Detailed Public Statement in compliance with regulation 13(4) read with regulation 15(2) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 to the public shareholders of

KALINDEE RAIL NIRMAN (ENGINEERS) LIMITED

Registered Office: F-5, Gautam Nagar, Gulmohar Park Road, New Delhi-110 049, India

OPEN OFFER ("OFFER") FOR ACQUISITION OF UP TO 49,52,280 (FORTY NINE LAKH, FIFTY TWO THOUSAND, TWO HUNDRED AND EIGHTY) FULLY PAID-UP EQUITY SHARES HAVING FACE VALUE OF ₹ 10 EACH (EACH AN "EQUITY SHARE"), CONSTITUTING 30% OF THE FULLY DILUTED VOTING EQUITY SHARE CAPITAL OF KALINDEE RAIL NIRMAN (ENGINEERS) LIMITED ("TARGET COMPANY"), AS OF THE 10TH (TENTH) WORKING DAY FROM THE CLOSURE OF THE TENDERING PERIOD OF THE OFFER (AS CALCULATED IN PARAGRAPH D.2 OF PART I BELOW) ("FULLY DILUTED SHARES"), TO THE PUBLIC SHAREHOLDERS (OTHER THAN THE SELLERS AS DEFINED IN PART II BELOW) OF THE TARGET COMPANY BY TEXMACO RAIL & ENGINEERING LIMITED ("ACQUIRER").

This detailed public statement ("**DPS**") is being issued by ICICI Securities Limited, the manager to this Offer ("**Manager to the Offer**"), for and on behalf of the Acquirer, in compliance with regulation 13(4) read with regulation 15(2) and other applicable regulations of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ("**SEBI (SAST) Regulations**"), and pursuant to the public announcement dated July 20, 2013 ("**PA**") sent to BSE Limited ("**BSE**"), National Stock Exchange of India Limited ("**NSE**"), Delhi Stock Exchange Limited ("**DSE**") and Calcutta Stock Exchange Limited ("**CSE**"), together referred as "**Stock Exchanges**" on July 20, 2013; to the Target Company at its registered office on July 22, 2013; and filed on July 22, 2013 with the Securities and Exchange Board of India ("**SEBI**"). The Offer is being made by the Acquirer pursuant to and in compliance with regulations 3(1), 4 and 20 of the SEBI (SAST) Regulations.

I. ACQUIRER, SELLERS, TARGET COMPANY AND OFFER

A. Information about the Acquirer

1. The Acquirer, Texmaco Rail & Engineering Limited, a public limited company, was incorporated on June 25, 1998 under the Companies Act, 1956 by the name Texmaco Machines Private Limited. The name of the Acquirer was changed to Texmaco Machines Limited on March 3, 2010 and subsequently to Texmaco Rail & Engineering Limited on April 23, 2010. With effect from the appointed date April 1, 2010, through a court approved demerger, the heavy engineering and steel foundry businesses of M/s. Texmaco Limited (founded in 1939 by the renowned industrialist, Late Dr. K. K. Birla) was demerged into Texmaco Rail & Engineering Limited. The Acquirer is registered with the Registrar of Companies, West Bengal, with Corporate Identity Number (CIN) - L29261WB1998PLC087404. The registered office of the Acquirer is located at Belgharia, Kolkata, West Bengal - 700 056.
2. The Acquirer is involved in the business of manufacturing of rolling stock, hydro mechanical equipments, steel castings, agricultural and other equipments.
3. The Acquirer is a part of the Adventz Group, which is controlled by Mr. Saroj Poddar. Texmaco Infrastructure & Holdings Limited ("Texinfra"), formerly known as Texmaco Limited and currently part of the Adventz Group, is the promoter of the Acquirer. The promoter and promoter group of the Acquirer hold 63.25% of the total issued equity shares of the Acquirer as on the date of this DPS. The main promoter group entities are Texinfra and Zuari Investments Limited which respectively hold 30.00% and 15.91% of the total issued equity shares of the Acquirer. No single public shareholder holds more than 5% of the total issued equity shares of the Acquirer.
4. The issued and paid up equity share capital of the Acquirer is ₹ 18,20,26,590 (Rupees eighteen crore, twenty lakhs, twenty six thousand, five hundred and ninety only) comprising of 18,20,26,590 equity shares of face value of ₹ 1 per equity share. The Acquirer is listed on NSE, BSE and CSE.
5. As of the date of this DPS, the Acquirer does not hold any Equity Shares of the Target Company. However:
   i. The Board of Directors of the Target Company has authorized the issue of 41,10,400 Equity Shares to the Acquirer on a preferential allotment basis in its meeting held on July 13, 2013, subject to approval of the shareholders of the Target Company through postal ballot, constituting 24.90% of the Fully Diluted Shares ("**Preferential Allotment**").
   ii. The Acquirer and the Sellers have entered into a share purchase agreement dated July 20, 2013 ("**Share Purchase Agreement**"), pursuant to which, the Acquirer has agreed to purchase form the Sellers 19,37,960 Equity Shares, constituting 11.74% of the Fully Diluted Shares.
6. As of the date of this DPS, the directors and key employees of the Acquirer do not have any interest in the Target Company and there are no directors representing the Acquirer on the Board of Directors of the Target Company.
7. There are no persons acting in concert in relation to the Offer within the meaning of 2(1)(q)(1) of the SEBI (SAST) Regulations.
8. The Acquirer has not been prohibited by SEBI from dealing in securities, in terms of the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**") or under any of the regulations made under the SEBI Act.
9. The key financial information of the Acquirer, as derived from its standalone audited financial statements as at and for the financial years ended March 31, 2013, March 31, 2012 and March 31, 2011 is as follows:

