ANNOUNCEMENT TO THE SHAREHOLDERS OF DCM SHRIRAM INDUSTRIES LIMITED

Regd. Office: Kanchenjunga Building, 6th Floor, 18, Barakhamba Road, New Delhi-110001

This announcement ("Corrigendum to the Public Announcement") is being issued by **Mefcom Capital Markets Limited** (hereinafter referred to as "the Manager to the Offer") for and on behalf of **M/s HB Stockholdings Limited** (hereinafter referred to as "the Acquirer") along with Mr. H.C. Bhasin (hereinafter referred to as "Person Acting in Concert" or "PAC").

This Corrigendum to the Public Announcement is in continuation of, and should be read in conjunction with, the original Public Announcement ("PA") published on 19th November, 2007 and the Revised Public Announcement ("RPA") published on 29th November, 2007.

Terms used but not defined in this Corrigendum to the Public Announcement shall have the meaning assigned to them in the PA and RPA. Shareholders are requested to note the following amendments with respect to the PA and RPA:

1. **Revised Schedule of Activities**:

Activity	**Original Schedule**	**Revised Schedule**
Issue of Public Announcement	19/11/2007 Monday	19/11/2007 Monday
Specified Date	20/11/2007 Tuesday	20/11/2007 Tuesday
Issue of Revised Public Announcement with Upward Revision of Price	29/11/2007 Thursday	29/11/2007 Thursday
Last date for a Competitive bid	10/12/2007 Monday	10/12/2007 Monday
Letter of Offer to be posted to shareholders	26/12/2007 Wednesday	17/05/2008 Saturday
Date of Opening of the Offer	03/01/2008 Thursday	23/05/2008 Friday
Last date for revising the Offer Price / number of shares	15/01/2008 Tuesday	02/06/2008 Monday
Last date for withdrawal of acceptance by shareholders	21/01/2008 Monday	06/06/2008 Friday
Date of Closing of the Offer	24/01/2008 Thursday	11/06/2008 Wednesday
Date by which the acceptance / rejection would be intimated and the corresponding payment for the acquired shares and /or the share certificate for the rejected shares will be despatched	08/02/2008 Friday	26/06/2008 Thursday

2. **Upward Revision of Offer Price**: As per the PA, the Offer Price was Rs. 70/- (Rupees Seventy Only) per equity share which was further revised to Rs. 120/- (Rupees One Hundred Twenty Only) per equity share vide RPA dated 29th November, 2007. On and after the date of the PA, the Acquirer has purchased 18,80,160 equity shares of **DCM Shriram Industries Limited** (hereinafter referred to as "the Target Company") from Open Market as per the details given below:

Date	Mode of Acquisition	Stock Exchange	No. of Shares	Highest price (Rs.)	Lowest price Rs.)	Average Price (Rs.)
November 19, 2007 to May 12, 2008	Market Purchase	The Stock Exchange, Mumbai	18,80,160	127.50	69.00	116.84

The highest purchase price for the above purchases is Rs. 127.50 per equity share.

However, the Acquirer, in terms of Regulation 20(7) read with Regulation 26 of the SEBI (SAST) Regulations, has revised the Offer Price to Rs. 130/- (Rupees One Hundred Thirty Only) per equity share which is the revised price by the Acquirer since the date of publication of PA from the earlier Offer Price of Rs. 70/- (Rupees Seventy Only) per equity share vide PA dated 19th November, 2007 which was further revised to Rs. 120/- (Rupees One hundred Twenty Only) per equity share vide RPA dated 29th November, 2007.

The revised Offer is for acquisition of 35,00,000 fully paid-up equity shares of the face value of Rs. 10/- each representing 22.88% of the voting capital of Rs.15,29,84,370/- of the Target Company as on the date of PA which, as on the date of this Corrigendum, is 20.12% of the expanded voting capital after taking into consideration the allotment of 21,00,000 equity shares consequent to the conversion of 7,00,000 share warrants to the specified entities of the Promoters / Promoter group / Persons Acting in Concert of the Target Company at a price of Rs. 130/- (Rupees One Hundred Thirty Only) per fully paid equity share ("Revised Offer Price") payable in cash. The allotment of equity shares & warrants is sub-judice.

