POST OPEN OFFER REPORT

IN RESPECT OF OPEN OFFER MADE BY EMC LIMITED (THE "ACQUIRER") AND PACS TO ACQUIRE FULLY PAID-UP EQUITY SHARES OF MCNALLY SAYAJI ENGINEERING LIMITED (THE "TARGET COMPANY")

A. Names of the parties involved

1.	Target Company (TC)	McNally Sayaji Engineering Limited
2.	Acquirer	EMC Limited
3.	Persons acting in concert with Acquirer (PAC(s))	• MKN Investment Private Limited (the "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") • Mr. Amritanshu Khaitan ("PAC 8") • McNally Bharat Engineering Company Limited ("PAC 9") Acquirer and PAC 3 acquired equal number of shares in the Offer
4.	Manager to the Open Offer	Motilal Oswal Investment Advisors Private Limited
5.	Registrar to the Open Offer	Karvy Computershare Private Limited

B. Details of the offer

Pursuant to the execution of the Investment Agreement and allotment of 1,00,00,000 equity shares in McNally Bharat Engineering Company Limited (**"MBECL"**) to the Acquirer on a preferential basis, this Offer (the "Offer" or "Open Offer") was made pursuant to the indirect acquisition of Equity Shares (by virtue of the acquisition of the equity shares of MBECL by the Acquirer) in terms of Regulations 3(2), 4 and 5 and other applicable provisions of the SEBI (SAST) Regulations. The Offer was made by the Acquirer and PACs to acquire upto 25.14% of the equity share capital of the Target Company from the Public Shareholders of the Target Company. The Offer is not a 'deemed direct' offer in terms of Regulation 5(2) of the SEBI (SAST) Regulations. The Offer is neither a conditional offer nor a voluntary offer nor a competing offer.

C. Activity Schedule

Sl. No.	Activity	Due dates as specified in the SAST Regulations	Actual Dates
1.	Date of Public Announcement **("PA")**	June 30, 2015 (Tuesday)	June 30, 2015 (Tuesday)
2.	Date of Publication of the Detailed Public Statement **("DPS")**	February 13, 2016 (Saturday)	February 13, 2016 (Saturday)
3.	Date of filing of Draft Letter of Offer (**"LoF"**) with SEBI	February 22, 2016 (Monday)	February 22, 2016 (Monday)
4.	Date of sending the a copy of the draft LOF to the TC and the concerned stock exchanges (SE)	February 22, 2016 (Monday)	February 22, 2016 (Monday)
5.	Date of receipt of SEBI comments	March 16, 2016 (Wednesday)	March 16, 2016 (Wednesday)
6.	Date of dispatch of LoF to the Public Shareholders/custodians in case of Depositary Receipts	March 29, 2016 (Tuesday)	March 26, 2016 (Saturday)
7.	Date of price revision / Offer revision (if any)	March 30, 2016 (Wednesday)	None
8.	Date of publication of recommendation by the committee of independent directors of the TC	March 31, 2016 (Thursday)	March 30, 2016 (Wednesday)
9.	Date of issuing the Offer opening advertisement	April 04, 2016 (Monday)	April 04, 2016 (Monday)
10.	Date of commencement of Tendering Period	April 05, 2016 (Tuesday)	April 05, 2016 (Tuesday)
11.	Date of expiry of the Tendering Period	April 22, 2016 (Friday)	April 22, 2016 (Friday)
12.	Date of making payments to shareholders / return of rejected shares	May 6, 2016 (Friday)	April 29, 2016 (Friday)

D. Details of the payment consideration in the open offer

Sl. No.	Item	Details
1.	**Offer Price** for fully paid shares of TC (Rs. per share)	Rs.69.10/-
2.	**Offer Price** for partly paid shares of TC, if any	N.A.
3.	**Offer Size** (no. of shares x offer price per share)	Rs. 1,561.37 lakhs
4.	**Mode of payment of consideration** (cash or shares or secured listed debt instruments or convertible debt securities or combination)	Cash
5.	**If mode of payment is other than cash, i.e. through shares / debt or convertibles:**	
a.	**Details of offered security** • Nature of the security (shares or debt or convertibles) • Name of the company whose securities have been offered • Salient features of the security	Not Applicable
b.	**Swap Ratio** (ratio indicating the number of securities of the offeree company vis-à-vis shares of TC)	Not Applicable