Particulars	Financial Year ended March 31,		
	2013	2012	2011
Total Revenue (₹ lakhs)	1,07,156.94	97,075.28	1,13,616.81
Net Income (₹ lakhs)	9,426.91	9,305.72	12,147.60
Earnings Per Share (EPS) (₹)			
- Basic	5.18	5.11	6.68
- Diluted	5.18	5.11	6.67
Net worth / Shareholder Funds (₹ lakhs)	56,955.50	49,658.21	42,388.88

Source: Financials for years ended on March 31, 2012 and 2011 are from the annual report for the financial year ended on March 31, 2012. Financials for year ended on March 31, 2013 are from audited financial results submitted to NSE and BSE

B. Details of selling shareholders

Pursuant to the Share Purchase Agreement dated July 20, 2013, the Acquirer has agreed to purchase 19,37,960 Equity Shares from the following shareholders (all of whom are individuals except for Kalindee Estates Pvt. Ltd. which is a private limited company) of the Target Company (referred as "**Sellers**" or "**Selling Shareholders**"):

Names of the Sellers	Address	Part of promoter group (Yes / No)	Details of Equity Shares / voting rights held by the Sellers			
			Pre-transaction (as on the date of the Share Purchase Agreement and the PA)		Post-transaction	
			Number	%*	Number	%*
Mr. Ram Dayal Sharma	B-12/7, DLF Phase 1, Gurgaon, Haryana	Yes	9,22,010	5.59%	Nil	Nil
Mr. Arvind Gemini[#]	F-5, Gautam Nagar, Gulmohar Park Road, New Delhi - 110 049	Yes	2,10,395	1.27%	Nil	Nil
Kalindee Estates Pvt. Ltd.[$]	101, Ground Floor, Silver Oak, C-4, Sawai Jai Singh highway, Bani Park, Jaipur - 302016 (Registered Office)	Yes	2,86,106	1.73%	Nil	Nil
Ms. Kalpana Gemini	F-5, 2nd Floor, Gautam Nagar, Gulmohar Park Road, New Delhi -110 049	Yes	1,12,914	0.68%	Nil	Nil
Ms. Sunita Gemini	8, Manav Ashram Colony, Gopal Pura bye pass, Jaipur	Yes	1,20,425	0.73%	Nil	Nil
Ms. Brijlata Gemini	8, Manav Ashram Colony, Gopal Pura bye pass, Jaipur	Yes	1,03,935	0.63%	Nil	Nil
Mr. Lalit Kishore Gemini [#]	8, Manav Ashram Colony, Gopal Pura bye pass, Jaipur	Yes	1,01,375	0.61%	Nil	Nil
Ms. Kanta Sharma	B-12/7, DLF Phase 1, Gurgaon, Haryana	Yes	59,000	0.36%	Nil	Nil
Ms. Laxmi Gemini	8, Manav Ashram Colony, Gopal Pura bye pass, Jaipur	Yes	21,800	0.13%	Nil	Nil
TOTAL			**19,37,960**	**11.74%**	**Nil**	**Nil**

** Calculated based on the Fully Diluted Shares which includes the Equity Shares proposed to be issued pursuant to the Preferential Allotment.*

 # Mr. Arvind Gemini and Mr. Lalit Kishore Gemini are deceased and actions in relation to their shareholding shall be taken by their legal heirs.

$ Kalindee Estates Pvt. Ltd. (previously known as Archit Communications Pvt. Ltd.) is a private limited company and is not listed on any stock exchange.

None of the Sellers have been prohibited by SEBI from dealing in securities, in terms of the SEBI Act or under any of the regulations made under the SEBI Act.

C. Details of the Target Company

1. Kalindee Rail Nirman (Engineers) Limited ("**KRNEL**"), a public limited company, was incorporated in Jaipur on February 15, 1984 under the Companies Act, 1956. The Target Company obtained the Certificate for Commencement of Business on July 2, 1984. The registered office of the Target Company was shifted from Jaipur to New Delhi on February 20, 2002. 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.
2. The Target Company is operating in the areas of signaling, telecommunications, automatic fare collections, track and information systems, etc. for rail transport.
3. The authorized share capital of the Target Company is ₹ 6,500.00 lakhs comprising of 6,50,00,000 Equity Shares. The issued, subscribed and paid-up capital of the Target Company as of the date of this DPS is ₹ 1,239.72 lakhs comprising of 1,23,97,197 Equity Shares.
4. There are currently no outstanding partly paid up equity shares or any other instruments convertible into Equity Shares of the Target Company at a future date.
5. 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, receipt of 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 to the Acquirer such that the post preferential allotment shareholding of the Acquirer in the Target Company is approximately 24.90% (without taking into consideration the Equity Shares that may be acquired by the Acquirer under this Offer and the Equity Shares that are proposed to be purchased from the Sellers pursuant to the Share Purchase Agreement). Further, pursuant to the intimations dated July 19, 2013 and July 20, 2013 to the BSE and NSE, the Target Company has fixed the price for the Preferential Allotment at ₹ 65.13 per Equity Share, in accordance with Chapter VII of the SEBI (ICDR) Regulations. The approval of the shareholders of the Target Company for the Preferential Allotment has been sought by way of a special resolution by postal ballot.
6. As on March 31, 2013, the promoters / promoter group of the Target Company held 19,38,060 Equity Shares, constituting 15.63% of the existing paid up and voting capital of the Target Company. Out of the total promoters / promoter group holding, 1,50,000 Equity Shares are under lock in. (*Source: www.bseindia.com*)
7. The Equity Shares of the Target Company are presently listed on BSE under Indonext Category, NSE, CSE and DSE. The Target Company has made applications for delisting the Equity Shares from CSE and DSE.
8. The Equity Shares of the Target Company are frequently traded on BSE and NSE within the meaning of Regulation 2(1)(j) of the SEBI (SAST) Regulations. Pursuant to the delisting application made by the Target Company to CSE and DSE, the Equity Shares of the Target Company are not traded on CSE and DSE.
9. Brief audited financial information of the Target Company for the years ended March 31, 2013, March 31, 2012, March 31, 2011 are as follows:

