent along with the other documents duly filled in and signed by the applicant shareholder(s), so as to reach the Registrar to the Offer, on or before the Date of Closure of the Tendering Period i.e. December 03, 2013 (Tuesday).

i. The Public Shareholders who tender their Equity Shares under the Open Offer shall ensure that the Equity Shares are free and clear from all liens, charges and encumbrances and together with all rights attached thereto, including the rights to all dividends, bonus and rights declared thereafter.

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

k. Any Equity Shares that are subject matter of litigation or are held in abeyance due to pending court cases/attachment orders / restriction from other statutory authorities wherein the shareholder may be precluded from transferring the Equity Shares during pendency of the said litigation, are liable to be rejected if directions/orders regarding the free transferability of such equity shares tendered under the Offer prior to the date of Closing of the Offer.

l. Incomplete acceptances, including non-submissions of necessary enclosures, if any, are liable to be rejected. Further, in case the documents/forms submitted are incomplete and/or if they have any defect or modifications, the acceptance is liable to be rejected.

m. In terms of Regulation 18(9) of the SEBI (SAST) Regulations, 2011, the Public Shareholders who tender their Equity Shares in acceptance of the Open Offer shall not be entitled to withdraw such acceptance.

n. In the event that the Equity Shares tendered in this Offer by the Shareholders are more than the Equity Shares to be acquired in this Offer, the acquisition of the Equity Shares from each Shareholder will be on a proportionate basis

7.2 LOCKED-IN SHARES

As on date, the Promoters / Promoter Group holds 19,53,160 Equity Shares, constituting 11.83% of the fully diluted voting equity capital of the Target Company. Out of the total Promoters / Promoters Group holding, 1,50,000 equity shares are under lock in upto July 28, 2014. Further, 41,10,400 equity shares, which were allotted to Texmaco on August 21, 2013 on preferential basis, are locked-in upto September 30, 2014 *(Source: www.bseindia.com).*

7.3 ELIGIBILITY FOR ACCEPTING THE OFFER

All the Shareholders (registered or unregistered) of the shares of the Target Company (except the Acquirer), who own the Equity Shares of the Target Company anytime before the Date of Closure of the Tendering Period i.e. December 03, 2013 (Tuesday), are eligible to participate in the Offer.

7.4 STATUTORY APPROVALS

a. Shareholders of the Target Company who are either non-resident Indians (‘NRIs’) or Overseas Corporate Bodies (‘OCBs’) and wish to tender their equity shareholding in this Open Offer shall be required to submit all the applicable approvals of Reserve Bank of India (‘RBI’) which have been obtained at the time of acquisition of Equity Shares of the Target Company. In the event such RBI approvals are not submitted, the Acquirer reserves the sole right to reject the Equity Shares tendered by such shareholders in the Open Offer. The Offer, to the extent relevant to acquisition of the Equity Shares from NRIs and OCBs, is subject to the statutory and regulatory approval and clearance from RBI.

b. As on date, other than the above, there are no other statutory approvals required to acquire the Equity Shares tendered pursuant to this Open Offer. If any other statutory approvals are required or become applicable at a later date but before the completion of the Open Offer, the Open Offer would be subject to the receipt of such other statutory approvals also.

c. The Acquirer will not proceed with the Open Offer in the event any statutory approvals as may become applicable are refused in terms of Regulation 23 of the SEBI (SAST) Regulations, 2011.

d. In case of any delay in the receipt of any statutory approval, Regulation 18(11) of the SEBI (SAST) Regulations, 2011 shall be adhered to, i.e. extension of time to the Acquirer for payment of consideration to the shareholders of the Target Company subject to the Acquirer agreeing to pay the interest as directed by SEBI, in exercise of SEBI's powers in this specific regard. Further, in case the delay occurs on account of wilful default by the Acquirer in obtaining any statutory approvals in time, the amount lying in the escrow account shall be liable to be forfeited in accordance with Regulation 17(9) of the SEBI (SAST) Regulations, 2011 and will be dealt with in the manner provided in clause (e) of Sub-Regulation (10) of Regulation 17 of SEBI (SAST) Regulations, 2011.

