Morgan Stanley India Company Private Limited

Registered Office:
18th Floor, Tower 2,
One World Center,
Plot – 841, Jupiter Textile Mill Compound,
Senapati Bapat Marg,
Lower Parel, Mumbai 400 013, India

tel (91) 22 6118 1000
fax (91) 22 6118 1011

Morgan Stanley

Date: March 11, 2022

To,
National Stock Exchange of India Limited
Exchange Plaza, Plot no. C/1,
G Block, Bandra Kurla Complex, Bandra E
Mumbai- 400 051

Dear Sir/Madam,

Subject: **Pre-Offer Advertisement and Corrigendum to the Detailed Public Statement ("Pre-Offer Advertisement cum Corrigendum") in relation to the open offer to the Public Shareholders of Escorts Limited ("Target Company") by Kubota Corporation ("Open Offer"/ "Offer")**

With respect to the captioned Open Offer, the Pre-Offer Advertisement cum Corrigendum dated March 10, 2022 was published on March 11, 2022 under Regulation 18(7) of the SEBI (SAST) Regulations in the following newspapers:

Newspaper	Language	Editions
Financial Express	English	All Editions
Jansatta	Hindi	All Editions
Satyajay Times	Hindi	Faridabad
Navshakti	Marathi	Mumbai

In accordance with the SEBI (SAST) Regulations, we hereby enclose a copy of the aforementioned Pre-Offer Advertisement cum Corrigendum in relation to the Open Offer.

We request you to kindly disseminate the Pre-Offer Advertisement cum Corrigendum on your website.

Capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the Letter of Offer dated March 3, 2022.

Should you require any further information / clarifications on the same, please contact the following persons:

Name	Designation	Contact	Email ID
Satyam Singhal	Vice President	+91 22 6118 1009	escorts_openoffer@morganstanley.com
Prakhar Jaju	Associate	+91 22 6118-1045	escorts_openoffer@morganstanley.com

Thanking you,

For Morgan Stanley India Company Private Limited

(Manager to the Offer)



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Morgan Stanley

Name: Sachin Wagle

Designation: Managing Director

Enclosed: As above

PRE-OFFER ADVERTISEMENT IN ACCORDANCE WITH REGULATION 18(7) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011, AS AMENDED, AND CORRIGENDUM TO THE DETAILED PUBLIC STATEMENT FOR THE ATTENTION OF THE PUBLIC SHAREHOLDERS OF

ESCORTS LIMITED

Registered Office: 15/5, Mathura Road, Faridabad, Haryana - 121003; Corporate Identification Number (CIN): L74899HR1944PLC039088
Tel: 0129 - 2250222; Fax: 0129 - 2250009 Website: www.escortsgroup.com

OPEN OFFER FOR ACQUISITION OF UP TO 37,491,556 FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES"), REPRESENTING 28.42% OF THE EXPANDED VOTING SHARE CAPITAL OF ESCORTS LIMITED ("TARGET COMPANY") FROM THE PUBLIC SHAREHOLDERS OF THE TARGET COMPANY BY KUBOTA CORPORATION ("ACQUIRER") PURSUANT TO AND IN COMPLIANCE WITH THE REQUIREMENTS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011, AS AMENDED (THE "SEBI (SAST) REGULATIONS") (THE "OPEN OFFER" OR "OFFER"). NO OTHER PERSON IS ACTING IN CONCERT WITH THE ACQUIRER FOR THE PURPOSE OF THIS OPEN OFFER.

This advertisement in accordance with Regulation 18(7) of the SEBI (SAST) Regulations and corrigendum to the Detailed Public Statement is being issued by Morgan Stanley India Company Private Limited, the manager to the Open Offer ("**Manager/Manager to the Open Offer/Manager to the Offer**"), for and on behalf of the Acquirer in respect of the Open Offer ("**Pre-Offer Advertisement cum Corrigendum**").

This Pre-Offer Advertisement cum Corrigendum should be read in continuation of, and in conjunction with the:

(a) public announcement dated 18 November 2021 ("**Public Announcement**" or "**PA**");

(b) detailed public statement dated 25 November 2021 which was published on 26 November 2021 in the following newspapers: Financial Express (English), Jansatta (Hindi), Satyajay Times (Hindi), Navshakti (Marathi) ("**Detailed Public Statement**" or "**DPS**"); and

(c) letter of offer dated 3 March 2022 along with the Form of Acceptance-cum-Acknowledgement ("**Letter of Offer**" or "**LoF**").

This Pre-Offer Advertisement cum Corrigendum is being published in all such newspapers in which the Detailed Public Statement was published.