Particulars	Financial Year ended March 31,		
	2013	2012	2011
Total Revenue (₹ lakhs)	26,069.07	24,699.33	23,275.65
Net Income (₹ lakhs)	809.44	768.25	687.76
Earnings Per Share (EPS) (₹) - Basic & Diluted	6.53	6.20	5.62
Net worth / Shareholder Funds (₹ lakhs)	15,257.40	14,447.95	13,510.35

Source: Financials for years ended on March 31, 2013 and 2012 are from the audited financial results submitted to NSE and BSE. Financials for year ended on March 31, 2011 are from annual report for the financial year ended on March 31, 2011.

10. As on date, the Board of Directors of Target Company consists of Mr. Ram Dayal Sharma, Mr. Shanti Narain, Mr. Suresh Kumar Khanna, Mr. Kamal Kishore Agarwal, Mr. Mahendra Kumar Khanna, Mrs. Kalpana Gemini and Mrs. Sunita Gemini.

D. Details of the Offer

1. The Acquirer is making the Offer to all the equity shareholders of the Target Company other than the parties to the Share Purchase Agreement, pursuant to regulation 3(1), 4 and 20 of SEBI (SAST) Regulations, to acquire up to 49,52,280 Equity Shares, constituting 30% of the Fully Diluted Shares ("**Offer Size**") at a price of ₹ 68 (Rupees Sixty Eight) per Equity Share ("**Offer Price**"), payable in cash, subject to the terms and conditions set out in the PA, this Detailed Public Statement and the Letter of Offer that will be sent to all public shareholders of the Target Company.
2. The Offer Size represents 30% of the fully diluted voting equity share capital of the Target Company as of the 10th (tenth) working date from the closure of the tendering period for the Offer. The Offer Size has been calculated as follows:

Particulars	Issued and Paid up Capital and Voting Rights	% of Voting Capital
Fully paid up Equity Share as on the date of PA	1,23,97,197	100%
Partly paid up Equity Share as on the date of PA	Nil	Nil
Total	**1,23,97,197**	**100%**

FULLY DILUTED SHARES / VOTING CAPITAL (as on the 10th working day from the closure of the tendering period of the Offer)	
Fully paid up Equity Share as on the date of PA	1,23,97,197
Add: Equity Shares proposed to be issued pursuant to the Preferential Allotment	41,10,400
Fully Diluted Shares	1,65,07,597
Offer Size (30% of the Fully Diluted Shares)	49,52,280

3. This Offer is made to all the public shareholders of the Target Company, in term of the Regulation 7(6) of the SEBI (SAST) Regulations, other than the Acquirer and the Sellers.
4. The payment of consideration will be made to all the public shareholders, who have validly tendered their Equity Shares in acceptance of the Offer, within 10 working days from the expiry of the Tendering Period. Credit for the consideration will be made to the shareholders who have validly tendered Equity Shares in the Offer, by crossed account payee Cheques / Demand Drafts / National Electronic Clearance Service ('NECS'), where applicable, including Real Time Gross Settlement ('RTGS') / National Electronic Funds Transfer ('NEFT'). It is desirable that the public shareholders provide bank details in the form of Acceptance-cum-Acknowledgement, so that the same can be incorporated in the Cheque/Demand Drat/Pay Order.
5. As on the date of this DPS, to the best of the knowledge and belief of the Acquirer, other than an approval of the Reserve Bank of India, if any, for the acquisition of the Equity Shares from the non resident shareholders of the Target Company, there are no statutory approvals required to acquire the Equity Shares tendered pursuant to this Offer. If any statutory approvals are required or become applicable at a later date before the completion of the Offer, the Offer would be subject to the receipt of such statutory approvals. The Acquirer will not proceed with the Offer in the event such statutory approvals are refused in terms of Regulation 23 of the SEBI (SAST) Regulations.
6. In case of delay in receipt of any statutory approval, SEBI may, if satisfied that such delay in receipt of the requisite statutory approvals was not attributable to any willful default, failure or neglect on the part of the Acquirer to diligently pursue such approval and subject to such terms and conditions as may be specified by SEBI, including payment of interest in accordance with Regulation 18(11) of the SEBI (SAST) Regulations, permit the Acquirer to delay the commencement of the tendering period for the Offer pending receipt of such statutory approvals or grant an extension of time to the Acquirer to make the payment of the consideration to the public shareholders whose Equity Shares have been accepted in the Offer.
7. This Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of SEBI (SAST) Regulations.
8. This Offer is a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations, 2011. Brief details of the original offer ("**First Offer**") are as follows:

Name of acquirer	Jupiter Metal Private Limited
Number of Equity Shares proposed to be acquired	37,19,200 (thirty seven lakh, nineteen thousand, two hundred)
Date of public announcement ("First PA")	July 10, 2013
Date of detailed public statement ("First DPS")	July 17, 2013
Offer price	₹ 70.00 per Equity Share*
Mode of payment	Cash

* The offer price as per the First PA and First DPS was ₹ 65.00 per Equity Share, which was subsequently revised to ₹ 70.00 per Equity Share pursuant to addendum to the First PA and First DPS published on July 24, 2013.