8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF OFFER

a. The Acquirer has appointed **Skyline Financial Services Private Limited** as the Registrar to the Offer.

b. The following collection centre would be accepting the documents by Hand Delivery /Regd. Post/Speed Post/Courier as specified:

Name & Address	Contact Person	Mode of Delivery
Skyline Financial Services Private Limited D-153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi - 110 020. Tel.: +91-11-26812682, 64732681 to 88; Fax: +91-11-26812683; E-mail: alok@skylinerta.com.	Mr. Alok Ranjan	Hand Delivery / Registered Post / Speed Post / Courier

c. Shareholders who wish to tender their equity share pursuant to the Offer will be required to submit the duly completed Form of Acceptance duly signed along with the relevant documents as mentioned in the Letter of Offer, to the Registrar to the Offer either by Registered Post/Speed Post/Courier, at their own risk or by hand delivery so as to reach on or before the closing of the business hours on the Date of Closure of the Tendering Period i.e. December 03, 2013 (Tuesday). The documents can be tendered at the above address as per the schedule and mode mentioned in the table given below:

Mode of Tendering	Day*	Timing
By Hand Delivery	All Working Days (Monday – Saturday)	10.00 am to 1.00 pm & 2.00 pm to 5.00 pm
By Registered Post / Speed Post / Courier	All Working Days (Monday – Saturday)	10.00 am to 5.00 pm

* Hand Delivery / Registered Post / Speed Post / Courier will not be accepted on Sundays and Public Holidays.

d. **Procedure for Equity Shares held in dematerialised form**

➢ **Beneficial Owners should enclose:**

- Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein, by sole/joint Shareholders whose names appear in the beneficiary account and in the same order therein.
- A photocopy or counterfoil of the Delivery Instructions in 'Off-Market' mode duly acknowledged by the beneficial owners depository participant and filled as per the details of the Special Depository Account given below.
- The Registrar to the Offer, **Skyline Financial Services Private Limited**, has opened a Depository Escrow Account with National Securities Depository Limited ('NSDL') for receiving equity shares during the Tendering Period from eligible shareholders who hold equity shares in demat form. The details of the Special Depository Account are as follows:

DP Name	**:**	K K Securities Limited
DP ID	**:**	IN300468
Client ID	**:**	10086899
ISIN		INE178D01010
Account Name		SKYLINE-JMPL-OPEN OFFER ESCROW DEMAT ACCOUNT
Depository	**:**	National Securities Depository Limited **('NSDL')**
Mode of Instruction	**:**	Off -Market

Shareholders having their beneficiary account with Central Depository Services Limited ('CDSL') have to use Inter depository delivery instruction slip for the purpose of crediting their shares in favour of the Depository Escrow Account.

- For each delivery instruction, the beneficial owner should submit a separate Form of Acceptance. In the case of Equity Shares in demat form, the Shareholders are advised to ensure that their Equity Shares are credited in favour of Special Depository Account, before the Closure of the Tendering Period. The Form of Acceptance-cum-Acknowledgement of such demat Equity Shares not credited in favour of the Special Depository Account before the Closure of the Tendering Period is liable to be rejected.
- In case of non-receipt of the aforesaid documents, but receipt of the Equity Shares in the Special Depository Account, the Offer shall be deemed to be accepted.

➢ **Shareholders who have sent their equity share certificates for dematerialization should enclose:**

- Form of Acceptance duly completed and signed in accordance with the instructions contained therein by the sole/joint Equity Shareholders whose name appears on the equity share certificate and in the same order and as per the specimen signature lodged with the Target Company.
- A copy of the dematerialisation request form duly acknowledged by the Equity Shareholders depository participant. Such Equity Shareholders should ensure that the credit of their Equity Shares tendered under Offer to the Special Depository Account is made on or before the date of Closure of the Tendering Period, otherwise the same are liable to be rejected. Alternatively, if the Equity Shares sent for dematerialisation are yet to be processed by the Equity Shareholders depository participants, the Equity Shareholders can withdraw their dematerialization request and tender the equity share certificates in the Offer as per procedure mentioned in this DLOF.