E. Details of market price of the shares of TC

1. Name of the Stock Exchange where the shares of TC have been most frequently traded during 12 calendar months period prior to PA, and the volume of trading relative to the total outstanding shares of the TC: **Shares of the TC are listed on Ahmedabad Stock Exchange, Vadodara Stock Exchange and Delhi Stock Exchange and are currently not traded**

2. Details of Market Price of the shares of TC are the aforesaid Stock Exchange in the following format:

Sl. No.	Particulars	Date	Rs. per share#
1.	1 trading day prior to the PA date	June 29, 2015	Not Traded
2.	On the date of PA	June 30, 2015	Not Traded
3.	On the date of commencement of the tendering period.	April 05, 2016	Not Traded
4.	On the date of expiry of the tendering period	April 22, 2016	Not Traded
5.	10 working days after the last date of the tendering period	May 04, 2016	Not Traded
6.	Average market price during the tendering period (*viz. Average of the volume weighted market prices for all the days)*	April 05 to April 22, 2016	Not Traded

F. Details of escrow arrangements

1. Details of creation of Escrow account, as under

	Date(s) of creation	Amount (Rs Lakhs)	Form of escrow account (Cash or Bank Guarantee (BG) or Securities). (In case escrow consists of BG or securities, at least 1 % consideration is to be deposited in cash; the same may be indicated separately.)
Escrow Account	February 10, 2016	400.39	Cash

2. For such part of escrow account, which is in the form of cash, give following details :

i. Name of the Scheduled Commercial Bank where cash is deposited.- **Axis Bank Limited**

ii. Indicate when, how and for what purpose the amount deposited in escrow account was released, as under:

Release of escrow account		
Purpose	**Date**	**Amount (Rs Lakhs)**
Transfer to Special Escrow Account, if any	April 29, 2016	49.77
Amount released to Acquirer	Nil	Nil

**Apart from closure*

3. For such part of Escrow which consists of Bank Guarantee (BG) / Deposit of Securities, provide the following details:

- <u>For Bank Guarantee:</u>

Name of Bank	Amount of Bank Guarantee	Date of creation/ revalidation of guarantee	Validity period of Bank Guarantee	Date of Release if applicable	Purpose of release
Not Applicable					

- <u>For Securities:</u> Not Applicable

Name of company whose security is deposited	Type of security	Value of securities as on date of creation of escrow account	Margin considered while depositing the securities	Date of Release if applicable	Purpose of release
Not Applicable					

G. Details of response to the open offer

Shares proposed to be acquired		**Shares tendered**		**Response level (no of times)**	**Shares accepted**		**Shares rejected**	
No	**% to total diluted share**	**No.**	**% w.r.t (A)**	**(C) / (A)**	**No.**	**% w.r.t (C)**	**No = (C)-(F)**	**Reasons**
(A)	**(B)**	**(C)**	**(D)**	**(E)**	**(F)**	**(G)**	**(H)**	**(I)**
22,59,575	25.14%	72,726	0.81%	0.03x	72,026	99.04%	700	As per Annexure I

H. Payment of Consideration

Due date for paying consideration to shareholders whose shares have been accepted	Actual date of payment of consideration	Reasons for delay beyond the due date
Friday, May 6, 2016	Friday, April 29, 2016	-

- Details of special escrow account where it has been created for the purpose of payment to shareholders: **Axis Bank Limited (the "Escrow Agent") has opened a Special Account No. 916020009122985 as per the provision of Escrow Agreement dated February 9, 2016 and in terms of SEBI (SAST) Regulations.**
- Name of the concerned Bank: Axis Bank Limited
- Details of the manner in which consideration (where consideration has been paid in cash), has been paid to shareholders whose shares have been accepted:

Mode of paying the consideration	No. of Shareholders	Amount of Consideration (Rs lakhs)
Physical mode	9	2.00
Electronic mode:		
RTGS transfer	3	14.37
NEFT Transfer	90	32.63
Direct Credit	4	0.76