9. The Equity Shares of the Target Company proposed to be acquired by the Acquirer under the Offer will be acquired by the Acquirer as fully paid up, free from all liens, charges and encumbrances and together with the rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof.
10. The Acquirer and the Sellers have entered into a Share Purchase Agreement dated July 20, 2013, pursuant to which, the Acquirer has agreed to purchase form the Sellers 19,37,960 Equity Shares, constituting 11.74% of the Fully Diluted Shares. The closing of the Share Purchase Agreement is conditional upon the completion of the conditions precedent set out therein (details of which are provided in Part II of this DPS) all of which are considered to be outside the reasonable control of the Acquirer. In the event that such conditions are not fulfilled for any reason outside the reasonable control of the Acquirer and the Share Purchase Agreement is rescinded, the Acquirer shall have a right to withdraw this Offer in terms of Regulation 23 of the SEBI (SAST) Regulations. In the event of withdrawal of this Offer, a public announcement will be made (through the Manager to the Open Offer) stating the grounds and reasons for the withdrawal of the Offer in accordance with Regulation 23(2) of the SEBI (SAST) Regulations, within 2 (two) working days of such withdrawal in the same newspapers in which this DPS has been published and such public announcement will also be sent to the Stock Exchanges, SEBI and the Target Company at its registered office.

E. In terms of Regulation 25(2) of the SEBI (SAST) Regulations, as of the date of this DPS, the Acquirer does not have any plans to dispose off or otherwise encumber any material assets of the Target Company in the next 2 (two) years, except as may be approved by the Board of Directors of the Target Company and (i) in the ordinary course of business; or (ii) to the extent required for the purpose of restructuring and/or rationalization of assets, investments, liabilities, business or otherwise of the Target Company. Further, subject to the requisite approvals, the Acquirer may evaluate options regarding disposal of any surplus assets. Any such disposal or encumbrance shall be with the prior approval of the shareholders obtained by way of a special resolution in terms of Regulation 25(2) of the of the SEBI (SAST) Regulations.

F. The Acquirer reserves the right to streamline/restructure its holding in the Target Company and/or the operations, assets, liabilities and/or businesses of the Target Company. Such decisions will be taken in accordance with the procedures set out by applicable law, and pursuant to business requirements and in line with opportunities or changes in the economic scenario, from time to time.

G. As per Clause 40A of the listing agreements entered into by the Target Company ("**Listing Agreements**"), read with Rule 19A of Securities Contract (Regulation) Rules, 1957 ("**SCRR**"), the Target Company is required to maintain at least 25% public shareholding as determined in accordance with the SCRR, on a continuous basis for listing. The acquisition of the Equity Shares proposed to be acquired under this Offer together with the acquisition of the Equity Shares from the Sellers pursuant to the Share Purchase Agreement and the Equity Shares proposed to be issued to the Acquirer pursuant to the Preferential Allotment, shall not result in the public shareholding in the Target Company falling below the minimum level required for continued listing under Clause 40A of the Listing Agreements and Rule 19A of the SCRR.

H. If, pursuant to revisions in the Offer Size, the public shareholding in the Target Company reduces below the minimum level required as per the Listing Agreements, read with Rule 19A of the SCRR, the Acquirer hereby undertakes to reduce its shareholding in the Target Company, within the period specified in the SCRR, such that the Target Company complies with the minimum public shareholding requirement prescribed in the Listing Agreements, read with Rule 19A of the SCRR.