e. **Procedure for Equity Shares held in physical form**

➢ **Registered Shareholders of the Target Company should enclose:**

- Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein, by sole/joint shareholders whose name(s) appears on the equity share certificate(s) and in the same order and as per the specimen signature lodged with the Target Company;
- Original equity share certificate(s);
- Valid share transfer deed(s) duly signed as transferor(s) by the sole/joint shareholder(s) in the same order and as per specimen signatures lodged with the Target Company and duly witnessed at the appropriate place. The transfer deed should be left blank, except for the signatures as mentioned above. Attestation, where required (thumb impressions, signature difference, etc.) should be done by a Magistrate, Notary Public or Special Executive Magistrate or a similar authority holding a public office and authorized to use the seal of his office or a member of a recognized stock exchange under their seal of office and membership number or manager of the transferor's bank. A blank share transfer form is enclosed along with the LOF; and
- In case of registered shareholder, non receipt of the aforesaid documents, but receipt of the share certificates and the duly completed transfer deed, shall be deemed that the Offer has been accepted. Notwithstanding that the signature(s) of the transferor(s) has/have been attested as aforesaid, if the signature(s) of the transferor(s) differs from the specimen signature(s) recorded with the Target Company or are not in the same order, such Equity Shares are liable to be rejected under this Offer even if the Offer has been accepted by a bona fide owner of such Equity Shares.

➢ **Unregistered owners of Equity Shares of the Target Company should enclose:**

- Form of Acceptance duly completed and signed in accordance with the instructions contained therein;
- Original equity share certificate(s);
- Original broker contract note;
- Valid share transfer deed(s) as received from the market. The details of buyer should be left blank failing which the same will be considered invalid under the Offer. All other requirements for valid transfer (including matching of signatures) will be preconditions for acceptance; and
- The acknowledgement received, if any, from the Target Company in case the Equity Shares have been lodged with the Target Company. Such persons should instruct the Target Company and its Registrar and Transfer agents to send the transferred share certificate(s) directly to the collection centre as mentioned in above. The applicant should ensure that the certificate(s) reach the designated collection centre before the date of Closure of the Tendering Period.

f. **Procedure to be adopted in case of non-receipt of the LOF**

➢ **By Equity Shareholders holding Equity Shares in physical form**

- In case of non-receipt of the LOF, eligible persons may send their acceptance of the Offer in writing to the Registrar to the Offer at the collection centre as mentioned above, on plain paper stating their name, address, number of Equity Shares held, no. of Equity Shares offered, distinctive numbers, folio numbers together with the original share certificate(s), valid transfer deeds in case of Equity Shares held in physical form, so as to reach the Registrars to the Offer on or before the date of Closure of the Tendering Period.
- Shareholders who have lodged their Equity Shares for transfer with the Target Company must also send the acknowledgement received, if any, from the Target Company towards such lodging of Equity Shares. Shareholders who have sent their equity share certificates for dematerialisation should send a copy of the dematerialized request form duly acknowledged by their depository participant.

- **By Equity Shareholders holding Equity Shares in dematerialised form**

- Beneficial Owners may send the acceptance of the Offer in writing to the Registrar to the Offer at the collection centre as mentioned above, on plain paper, stating name, address, number of Equity Shares held, number of Equity Shares offered, DP name, DP ID, beneficiary account number and a photocopy or counterfoil of the delivery instructions in 'Off Market' mode, duly acknowledged by the beneficial owners depository participant, in favour of the Special Depository Account, the details of which are mentioned in above, so as to reach the Registrar to the Offer, on or before the Closure of the Tendering Period i.e. December 03, 2013 (Tuesday).
- Shareholders having their beneficiary account with Central Depository Services Limited ('CDSL') have to use Inter depository delivery instruction slip for the purpose of crediting their shares in favour of the Depository Escrow Account. No indemnity is required while sending the acceptance of the Offer on plain paper.

Shareholders who do not receive the LOF and hold Equity Shares of the Target Company may also apply by downloading the 'Form of Acceptance-cum-Acknowledgment' from SEBI's website (www.sebi.gov.in), if they desired to do so.

g. The shareholders should also provide all relevant documents, which are necessary to ensure transferability of the Equity Shares in respect of which the acceptance is being sent in connection with the Offer. Such documents may include, but are not limited to:
   - Duly attested death certificate and succession certificate (in case of single shareholder) in case original Shareholders has expired;
   - Duly attested Power of Attorney if any person apart from the shareholder has signed the Form of Acceptance and/or transfer deed(s);
   - In case of companies, the necessary corporate authorization (including applicable resolutions, consents and approvals of the applicable governing bodies of such companies); and
   - Any other relevant documentation.

h. Form of Acceptance, Share Certificate(s), Share Transfer Form(s), and other documents, if any should be sent only to the Registrar to the Offer, at the address mentioned above and should not be sent to the Manager to the Offer or the Acquirer or the Target Company.