For the purpose of this Pre-Offer Advertisement cum Corrigendum:

(a) "**Existing Share Capital**" means the total issued and paid-up equity share capital of the Target Company as on the date of this Pre-Offer Advertisement cum Corrigendum, i.e., 131,940,604 Equity Shares (which includes: (i) 2,646,978 Equity Shares held by Escorts Employees Benefit and Welfare Trust (as a non-promoter non-public shareholder) that are reserved for providing Equity Shares to employees under the Target Company's stock option plan; and (ii) 9,363,726 Equity Shares allotted by the Target Company on 18 February 2022 to the Acquirer pursuant to the Share Subscription Agreement). As on the date of this Pre-Offer Advertisement cum Corrigendum, the Existing Share Capital is the same as Expanded Voting Share Capital;

(b) "**Expanded Voting Share Capital**" means the total equity share capital of the Target Company on a fully diluted basis expected as of the 10th Working Day from the closure of the Tendering Period for the Open Offer. As on the date of this Pre-Offer Advertisement cum Corrigendum, the Expanded Voting Share Capital is the same as Existing Share Capital;

(c) "**Identified Date**" means 25 February 2022 (Friday), being the date falling on the 10th (Tenth) Working Day prior to the commencement of the Tendering Period; and

(d) "**Tendering Period**" means the period commencing from 14 March 2022 (Monday) and closing on 28 March 2022 (Monday) (both days inclusive).

Capitalised terms used but not defined in this Pre-Offer Advertisement cum Corrigendum shall have the same meaning assigned to such terms in the Letter of Offer.

The Public Shareholders of the Target Company are requested to kindly note the following information related to the Open Offer:

1. **Offer Price:** The offer price is ₹ 2,000 per Equity Share. There has been no revision in the Offer Price. For further details relating to the Offer Price, please refer to paragraph 4 of Section VI(A) (*Justification of Offer Price*) of the Letter of Offer.

2. **Recommendation of the Committee of Independent Directors ("IDC"):** The recommendation of the IDC was approved on 7 March 2022 and published on 9 March 2022 in the same newspapers in which the Detailed Public Statement was published. The relevant extract of the recommendation of the IDC is given below:

Members of the Committee of Independent Directors	*1. Mr. Sunil K Munjal – Member* *2. Ms. Vibha Paul Rishi – Member*
Recommendation on the Open Offer, as to whether the offer is fair and reasonable	*IDC is of the opinion that the offer price of INR 2,000 (Indian Rupees Two Thousand) per equity share offered by the Acquirer is in accordance with the applicable regulations of SEBI (SAST) Regulations and accordingly, the Open Offer may be considered to be fair and reasonable.*
Summary of reasons for recommendation	*IDC has taken into consideration the following for making the recommendation:* *IDC has reviewed- a) The Public Announcement ("**PA**") dated November 18, 2021 in connection with the Offer issued on behalf of the Acquirer, b) The Detailed Public Announcement ("**DPS**") which was published on November 26, 2021 and; c) The Letter of Offer ("**LoF**") March 3, 2022.* *IDC further took cognizance of the report issued by JM Financial Limited dated March 7, 2022 confirming that the Offer Price is in accordance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. IDC also took cognizance of the report issued by Transaction Square LLP dated March 7, 2022 presenting the fair price per share of the Target Company as at the PA announcement date. In fair valuation report workings, the IDC also took note of the fact that while arriving at the fair price per share, the number of outstanding equity shares were adjusted for equity shares held by Escorts Benefit & Welfare Trust.* *The offer price of INR 2,000 per share represents a 36.43% premium over the volume weighted average price (INR 1,465.86) during the sixty trading days immediately preceding the date of PA, as mentioned in the DPS and a premium of 22.63% over the closing price (INR 1,630.95) on NSE on immediately preceding day of the PA i.e. 17 November 2021.* *Based on the review of PA, DPS and LoF and the independent report submitted by JM Financial Limited, the IDC is of the opinion that the Offer Price of INR 2000/- (Indian Rupees Two Thousand Only) Per Equity Share offered by the Acquirer is in line with the provisions of SEBI (SAST) Regulation and is fair and reasonable.*
Details of Independent Advisors	*JM Financials Limited, 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai-400025 and Transaction Square LLP, 10th Floor, Notan Heights, Gurunanak Road, Bandra West, Mumbai - 400 050, Maharashtra, India*
Disclosure of voting pattern	*The recommendations were unanimously approved by the IDC members.*

3. **Other details of the Open Offer**:

3.1 The Open Offer is being made under Regulation 4 of the SEBI (SAST) Regulations to the Public Shareholders of the Target Company.