II. BACKGROUND TO THE OFFER

1. The Offer is made in accordance with Regulation 3(1) and Regulation 4 of the SEBI (SAST) Regulations. The Offer may also be treated as a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations, 2011 to the open offer made by Jupiter Metals Private Limited, the details of which have been set out in paragraph D.8 above.
2. The Acquirer and the Sellers have entered into a Share Purchase Agreement dated July 20, 2013, pursuant to which, the Acquirer has subject to the satisfaction or waiver of certain conditions set out in the Share Purchase Agreement, agreed to purchase from the Sellers, 19,37,960 Equity Shares, constituting 11.74% of the Fully Diluted Shares and to acquire control over the management of the Target Company.
3. The salient features of the Share Purchase Agreement are as follows:
   - The Sellers have agreed to sell and the Acquirer has agreed to purchase, 19,37,960 (Nineteen Lakh, Thirty Seven Thousand, Nine Hundred and Sixty) Equity Shares of the Target Company ("**Sale Shares**") held by the Sellers in consideration of an amount of ₹ 12,59,67,400 calculated on the basis of a price per Sale Share of ₹ 65. At present, the Sellers, being the promoters of the Target Company are in control of the management of the Target Company and the Sellers have also agreed to transfer the management control of the Target Company to the Acquirer, on the terms and conditions as set forth in the Share Purchase Agreement.
   - The obligation of the Acquirer to purchase the Sale Shares under the Share Purchase Agreement is subject to the fulfillment of certain conditions precedent, prior to the completion/consummation of the transactions contemplated under the Share Purchase Agreement ("**Closing**").
   - Notwithstanding anything contained in the Share Purchase Agreement and irrespective of whether the conditions precedent mentioned below have been satisfied or not, the Acquirer may at any time, subject to all applicable laws, at its discretion and subject to any additional conditions as the Acquirer may deem fit, waive any or all of the conditions precedent mentioned below and furnish a letter to the Sellers requesting the Sellers to go ahead with the proposed sale of the Sale Shares and specifying a date on which Closing shall take place.
   - The Closing shall take place, upon the fulfillment or waiver, as the case may be, of the conditions precedent mentioned below on the date intimated by the Acquirer to the Sellers ("**Closing Date**"). The Acquirer may, at its discretion, fix the Closing Date on a date which is the earliest date on which the Sale Shares can be transferred to the Acquirer under applicable laws including the SEBI (SAST) Regulations and any other rules and regulations, if applicable.
   - On the Closing Date, the Sellers shall convene a meeting of the Board of Directors of the Target Company in which meeting, the Acquirer shall, subject to applicable laws, be entitled to appoint its nominees on the Board of Directors of the Target Company and assume Control (as defined under the SEBI (SAST) Regulations) of the Target Company. In the event the meeting of the Board cannot be held on the Closing Date for this purpose due to any applicable laws, the Sellers shall convene a board meeting on such date as may be requested by the Acquirer. On the date, the Acquirer appoints its nominees as directors of the Target Company, the Sellers shall cause the directors nominated by them to resign from the Board of Directors of the Target Company.
   - The Sellers have, *inter alia*, made the following warranties to the Acquirer under the Share Purchase Agreement:
     (a) Each of them has full power, capacity and authority, to sign, execute, deliver and comply with the terms and conditions laid down herein and has taken or is in the process of taking all necessary actions (statutory or otherwise) to execute and authorize the execution, delivery and performance of the Share Purchase Agreement.
     (b) Each of them is fully entitled and authorized to sell the respective Sale Shares in the manner and upon the terms and conditions contained in the Share Purchase Agreement;
     (c) Each of them is the absolute owner of the Sale Shares, free of all encumbrances except the encumbrance created in favour of the lenders of the Company to secure the loans obtained by the Company and which shall be released on or before the Closing Date, and has validly acquired and is authorized to validly hold the Sale Shares and all relevant approvals including Governmental Approvals, as may be required in this regard, have been obtained and are currently in force and effect;
     (d) There has been made no disclosure of any information to the Acquirer by the Sellers in relation to the Target Company and its business which is not in the public domain or which is to be considered as price sensitive information;
     (e) The Target Company has conducted its business and corporate affairs in accordance with its memorandum of association and articles of association and in accordance with all applicable laws and regulations of India. Neither the Target Company nor the Sellers have, in connection with the business and operations of the Target Company, acted in violation of the laws applicable to them or applicable to the Target Company.
4. The Acquirer has subject to fulfillment of certain conditions set out in the Share Purchase Agreement agreed to acquire the Equity Shares from the Sellers as under:

Seller	Number Of Equity Shares	% of Fully Diluted Shares	Price Per Equity Share (₹)	Consideration (₹)
Mr. Ram Dayal Sharma	9,22,010	5.59%	65	5,99,30,650
Mr. Arvind Gemini [#]	2,10,395	1.27%	65	1,36,75,675
Kalindee Estates Pvt. Ltd.	2,86,106	1.73%	65	1,85,96,890
Ms. Kalpana Gemini	1,12,914	0.68%	65	73,39,410
Ms. Sunita Gemini	1,20,425	0.73%	65	78,27,625
Ms. Brijlata Gemini	1,03,935	0.63%	65	67,55,775
Mr. Lalit Kishore Gemini [#]	1,01,375	0.61%	65	65,89,375
Ms. Kanta Sharma	59,000	0.36%	65	38,35,000
Ms. Laxmi Gemini	21,800	0.13%	65	14,17,000
TOTAL	**19,37,960**	**11.74%**		**12,59,67,400**

 # Mr. Arvind Gemini and Mr. Lalit Kishore Gemini are deceased and actions in relation to their shareholding shall be taken by their legal heirs.

The total number of Equity Shares to be sold by the Sellers to the Acquirer are 19,37,960 ("**Sale Shares**") and the total consideration for the aforesaid Sale Shares shall be ₹ 12,59,67,400 ("**Sale Consideration**").