i. The Registrar to the Offer will hold in trust the Equity Shares and share certificate(s), Form of Acceptance, and the transfer deed(s) on behalf of the shareholders of Target Company who have accepted the Offer, until the cheques / drafts for the consideration and / or the unaccepted Equity Shares / share certificates are dispatched / returned.

j. Where the number of Equity Shares surrendered by the shareholders are more than the Equity Shares agreed to be acquired by Acquirer, the Acquirer will accept the offers received from the shareholders on a proportionate basis, in consultation with the Manager to the Offer, 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, provided that acquisition of Equity Shares from a shareholder shall not be less than the minimum marketable lot or the entire holding if it is less than the marketable lot. The marketable lot of the Target Company is 100 (Hundred) Shares.

k. In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirer for payment of consideration to the public shareholders of the Target Company who have accepted the Offer within such period, subject to Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18 (11) of the SEBI (SAST) Regulations, 2011.

l. The consideration to those shareholders whose shares have been accepted will be made through a crossed Demand Draft/Pay Order or through Direct Credit ('DC'), National Electronic Funds Transfer ('NEFT'), Real Time Gross Settlement ('RTGS'), National Electronic Clearing Services ('ECS'), at specified centres where clearing houses are managed by the Reserve Bank of India within 10 working days of the expiry of the Tendering Period. Shareholders who opt for receiving consideration through DC/NEFT/RTGS/ECS are requested to give the authorization for the same in the Form of Acceptance and enclose a photocopy of cheque along with the Form of Acceptance.

m. Such payments through account payee cheques/demand drafts will be sent by registered post, at the shareholders' registered / unregistered owners' sole risk to the sole/ first shareholder/ unregistered owner.

n. For those shareholders, who have opted for physical mode of payment and shareholders whose payment consideration is not credited by electronic mode due to technical error or incomplete/ incorrect bank account details, payment consideration will be made by crossed account payee Cheques/Demand Drafts. Such considerations in excess of ₹ 1,500/- or unaccepted Share Certificate(s), transfer deed(s) and other documents, if any, will be returned by registered post/speed post at the shareholders'/ unregistered owners' sole risk to the sole/first shareholder/unregistered owner. The Acquirer is required to deduct tax at source, as may be applicable. All dispatches involving payment of a value upto ₹ 1,500/- will be made by ordinary post at the shareholders sole risk.

o. For all other applicants, including those applicants whose payment consideration is not credited by ECS/Direct Credit due to technical errors or incomplete/incorrect bank account details or due to unavoidable reasons, payment consideration will be dispatched through Speed Post/Registered Post. Such payment consideration will be made by cheques, pay orders or demand drafts payable at par at places where the address of the shareholder is registered.

p. The bank account details for DC/NEFT/RTGS/NECS will be directly taken from the depositories' database or from the details as mentioned by the shareholders in the Form of Acceptance.

q. Unaccepted share certificate(s) , transfer deed(s) and other documents, if any, will be returned by registered post, at the shareholders' registered / unregistered owners' sole risk to the sole/ first shareholder/ unregistered owner. Equity Shares held in dematerialized form, to the extent not accepted, will be credited back to the beneficial owners' depository account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance or otherwise. It will be the responsibility of the shareholders to ensure that the unaccepted shares are accepted by their respective DPs when transferred by the Registrar to the Offer.

9. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection to the shareholders of Target Company at the office of the Manager to the Offer, Ashika Capital Limited, at 1008, 10th Floor, Raheja Centre, 214, Nariman Point, Mumbai–400 021 on any day (except Saturdays, Sundays and public holidays) between 10.30 a. m. to 2.00 p.m. from the Date of Opening of the Tendering Period till the Date of Closure of the Tendering Period.

i. Certificate of Incorporation, Memorandum and Articles of Association of the Target Company.

ii. Annual Reports of the Target Company for the financial years ended March 31, 2011, March 31, 2012 and March 31, 2013.

iii. Chartered Accountant's letter dated July 23, 2013 & October 03, 2013 certifying that the Acquirer has firm and adequate financial resources to meet the financial obligations under the Open Offer.

iv. Letter from HDFC Bank Limited confirming the amount kept in the Escrow Account.

v. Copy of the confirmation regarding the opening of Special Depository Account for the purpose of the Offer.

vi. Copies of the Public Announcement, Detailed Public Statement, First Addendum and Second Addendum.

vii. Copy of the recommendation made by the Target Company's Board as required in terms of Regulation 26(7) of SEBI (SAST) Regulations, 2011.

viii. Copy of the observation letter no. CFD/DCR/OW/27937/2013 dated October 31, 2013 received from SEBI.

