CORRIGENDUM TO THE DETAILED PUBLIC STATEMENT FOR THE ATTENTION OF THE EQUITY SHAREHOLDERS OF MCNALLY BHARAT ENGINEERING COMPANY LIMITED

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This Corrigendum to the Detailed Public Statement **("Corrigendum")** is being issued by Motilal Oswal Investment Advisors Private Limited **("Manager to the Offer")**, for and on behalf the Acquirer, namely, EMC Limited **("Acquirer")** and MKN Investment Private Limited **("PAC 1")**, McLeod Russel India Limited **("PAC 2")**, Williamson Magor & Co. Limited **("PAC 3")**, Babcock Borsig Limited **("PAC 4")**, Williamson Financial Services Limited **("PAC 5")**, Kilburn Engineering Limited **("PAC 6")**, Bishnauth Investments Limited **("PAC 7")** and Mr. Amritanshu Khaitan **("PAC 8"** and together with PAC 1 to PAC 7, the **"PACs")** pursuant to and in compliance with Regulation 3(2) and 4 of the SEBI (SAST) Regulations, 2011 as amended.

This Corrigendum should be read in continuation of and in conjunction with Detailed Public Statement **("DPS")**, published in all editions of Business Standard (English and Hindi), Kolkata editions of Kalantar Patrika (Bengali) and Mumbai edition of Mumbai Lakshadeep (Marathi) newspapers on July 7, 2015 unless otherwise specified. Capitalized terms used in this Corrigendum shall have the same meaning assigned to such terms in the DPS, unless otherwise defined.

The shareholders of McNally Bharat Engineering Company Limited are requested to note that the developments/amendments with respect to and in connection with DPS are as under:

1. This Corrigendum is being filed in compliance with Regulation 3(2) and 4 read with 13(4), 14, 15(2) and other applicable provisions of the SEBI (SAST) Regulations as compared to the DPS which was filed in accordance with Regulation 3(1) and 4 read with 13(4), 14, 15(2) and other applicable provisions of the SEBI (SAST) Regulations.
2. This Offer is a mandatory Offer being made by the Acquirer and the PACs in accordance with Regulations 3(2) and 4 of the SEBI (SAST) Regulations pursuant to the Investment Agreement to acquire by way of a fresh issue of 1,00,00,000 Equity Shares of the voting equity share capital of the Target Company by the Acquirer accompanied by change from sole control by the Existing Promoters over the Target Company to joint control over the Target Company by the Acquirer, the PAC 1 and the Existing Promoters of the Target Company.
3. The definition of Emerging Voting Share Capital shall be amended to mean 'share capital of ₹ 53,59,38,180 comprising 5,35,93,818 Equity Shares of ₹10 each of the Target Company being the capital post allotment of 1,00,00,000 Equity Shares to the Acquirer on preferential allotment basis and post conversion of 30,00,000 outstanding warrants issued by the Target Company' and shall be construed accordingly across the DPS.
4. In terms of this Offer, the Acquirer along with PAC 3 proposes to acquire upto 1,39,34,393 Equity Shares constituting 26% of the Emerging Voting Share Capital of the Target Company **("Offer Size")**.
5. The Acquirer has entered into the Investment Agreement with the Target Company, PAC 2, PAC 3, PAC 4, PAC 5, PAC 6, PAC 7 and PAC 8 for the acquisition of 1,00,00,000 (One crore) Equity Shares representing 18.66% of the Emerging Voting Share Capital of the Target Company at a price of ₹ 100 per Equity Share aggregating to ₹ 100,00,00,000 (Rupees one hundred crore) payable in cash, on a preferential allotment basis. The PACs currently hold an aggregate of 1,70,45,743 Equity Shares representing 31.81% of the Emerging Voting Share Capital of the Target Company. Pursuant to the Investment Agreement, the Acquirer along with the PACs have acquired Equity Shares exceeding 5% of the Emerging Voting Share Capital of the Target Company in one financial year and are therefore making this mandatory Offer in compliance with Regulation 3(2) of the SEBI (SAST) Regulations.
6. Pursuant to the Investment Agreement and on fulfilment of the conditions precedent mentioned in Paragraph VI below, the Acquirer will subscribe and the Target Company will issue and allot on preferential basis 1,00,00,000 Equity Shares aggregating to 18.66% of the Emerging Voting Share Capital, for an amount of ₹ 100,00,00,000 ("Investment Amount"), without any rights and allotted in terms of Regulation 22 of the SEBI (SAST) Regulations.
7. The revised shareholding of the Acquirer and the PACs in the Target Company and the details of their acquisitions are as follows:

	Acquirer		**PAC 1 – PAC 8**	
	No. of Equity Shares	**% shareholding**	**No. of Equity Shares**	**% shareholding**
Shareholding as on the date of the PA	Nil	Nil	1,70,45,743	41.99
Equity Shares acquired between the date of the PA and the date of the DPS	Nil	Nil	Nil	Nil
Shareholding as on the date of the DPS	Nil	Nil	1,70,45,743	41.99
Post Offer shareholding (on diluted basis as on tenth Working Day after closure of the tendering period)	*Assuming the Acquirer and PAC 3 each acquire 50% of the Equity Shares tendered in the Offer			
	1,69,67,197	31.66	2,70,12,939	50.40