I. Pre and post offer Shareholding of the Acquirer in the Target Company ("TC")

	Shareholding of acquirer and PAC 3	No of shares	% of equity share capital of TC as on closure of tendering period
1.	Shareholding before PA - Acquirer - PAC 3	 - -	 - -
2.	Shares acquired by way of an agreement, if applicable - Acquirer - PAC 3	 - -	 - -
3.	Shares acquired after the PA by Acquirer and PAC 3, but before 3 working days prior to commencement of tendering period. - Through market purchases - Through negotiated deals/ off market deals	Nil	Nil
4.	Shares acquired in the open offer - Acquirer - PAC 3	 36,013 36,013	 0.40% 0.40%
5.	Shares acquired during exempted 21-day period after offer (if applicable)	-	-
6.	Post - offer shareholding		

	Shareholding of acquirer and PAC 3	No of shares	% of equity share capital of TC as on closure of tendering period
	- Acquirer - PAC 3	36,013 36,013	0.40% 0.40%

J. Give further details, as under, regarding the acquisitions mentioned at points 3, 4 & 5 of the above table:

1.	Name(s) of the entity who acquired the shares	EMC Limited and Williamson Magor & Co. Limited
2.	Whether disclosure about the above entity(s) was given in the LOF as either Acquirer or PAC	Yes EMC Ltd was Acquirer Williamson Magor & Co. Ltd was PAC 3
3.	No of shares acquired per entity	EMC Limited – 36,013 Williamson Magor & Co. Ltd – 36,013
4.	Purchase price per share	Rs. 69.10 per Share
5.	Mode of acquisition	Cash
6.	Date of acquisition	Wednesday, May 4, 2016
7.	Name of the Seller in case identifiable	Not Applicable

K. Pre and post offer Shareholding Pattern of the Target Company

		Shareholding in the Target Company			
	Class of entities	**Pre- offer**		**Post offer (actual)**	
		No.	**%**	**No.**	**%**
1.	Acquirer PACs	- 67,29,698	- 74.86	36,013 67,65,711	0.40 75.26
2.	Erstwhile Promoters (persons who cease to be promoters pursuant to the Offer)	NA	NA	NA	NA
3.	Continuing Promoters	Considered in PACs in (1) above			
4.	Sellers if not in 1 and 2	Nil	-	Nil	-
5.	Other Public Shareholders	22,59,575	25.14	21,87,549	24.33
	TOTAL	**89,89,273**	**100.0**	**89,89,273**	**100.0**

The above figures are calculated based on the issued and subscribed paid up capital.

L. Details of Public Shareholding in the Target Company

1.	Indicate the minimum public shareholding the TC is required to maintain for continuous listing	22,47,318	25% of the issued and subscribed share capital of the Target Company
2.	Indicate the actual public shareholding and if it has fallen below the minimum public shareholding limit, delineate the steps which will be taken in accordance with the disclosures given in the LOF	21,87,549	24.33% of the issued and subscribed share capital of the Target Company. Public shareholding, post the Offer, has fallen below minimum public shareholding limit. As stated on page 13 of the Letter of Offer under para 3.2.12, the Target Company shall take such steps in consultation with the Acquirer as may be permitted under applicable law, including under the provisions of Regulation 38 of SEBI (LODR) Regulations to achieve compliance with the minimum public shareholding requirement of 25% under the Securities Contract (Regulation) Rules, 1957 within a period of 1 year from the completion of the Open Offer.

M. Other relevant information, if any: None

For and on behalf of

MOTILAL OSWAL INVESTMENT ADVISORS PRIVATE LIMITED

Sd/-

AUTHORISED SIGNATORY
Name: Mr Paresh Raja
Designation: Associate Director

Date: May 9, 2016
Place: Mumbai

Annexure I

Details highlighting the reason for rejection of Shares

Sr No	Type	No of Shares	Reason for Rejection
1	Physical	500	Technical Rejection
2	Dematerialized	200	Form of Acceptance received but Share not credited in escrow account