10. DECLARATION BY THE ACQUIRER

The Acquirer, Jupiter Metal Private Limited and its Directors accept full responsibility, jointly and severally, for the information contained in this Letter of Offer, including the Form of Acceptance cum Acknowledgement and also for ensuring the compliance with the obligations of the Acquirer as laid down in the SEBI (SAST) Regulations, 2011.

We, the Acquirer, have made all reasonable inquiries, accept responsibility jointly and severally, and confirm that this Letter of Offer is in compliance with the SEBI (SAST) Regulations, 2011, and that it contains all information with regard to the Offer, which is material in the context of the issue, that the information contained in this Letter of Offer is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

The Manager to the Offer hereby states that the person(s) signing this Letter of Offer is the Acquirer / duly authorized person of the Acquirer.

Signed for and on behalf of Board of Directors of
Jupiter Metal Private Limited

Place: Jaipur
Date: November 08, 2013

Enclosures:
(1) Form of Acceptance cum Acknowledgement.
(2) Blank Share Transfer Deed(s), for Shareholders holding Equity Shares in physical form.

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

(Please send this Form with enclosures to Registrar to the Offer, Skyline Financial Services Private Limited, at their address given in the Letter of Offer as per the mode of delivery mentioned in the Letter of Offer)

OFFER OPENS ON:	**November 20, 2013 (Wednesday)**
OFFER CLOSES ON:	**December 03 (Tuesday)**

From:
Folio No. /DP ID No. /Client ID No.:
Name:
Address:

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

To
Skyline Financial Services Private Limited,
(Unit-Kalindee Rail Nirman (Engineers) Limited-Open Offer)
D-153 A, 1st Floor, Okhla Industrial Area,
Phase - I, New Delhi - 110 020

Dear Sir,

Sub: Open Offer to acquire 42, 91,975 Equity Shares of ₹ 10/- each, representing 26% of Fully Diluted Voting Equity Share Capital of Kalindee Rail Nirman (Engineers) Limited ('KRNEL' or 'Target Company') at a price of ₹ 70/- per Equity Share by Jupiter Metal Private Limited ('Acquirer').

I/We refer to the Letter of Offer dated November 08, 2013 for acquiring the Equity Shares held by me/us in **Kalindee Rail Nirman (Engineers) Limited**. I/We, the undersigned, have read the Letter of Offer and understood its contents including, the terms and conditions as mentioned therein.

FOR EQUITY SHARES HELD IN PHYSICAL FORM

I/We hold the following Equity Shares and accept the Offer and enclose the original Share Certificate(s) and duly signed Transfer Deed(s) in respect of my/our Equity Shares as detailed below:

S. No.	Regd. Folio Number	Share Certificate Number	Distinctive Numbers		Number of Equity Shares
			From	To	
1.					
2.					
3.					
Total No. of Shares					

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

I / We note and understand that the shares/ Original Share Certificate(s) and Transfer Deed(s) will be held by the Registrar to the Offer in trust for me / us till the date the Acquirer makes payment of consideration as mentioned in the Letter of Offer or the date by which Original Share Certificate(s), Transfer Deed(s) and other documents are dispatched to the shareholders, as the case may be. I/We also note and understand that the Acquirer will pay the purchase consideration only after verification of the documents and signatures.

FOR EQUITY SHARES HELD IN DEMAT FORM

I / We, holding the equity shares in the dematerialized form, accept the Offer and enclose the photocopy of the Delivery Instruction in 'Off-Market' mode, duly acknowledged by the Depository Participant ('DP') in respect of my/ our shares as detailed below:

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

I / We have executed an 'Off-Market' transaction for crediting the shares via

☐ A delivery instruction from my account with NSDL
☐ An inter-depository delivery instruction from my account with CDSL

to the Special Depository Account named 'SKYLINE-JMPL-OPEN OFFER ESCROW DEMAT ACCOUNT' with the following particulars:

DP Name	**:**	K K Securities Limited
DP ID	**:**	IN300468
Client ID	**:**	10086899
ISIN		INE178D01010
Account Name		SKYLINE-JMPL-OPEN OFFER ESCROW DEMAT ACCOUNT
Depository	**:**	National Securities Depository Limited **('NSDL')**
Mode of Instruction	**:**	Off -Market

I/We note and understand that the Shares would lie in the Special Depository Account until the time the Acquirer dispatch the purchase consideration as mentioned in the Letter of Offer. I / We also note and understand that the Acquirer will pay the purchase consideration only after verification of the documents and signatures.