**Assuming the Acquirer and/or the PAC 3 receives full response and acceptance to the Offer.*

8. The total funds required for implementation of this Offer, assuming full acceptance, is ₹ 139,34,39,300 (Rupees One Hundred Thirty Nine Crore Thirty Four Lacs Thirty Nine Thousand Three Hundred only) **("Offer Consideration").**
9. In accordance with Regulation 17(1) of the SEBI (SAST) Regulations, the Acquirer and the PAC 3 have opened an escrow account in the name and style as "MBEL - OPEN OFFER ESCROW ACCOUNT" bearing Account No. 915020029379562 **("Escrow Account")** with Axis Bank Limited **("Escrow Bank")**, at its Kolkata Main Branch located at 7, Shakespeare Sarani, Kolkata 700 071 (hereinafter referred to as **"Escrow Agent"**) and made a cash deposit of ₹ 35,00,00,000 (Rupees Thirty Five Crore only) in the Escrow Account in accordance with the Regulation 17(3)(a) of the SEBI (SAST) Regulations, which is 25.1% of the Offer Consideration. The cash deposit has been confirmed vide a confirmation letter dated December 29, 2015 issued by Escrow Bank.
10. Clause 1.1 of Paragraph VI of the DPS, 'statutory and other approvals' has been changed and shall read as under:

The acquisition of Equity Shares pursuant to the Investment Agreement and Offer Shares was subject to the receipt of statutory approvals and satisfaction of the conditions precedent as set forth in Article 3 of the Investment Agreement. Some of the statutory approvals and key condition precedents which have already been fulfilled are given below:

I. Approval from the Competition Commission of India under the Competition Act, 2002 to consummate the Transaction contemplated under Investment Agreement. The Competition Commission of India has approved the Transaction through their letter dated September 15, 2015.
ii. Approval from the lenders (secured and unsecured) for allotment of Subscription Shares to Acquirer under preferential issue.
iii. Approvals (including in-principle approval) from the relevant stock exchanges for allotment, listing and trading of the shares as mentioned in the Investment Agreement.
iv. Approval of the Target Company's shareholders in the general meeting for allotment of shares to the Acquirer under preferential issue and amendments to the charter documents.
v. Receipt of final comments from SEBI with respect to the Letter of Offer filed by the Acquirer and PACs under the Open Offer without any material obligation or change with respect to the Letter of Offer filed by the Acquirer and PACs.

11. The revised schedule of activity pertaining to the Open Offer has been changed and shall be read as under:

Activity	**Original Day and Date**	**Revised Day and Date**
Date of Public Announcement **("PA")**	June 30, 2015 (Tuesday)	June 30, 2015 (Tuesday)
Publication of Detailed Public Statement **("DPS")**	July 6, 2015 (Monday)	July 6, 2015 (Monday)
Date of filing of this Letter of Offer with SEBI	July 13, 2015 (Monday)	July 13, 2015 (Monday)
Last date for a Competing Offer	July 27, 2015 (Monday)	July 27, 2015 (Monday)
Identified Date*	August 5, 2015 (Wednesday)	December 23, 2015 (Wednesday)
Last date by which Letter of Offer will be dispatched to the Public Shareholders of the Target Company	August 12, 2015 (Wednesday)	January 04, 2016 (Monday)
Last date for upward revision to Offer Price/Offer Size	August 13, 2015 (Thursday)	January 04, 2016 (Monday)
Publication of Recommendation of the committee of independent directors of the Target Company	August 14, 2015 (Friday)	December 23, 2015 (Wednesday)
Issue opening Public Announcement date	August 19, 2015 (Wednesday)	January 07, 2016 (Thursday)
Date of commencement of Tendering Period (Offer opening date)	August 20, 2015 (Thursday)	January 08, 2016 (Friday)
Date of closure of Tendering Period (Offer closing date)	September 2, 2015 (Wednesday)	January 21, 2016 (Thursday)
Date by which all requirements including payment of consideration would be completed	September 16, 2015 (Sunday)	February 05, 2016 (Friday)

**The identified date is only for the purpose of determining the public shareholders as on such date to whom the Letter of Offer would be mailed. It is clarified that all the Public Shareholders (registered or unregistered) are eligible to participate in this offer at any time prior to the closure of tendering period.*

The above dates where ever it appeared in the Detailed Public Statement be read accordingly.

The Acquirers accepts full responsibility for the information contained in this Corrigendum to the Detailed Public Statement and also the obligations of the Acquirers as laid down in the SEBI (SAST) Regulations, 2011 & subsequent amendments thereof.

This Corrigendum to the Detailed Public Statement will also be available on SEBI's website at **www.sebi.gov.in**.

Issued by Manager to the Offer on behalf of the Acquirers & PACs

MOTILAL OSWAL
Investment Banking

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Date : December 30, 2015
Place : Mumbai