3.2 The Open Offer is not a competing offer in terms of Regulation 20 of SEBI (SAST) Regulations. There was no competing offer to the Open Offer and the last date for making such competing offer has expired. The Open Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of SEBI (SAST) Regulations.

3.3 The dispatch of the Letter of Offer to the Public Shareholders as on the Identified Date (i.e., 25 February 2022 (Friday)) in accordance with Regulation 18(2) of the SEBI (SAST) Regulations has been completed (either through electronic mode or physical mode) on 7 March 2022. The Identified Date was relevant only for the purpose of determining the Public Shareholders to whom the LoF was to be sent. It is clarified that all the Public Shareholders (even if they acquire Equity Shares and become shareholders of the Target Company after the Identified Date) are eligible to participate in the Open Offer. A copy of the LoF (which includes Form of Acceptance-cum-Acknowledgement) is available on the website of SEBI (www.sebi.gov.in) from which the Public Shareholders can download/print the same in order to tender their Equity Shares in the Open Offer.

3.4 Public Shareholders 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 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. In the alternate, such holders of the Equity Shares may apply in the Form of Acceptance-cum-Acknowledgement in relation to this Open Offer that is annexed to the Letter of Offer, which may also be obtained from the SEBI website (http://www.sebi.gov.in/) or from KFin Technologies Limited ("**Registrar to the Offer**"). The application is to be sent to the registered office of the Registrar (i.e., Selenium, Tower B, Plot No- 31 and 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi - 500 032, Telangana, India) during the business hours on or before the date of closure of the Tendering Period in accordance with the procedure as set out in the Letter of Offer, together with:

(a) the 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 to the Escrow Demat Account;

(b) Public Shareholders having their beneficiary account with CDSL must use the "inter-depository delivery instruction slip" for the purpose of crediting their equity shares of the Target Company in favour of the Escrow Demat Account.

For the purpose of the Offer, the Registrar to the Offer has opened the Escrow Demat Account in the name and style of "KFIN TECHNOLOGIES ESCORTS OPEN OFFER ESCROW DEMAT ACCOUNT" with ICICI Bank Limited, as the Depository Participant in NSDL. The DP ID is IN301348 and the Client ID is 20200624.

4. The Public Shareholders are requested to refer to Section VIII (*Procedure for Acceptance and Settlement of the Open Offer*) on page 47 onwards of the LoF in relation to, *inter-alia,* the procedure for tendering their Equity Shares in the Open Offer and are also required to adhere to and follow the procedure outlined therein. A summary of the procedure for tendering Equity Shares in the Offer is as below:

(a) **In case of Equity Shares held in physical form**: Public Shareholders who are holding physical Equity Shares and intend to participate in the Open Offer will be required to submit to the registered office of the Registrar, Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein along with the complete set of documents for verification procedures to be carried out including: (i) original share certificate(s); (ii) valid share transfer form(s) duly filled and signed by the transferors (i.e., by all registered shareholders in same order and as per the specimen signatures registered with the Target Company) and duly witnessed at the appropriate place authorizing the transfer in favour of the Target Company; (iii) self-attested copy of the shareholder's PAN Card; and (iv) any other relevant documents such as power of attorney, corporate authorization (including board resolution/specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder has deceased, etc., as applicable.

Public Shareholders can send/deliver the Form of Acceptance-cum-Acknowledgment duly signed along with all the relevant documents (envelope should be super-scribed "Escorts Limited - Open Offer") at the registered office of the Registrar (i.e., Selenium, Tower B, Plot No- 31 and 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi - 500 032, Telangana, India) during the working hours on or before the date of closure of the Tendering Period in accordance with the procedure as set out in the Letter of Offer.

For further details, please refer to paragraph 7 of Section VIII (*Procedure for Acceptance and Settlement of the Open Offer*) on pages 48 and 49 of the LoF.

(b) **In case of Equity Shares held in dematerialized form**: Public Shareholders who desire to tender their Equity Shares in the dematerialized form under the Open Offer would have to ensure that their Equity Shares are credited in the Escrow Demat Account, before the closure of the Tendering Period, i.e., 28 March 2022 (Monday) and as per the procedure specified in paragraph 8 of Section VIII (*Procedure for Acceptance and Settlement of the Open Offer*) on page 49 of the LoF.