I / We confirm that the Equity Shares of the Target Company, which are being tendered herewith by me / us under this Open Offer, are free from liens, charges and encumbrances of any kind whatsoever and such Shares, when acquired by the Acquirer will be acquired free and clear from all liens, charges and encumbrances and together with all rights attached thereto, including the rights to all dividends, bonus and rights declared thereafter.

I/We confirm that there are no taxes or other claims pending against me/us which may affect the legality of the transfer of Equity Shares of the Target Company, under the Income Tax Act, 1961. I/We are not debarred from dealing in Equity Shares of the Target Company.

I/We authorize the Acquirer to accept the Equity Shares so offered or such lesser number of Equity Shares that the Acquirer may decide to accept in consultation with the Manager to the Offer / Registrar to the Offer and in terms of the said Letter of Offer. I further authorize the Acquirer to return to me / us, equity share certificate(s) in respect of which the Offer is not found / not accepted, without specifying the reason thereof.

I / We authorize the Acquirer and the Registrar to the Offer and the Manager to the Offer to send by Registered Post / Speed Post as may be applicable at my / our risk, the draft / cheque, in full and final settlement of the amount due to me / us and / or other documents or papers or correspondence to the sole / first holder at the address mentioned below. In case I / we have tendered my Shares in dematerialised form, I / we authorize Acquirer and the Registrar to the Open Offer and the Manager to the Open Offer to use my details regarding my address and bank account details as obtained from my depository participant for the purpose of mailing the aforementioned instruments.

The Permanent Account Number (PAN) allotted under the Income Tax Act, 1961 is as under.

	1st Holder	**2nd Holder**	**3rd Holder**
PAN			

I/We authorise the Acquirer to send payment consideration by electronic mode or physical mode as per the option selected. In cases where the payment consideration is to be done in physical mode, the cheque / demand draft / pay order, in settlement of the amount and excess share certificate(s), if any, will be sent by registered post / speed post to the sole/first holder at the address given hereunder and if full address is not given below, the same will be forwarded at the address registered with the Target Company.

Please indicate the preferred mode of receiving the payment consideration. (Please tick)

Electronic Mode: ☐ or **Physical Mode:** ☐

So as to avoid fraudulent encashment in transit, the shareholder(s) are requested to kindly provide the following bank details of the first/ sole shareholder and the consideration will be payable by way of Electronic Mode/ cheque / demand draft / pay order will be drawn accordingly. In order to receive payment consideration through Electronic mode, the shareholders are requested to compulsorily provide their following bank details:

Name of the Bank: ________________________________ **Branch /Address:** __________________________

____

Account No.: _________________________ **Savings /Current/ Others (please specify)** ___________________

I/We want to receive the payment through **NECS** ☐ **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

Yours faithfully,

Signed & Delivered:

	Full Name	Signature
First / Sole Holder		
Second Holder		
Third Holder		

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

Place: Date:

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ACKNOWLEDGEMENT SLIP

SKYLINE FINANCIAL SERVICES PRIVATE LIMITED
(Unit-Kalindee Rail Nirman (Engineers) Limited-Open Offer)
D-153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi - 110 020,
Tel.: +91-11-26812682, 64732681 to 88; Fax: +91-11-26812683; E-mail: alok@skylinerta.com.

Received from Mr. / Ms. / Smt: ____

Address: ____

Form of Acceptance-cum-Acknowledgement for __________ Shares along with:

☐ **Physical Shares:** _______ Share Certificate(s) along with _________ number of Transfer Deed(s) under Folio Number (s) ________________

☐ **Demat Shares:** Copy of delivery instruction from DP ID _____________ Client ID __________________

(Tick whichever is applicable)

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

All future correspondence, if any, should be addressed to the Registrar to the Open Offer at their address quoting your Folio No. / DP ID and Client ID.

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BOOK POST

KALINDEE RAIL NIRMAN (ENGINEERS) LIMITED
OPEN OFFER

If undelivered, please return to:

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TOWARDS EXCELLENCE