5. The completion under the Share Purchase Agreement and the acquisition of the Equity Shares from the Sellers in accordance with the Share Purchase Agreement is conditional on the satisfaction or waiver of certain conditions set out in the Share Purchase Agreement, including the following conditions (each of which is considered to be outside the reasonable control of the Acquirer):
   - The shareholders of the Company having consented, through a special resolution, to the Preferential Allotment of 41,10,400 Equity Shares to the Acquirer and the Target Company having completed the Preferential Allotment to the Acquirer in accordance with applicable law.
   - The Sellers having caused the transmission of 3,11,770 (three lakhs eleven thousand seven hundred and seventy) Sale Shares previously held by Late Mr. Arvind Gemini and Late Mr. Lalit Kishore Gemini in favour of their respective legal heirs and having obtained the succession certificates or such other legal documents pursuant to which, one or more of the Sellers shall have become the legal and beneficial owners of such relevant Sale Shares.
   - The Sellers having taken all actions and obtained all approvals, including any consent from the lenders of the Target Company, as may be required, for the execution, delivery and performance of the transactions contemplated under the Share Purchase Agreement.
   - The encumbrances over 7,96,355 (seven lakhs ninety six thousand three hundred and fifty five) Sale Shares or any other Sale Shares, proposed to be purchased by the Acquirer from the Sellers, having been removed and the Sellers having caused the lender(s) of the Target Company to provide letter(s) confirming the release of the encumbrance over such Sale Shares.
   - The Sellers' Warranties under the Share Purchase Agreement remaining true and correct throughout up to and including the Closing Date (i.e. the date on which the transactions contemplated under the Share Purchase Agreement are to be completed) and the Sellers having performed and complied with all their agreements, obligations and conditions as mentioned in the Share Purchase Agreement;
   - There having occurred no Material Adverse Effect in respect of the business of the Target Company or otherwise. "Material Adverse Effect" is defined in the Share Purchase Agreement as any event or circumstances which, in the opinion of the Acquirer, either by itself or taken together with other events or circumstances, would, or is reasonably expected to, adversely affect the financial condition or business operations or prospects of a Person or the power and capacity of such Person to perform his obligations under the Share Purchase Agreement.
6. In this regard, it may also be pertinent to note that the Board of Directors of the Target Company has authorized the Preferential Allotment of 41,10,400 Equity Shares to the Acquirer in its meeting held on July 13, 2013, subject to approval of the shareholders of the Target Company, constituting 24.90% of the Fully Diluted Shares. The successful completion of the Preferential Allotment is a condition precedent to the completion of the transactions under the Share Purchase Agreement. The Preferential Allotment is subject to certain conditions including the receipt of the approval of the shareholders of the Target Company by way of a special resolution (which are beyond the reasonable control of the Acquirer).
7. In the event, any of the conditions precedent are not satisfied for reasons outside the reasonable control of the Acquirer, the Acquirer may elect to terminate the Share Purchase Agreement, as per its provisions and then the Acquirer shall have the right to withdraw the Offer subject to the SEBI (SAST) Regulations.
8. This Offer is being made to the shareholders of the Target Company, other than the Sellers, in accordance with SEBI (SAST) Regulations to capitalize on the favourable long term growth prospects of the Target Company, utilizing the benefits of the synergy with the business of the Acquirer and to facilitate the long term growth plans of the Acquirer.
9. The Acquirer intends to continue with the existing line of business of the Target Company and expand it with sound management and financial support.

III. SHAREHOLDING AND ACQUISITION DETAILS

The current and proposed Equity Shareholding of the Acquirer in the Target Company and the details of the Acquirer's acquisition are as follows:

Details	Acquirer	
	No.	%.
Shareholding as on the date of the PA	Nil[#]	Nil[#]
Equity Shares acquired between the date of the PA and the date of this DPS	Nil	Nil
Post Offer shareholding (*) (On fully diluted basis, as on 10th working day after close of the tendering period) (assuming full acceptance)	1,10,00,640[$]	66.64%[$]

 # Excludes the Equity Shares proposed to be issued pursuant to the Preferential Allotment, since it is subject to approval of the shareholders of the Target Company

$ Calculated based on the Fully Diluted Shares, which includes the Equity Shares proposed to be issued pursuant to the Preferential Allotment

** As on the date of this DPS, the directors of the Acquirer do not hold any Equity Shares*

IV. OFFER PRICE

1. The Equity Shares of the Target Company are listed on BSE under Indonext category, NSE, CSE and DSE. The Target Company has made applications for delisting the Equity Shares from CSE and DSE. The Equity Shares of the Target Company are frequently traded on BSE and NSE. Pursuant to the delisting application made by the Target Company to CSE and DSE, the Equity Shares of the Target Company are not traded on CSE and DSE.
2. The trading turnover based on the trading volume of the Equity Shares of the Target Company on BSE and NSE during July 1, 2012 to June 30, 2013, i.e. 12 (twelve) calendar months preceding July 2013, the month in which the PA was issued, is as under:

Stock Exchange	Number of Equity Shares traded during the 12 calendar months prior to the month in which the PA was issued	Total number of listed Equity Shares during this period	Annualized trading turnover (as a percentage of 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: www.bseindia.com and www.nseindia.com

Therefore, in terms of regulation 2(1)(j) of the SEBI (SAST) Regulations, the Equity Shares are frequently traded on NSE and BSE. The Equity Shares of the Target Company are currently not traded on CSE & DSE.

3. The Offer Price of ₹ 68 (Rupees Sixty Eight) per Equity Share is justified in terms of regulations 8(2) and 8(5) of the SEBI (SAST) Regulations, in view of the following:

(a)	Highest negotiated price per Equity Share under the Share Purchase Agreement.	₹ 65.00
(b)	Volume-weighted average price paid or payable by the Acquirer, during the 52 weeks immediately preceding the date of the PA.	₹ 65.13
(c)	Highest price paid or payable for any acquisition, by the Acquirer, during the 26 weeks immediately preceding the date of the PA.	₹ 65.13
(d)	Volume-weighted average market price of the Equity Shares for a period of 60 trading days immediately preceding the date of the PA as traded on the stock exchange where the maximum volume of trading in the Equity Shares are recorded during such period, provided such Equity Shares are frequently traded.	₹ 62.73
(e)	Per Equity Share value, as required under regulation 8(5) of the SEBI (SAST) Regulations.	Not Applicable

4. There have been no corporate actions by the Target Company warranting adjustment of any of the relevant price parameters under regulation 8(9) of the SEBI (SAST) Regulations. (*Source: BSE and NSE websites*)
5. There has been no revision in the Offer Price by the Acquirer as of the date of this DPS. Further revisions in the Offer Price for any reason including future purchases/ competing offers shall be done as per the SEBI (SAST) Regulations and will be notified to the shareholders by a (i) public announcement in the same newspapers in which this DPS has been published; and (ii) simultaneous notification to the Stock Exchanges, SEBI and the Target Company at its registered office. Such revision would be done in compliance with other formalities prescribed under the SEBI (SAST) Regulations.