3. Consequent to the upward revision in the Offer Price, assuming full acceptance, the total monetary value of the revised Offer would be Rs. 45,50,00,000/- (Rupees Forty Five Crores and Fifty Lakhs Only).

4. The Acquirer has created an Escrow Account for deposit of securities with M/s Religare Securities Ltd., New Delhi. As on date, this Escrow Account comprises of 6,25,000 equity shares of M/s Jaiprakash Associates Ltd. (Market Value Rs. 15,40,00,000/- (Rupees Fifteen Crores Forty Lakhs Only) based on closing market rate as on 12/05/2008 on BSE). After the upward revision of the Offer Price to Rs.130/-, the deposit of securities with M/s Religare Securities Ltd., in favour of the Manager to the Offer, is more than the requisite amount of the total consideration payable under the revised Offer as per Regulation 28(9) of SEBI (SAST) Regulations.

5. As per PA, the Acquirer had deposited a sum of Rs. 25,00,000/- (Rupees Twenty Five Lakhs Only) with HDFC Bank Ltd., Surya Kiran Building, K. G. Marg, New Delhi-110001 being more than 1% of the total consideration payable under the Offer with authority given to the Manager to the Offer to operate and realize the value of the Escrow Account. As per RPA, the Acquirer had increased the cash deposit to Rs. 42,00,000/- (Rupees Forty Two Lakhs Only). Now, the Offer Price being revised to Rs.130/- (Rupees One Hundred Thirty Only), the Acquirer has increased the cash deposit by Rs. 4,00,000/- (Rupees Four Lakhs Only) in the said Escrow Account and the balance is now Rs. 46,00,000/- (Rupees Forty Six Lakhs Only) which is more than 1% of the total consideration payable under the revised Offer.

6. The Acquirer has adequate internal resources for financing the acquisition of equity shares under the revised Offer. M/s P. Bholusaria & Co., Chartered Accountant, having office at 26/11, Shakti Nagar, Delhi-110007, Tel.:011-23845925, the Statutory Auditors of the Acquirer, through their partner Mr. Amit Goel (Membership No.-92648), have certified on 12th May, 2008 that the Acquirer has adequate resources to meet the financial requirements of the total consideration payable under the revised Offer.

7. As on the date of this Corrigendum, the shareholding of the Acquirer and PAC constitutes 22.04% and 0.09% respectively of the expanded voting capital of Rs. 17,39,84,370/- after taking into consideration the allotment of 21,00,000 equity shares consequent to the conversion of 7,00,000 share warrants to the specified entities of the Promoters / Promoter group / Persons Acting in Concert of the Target Company. However, the shareholding of the Acquirer and PAC is 25.06% and 0.10% respectively of the voting capital of Rs. 15,29,84,370/-of the Target Company as on the date of this Corrigendum.

8. As of the date of this Corrigendum, three directors have been appointed on the Board of the Target Company details of which are as follows:

Name	Date of Appointment	Designation
Mr.S.B.Mathur	14/01/2008	Additional Independent Director
Shri Lokanath Mishra	14/04/2008	Director (Nominee Director by IFCI in Place of Mr. S. P. Arora)
Mr.Ravinder Narain	29/01/2008	Additional Independent Director

9. The Acquirer, the PAC and the Board of Directors of the Acquirer respectively accept full responsibility for the information contained in this Corrigendum to the Public Announcement. The Acquirer, the PAC and the Board of Directors of the Acquirer respectively shall be jointly and severally responsible for fulfillment of their obligations under the SEBI (SAST) Regulations.

10. Public Announcement dated 19th November, 2007, Revised Public Announcement dated 29th November, 2007 and this Corrigendum to the Public Announcement may also be downloaded from the SEBI's web site at www.sebi.gov.in.

This Corrigendum to the Public Announcement is issued by the Manager to the Offer on behalf of the Acquirer and PAC.

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Place: New Delhi
Date: May 14, 2008