V. FINANCIAL ARRANGEMENTS

1. The total funding requirement for this Offer is ₹ 33,67,55,040, assuming full acceptance of this Offer ("**Offer Consideration**").
2. The Acquirer has adequate resources to meet the financial requirements of the Offer and will fund the Offer Consideration from its domestic bank accounts.
3. The Acquirer has deposited a sum of ₹ 8,50,00,000 (Rupees Eight Crore and Fifty Lakh) in Fixed Deposit Account Number 000610051215 held with ICICI Bank at its branch at 20, Rasoi Court, R. N. Mukherjee Road, Kolkata-700001, who has marked a lien on the Fixed Deposit Account with an irrevocable right to encash the proceeds in favour of the Manager to the Offer, through its letter dated July 24, 2013. The said amount deposited in the Fixed Deposit Account is more than the minimum prescribed amount of 25% of the first ₹ 500,00,00,000 (Rupees Five Hundred Crore) of the Offer Consideration, under Regulation 17 of the SEBI (SAST) Regulations. The Manager to the Offer is duly authorized by the Acquirer to realise the value of the aforesaid Fixed Deposit Account in terms of the SEBI (SAST) Regulations.
4. In case of revision of the Offer Price and / or the Offer Size, the Acquirer shall (i) make deposits into an Escrow Account; (ii) deposit additional funds into the existing Fixed Deposit Account specified in point 3 above; and/or (iii) deposit additional funds into new fixed deposit accounts with liens marked with an irrevocable right to encash the proceeds in favour of the Manager to the Offer, to ensure compliance with regulation 17 of the SEBI (SAST) Regulations.
5. M/s. K. N. Gutgutia & Co., Chartered Accountants (through its Partner, Mr. K. C. Sharma having membership no. 50819), having its address at 6C, Middleton Street, Flat No. 23 (2nd Floor), Kolkata - 700071, have vide its letter dated July 20, 2013, certified on the basis of their scrutiny of the books of accounts, records and documents of the Acquirer, that the Acquirer has adequate and firm financial resources to enable it to meet its financial obligations relating to the Offer.
6. Based on the above, the Manager to the Offer is satisfied that firm arrangements have been put in place by the Acquirer to fulfill the Acquirer's obligations through verifiable means in relation to this Offer in accordance with the SEBI (SAST) Regulations.

VI. STATUTORY AND OTHER APPROVALS

1. As of the date of this DPS, to the best of the knowledge of the Acquirer, there are no statutory approvals required by the Acquirer to complete this Offer other than an approval of the Reserve Bank of India, if any, for the acquisition of the Equity Shares from the non resident shareholders of the Target Company. However, in case of any statutory approvals being required by the Acquirer at a later date before the closure of the tendering period, this Offer shall be subject to such approvals and the Acquirer shall make the necessary applications for such approvals. NRI and OCB holders of Equity Shares, if any, must obtain all requisite approvals required to tender the Equity Shares held by them pursuant to this Offer (including without limitation, the approval from the RBI) and submit such approvals, along with the other documents required in terms of the Letter of Offer. Further, if holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs and FIIs) had required any approvals (including from the RBI or the FIPB) in respect of the Equity Shares held by them, they will be required to submit the previous approvals that they would have obtained for holding the Equity Shares, to tender the Equity Shares held by them pursuant to this Offer, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves its right to reject such Equity Shares tendered in this Offer.
2. In case of delay in receipt of any statutory approvals which may be required by the Acquirer at a later date, as per regulation 18(11) of the SEBI (SAST) Regulations, SEBI may, if satisfied, that non-receipt of approvals was not attributable to any willful 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 public shareholders of the Target Company for delay beyond 10 (ten) working days from the closure of the tendering period at such rate as may be specified by SEBI from time to time. Provided where the statutory approvals extend to some but not all holders of the Equity Shares, the Acquirer has the option to make payment to such holders of the Equity Shares in respect of whom no statutory approvals are required in order to complete this Offer.
3. The Acquirer will have the right not to proceed with this Offer in accordance with regulation 23 of the SEBI (SAST) Regulations, in the event the statutory approvals indicated above are refused or if the conditions set out under the Share Purchase Agreement (as set out in Part II of this DPS) are not fulfilled for any reason outside the reasonable control of the Acquirer and the Share Purchase Agreement is rescinded. In the event of withdrawal of this Offer, a public announcement will be made (through the Manager to the Open Offer) stating the grounds and reasons for the withdrawal of the Offer in accordance with Regulation 23(2) of the SEBI (SAST) Regulations, within 2 (two) working days of such withdrawal, in the same newspapers in which this DPS is published and such public announcement will also be sent to the Stock Exchanges, SEBI and the Target Company at its registered office.

VII. TENTATIVE SCHEDULE OF ACTIVITY

Nature of Activity	Day & Date
Date of the PA	Saturday, July 20, 2013
Date of publishing this DPS	Friday, July 26, 2013
Last date for filing of the draft letter of offer with SEBI	Friday, August 02, 2013
Last date for public announcement of a competing offer(s) as per the First DPS	Wednesday, August 07, 2013
Identified Date*	Thursday, August 29, 2013
Date by which Letter of Offer will be dispatched to the shareholders (except the Sellers) as on the Identified Date	Thursday, September 05, 2013
Last date for upward revision of Offer Price and / or Offer Size	Tuesday, September 10, 2013
Last date by which the recommendation of the committee of independent directors of the Target Company will be published	Wednesday, September 11, 2013
Date of public announcement for opening of the Offer in the newspapers where this DPS has been published	Thursday, September 12, 2013
Date of commencement of tendering period	Friday, September 13, 2013
Date of closing of tendering period	Thursday, September 26, 2013
Last date of communicating rejection / acceptance and payment of consideration for accepted Equity Shares and / or Equity Share certificate / demat delivery instruction for rejected Equity Shares will be dispatched / issued	Friday, October 11, 2013

** Date falling on the 10th (tenth) working day prior to the commencement of the tendering period, for the purpose of determining the shareholders of the Target Company to whom the Letter of Offer shall be sent. It is clarified that all the shareholders (registered or unregistered) of the Target Company (except the Sellers) are eligible to participate in this Offer any time during the tendering period of the Offer.*

VIII. PROCEDURE OF TENDERING THE EQUITY SHARES IN CASE OF NON-RECEIPT OF LETTER OF OFFER

1. All shareholders holding the Equity Shares except the Sellers, whether holding the Equity Shares in dematerialized or physical form, registered or unregistered, are entitled to participate in this Offer, any time during the tendering period of this Offer.
2. Persons who have acquired the Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date or unregistered owners or those who have not received the Letter of Offer, may participate in this Offer by submitting an application on a plain paper giving details set out below and in the Letter of Offer. Alternatively, such holders of the Equity Shares may apply in the form of acceptance-cum-acknowledgement in relation to this Offer which shall be annexed to the Letter of Offer, which may also be obtained from the SEBI website (http://www.sebi.gov.in) or Link Intime India Private Limited ("**Registrar to the Offer**"). The application is to be sent to the Registrar to the Offer at the address mentioned below so as to reach the Registrar to the Offer on or before Thursday, September 26, 2013 (i.e. the date of closing of the tendering period), together with:
   (a) In the case of Equity Shares held in physical form, the name, address, number of Equity Shares held, number of Equity Shares offered, distinctive numbers and folio number together with the original Equity Share certificate/s and valid transfer deeds, the original contract note issued by a registered share broker of a recognized stock exchange through whom such Equity Shares were acquired and / or such other documents, as may be specified; or
   (b) In the case of Equity Shares held in dematerialized form, the Depository Participant ("**DP**") name, DP ID, account number together with a photocopy or counterfoil of the delivery instruction slip in "off-market" mode duly acknowledged by the DP for transferring the Equity Shares in favour of the Special Depository Account as per the instructions given below:

Depository Participant Name	Ventura Securities Limited
DP ID	IN303116
Client ID	11219362
Account Name	LIIPL Kalindee Open Offer Escrow Demat Account
Depositary	National Securities Depository Limited (NSDL)

   (c) Shareholders having their beneficial account with Central Depository Services (India) Limited ("**CDSL**") have to use inter-depository delivery instruction slip for the purpose of crediting their Equity Shares in favour of the Special Depository Account with NSDL.
   (d) The public shareholders of the Target Company may also download (i) the Letter of Offer from the SEBI website (http://www.sebi.gov.in); or (ii) obtain a copy of Letter of Offer by writing to the Registrar to the Offer superscribing the envelope "Kalindee Rail Nirman (Engineers) Limited – Open Offer" with suitable documentary evidence of ownership of the Equity Shares.
3. The detailed procedure for tendering the Equity Shares in the Offer will be available in the Letter of Offer.

IX. OTHER INFORMATION

1. The Acquirer and its directors accept full responsibility for the obligations of the Acquirer as laid down in terms of the SEBI (SAST) Regulations and for the information contained in the PA, this DPS, except in relation to the information pertaining to the Target Company and the Sellers, for which the Acquirer has relied on the information provided by the Target Company and / or the Sellers and has not independently verified the accuracy of such information.
2. The Acquirer will be solely responsible for fulfillment of applicable obligations under the SEBI (SAST) Regulations.
3. Pursuant to regulation 12 of the SEBI (SAST) Regulations, the Acquirer has appointed ICICI Securities Limited as the Manager to the Offer.
4. The Acquirer has appointed Link Intime India Private Limited as the Registrar to the Offer. Address: C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup West, Mumbai - 400078; Contact Person: Mr. Pravin Kasare; Email: kalindee.offer@linkintime.co.in; Telephone: +91 22 2596 7878; Fax: +91 22 2596 0329; SEBI Registration Number: INR000004058
5. This DPS and the PA is also expected to be available on SEBI's website (http://www.sebi.gov.in).
6. In this DPS, any discrepancy in any table between the total and sums of the amount listed are due to rounding off and/or regrouping.

Issued by the Manager to the Offer for and on behalf of the Acquirer

ICICI Securities

ICICI Securities Limited
ICICI Centre, H.T. Parekh Marg, Churchgate,
Mumbai - 400 020
Tel: +91 22 2288 2460, Fax: +91 22 2282 6580
Contact Person: Mr. Mangesh Ghogle
Email: kalindee.openoffer@icicisecurities.com
SEBI Registration Number: INM000011179

Place: Kolkata

Date: July 26, 2013