5. In accordance with Regulation 16(1) of the SEBI (SAST) Regulations, the Draft Letter of Offer was filed with SEBI on 3 December 2021. The final observations from SEBI were received under Regulation 16(4) of the SEBI (SAST) Regulations by way of SEBI's letter dated 23 February 2022 bearing reference number SEBI/HO/CFD/DCR-1/P/OW/2022/07923/1 ("**SEBI Observation Letter**").

6. **Material Updates:** The comments specified in the SEBI Observation Letter and certain changes (occurring after the date of the Public Announcement and/or Detailed Public Statement) which may be material have been incorporated in the Letter of Offer and are more particularly disclosed in paragraphs 7-13 below.

7. **Details regarding the status of statutory and other approvals**:

7.1 The disclosures in the DPS under Section VI (*Statutory and Other Approvals*) and in the DLoF under Section VII(C) (*Statutory and Other Approvals*) has been modified in the LoF and appears under Section VII (C) (*Statutory and Other Approvals*) on pages 45 to 47 of the LoF as follows and Section VI (*Statutory and Other Approvals*) of the DPS stands accordingly amended:

1. *The consummation of the Underlying Transaction and the Open Offer is subject to the receipt of the Required Statutory Approvals and satisfaction of other conditions precedent specified in the Share Subscription Agreement (unless waived in accordance with the Share Subscription Agreement). To the best of the knowledge of the Acquirer, there are no other statutory or governmental approvals required for the consummation of the Transaction. However, if any other statutory or governmental approval(s) are required or become applicable at a later date before closure of the Tendering Period, the Underlying Transaction and the Open Offer would also be subject to such other statutory or other governmental approval(s) and the Acquirer shall make the necessary applications for such other approvals. The applications for Required Statutory Approvals (as currently deemed necessary) have already been filed by the Acquirer and Target Company, as applicable, and such approvals have now been received/are now not required, (as set out below in paragraph 4 of this Section VII(C) (Statutory and Other Approvals) of this Letter of Offer).*

2. *In the event that the Required Statutory Approvals are not received at latest by 31 August 2022 (or such other later date as the Acquirer and other parties may mutually agree in writing under the Share Subscription Agreement) or refused for any reason, or if the conditions precedent as specified in the Share Subscription Agreement (as set out at paragraph 6(b) of Section III(A) (Background to the Open Offer) of this Letter of Offer), which are outside the reasonable control of the Acquirer, are not satisfied, the Acquirer may rescind the Share Subscription Agreement and shall have the right to withdraw this Open Offer in terms of Regulation 23 of the SEBI (SAST) Regulations. It is hereby clarified that the failure to obtain the Preferential Issue Stock Exchanges Approvals will not entitle the Acquirer to withdraw this Open Offer in terms of Regulation 23 of the SEBI (SAST) Regulations. In the event of the Share Subscription Agreement being rescinded and a withdrawal of the Open Offer, a public announcement will be made within 2 Working Days of such withdrawal, in the same newspapers in which the 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.*

3. *In case of delay in receipt of any Required Statutory Approvals, or any other statutory approval that may be required by the Acquirer, SEBI may, if satisfied, grant extension of time to the Acquirer for making payment of the consideration to the Public Shareholders whose Offer Shares have been accepted in the Open Offer, 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. Where any statutory approval extends to some but not all of the Public Shareholders, the Acquirer shall have the option to make payment to such Public Shareholders in respect of whom no statutory approvals are required in order to complete this Open Offer.*

4. *To the best of the knowledge of the Acquirer, there are no statutory or other approvals required to complete the Share Subscription Agreement/Open Offer except the following Required Statutory Approvals, which have now been received/are now not required, as set forth below:*

(a) approval from the Competition Commission of India under the Competition Act, 2002, was received on 3 February 2022;

(b) in relation to the prior approval in writing required from the Reserve Bank of India for the change of control of Escorts Finance Limited, the RBI had on 27 January 2022, directed: (i) to deposit the entire liability towards depositors of Escorts Finance Limited to the Investor Education and Protection Fund; and (ii) submission of a certificate from the statutory auditors of Escorts Finance Limited to the effect of extinguishing the entire depositors liability, and upon compliance with such direction, the RBI on 4 February 2022 communicated to Escorts Finance Limited that it is no longer registered with the RBI and advised that such an approval is not required for such change of control; and

(c) in relation to the prior approval in writing required from SEBI and the relevant stock exchanges for the indirect change in control of Escorts Securities Limited (an unlisted company), pursuant to Escorts Securities Limited ceasing to be a subsidiary of the Target Company on 14 February 2022, such an approval is now not required.

5. *All Public Shareholders (including resident or non-resident shareholders) must obtain all requisite approvals required, if any, to tender the Offer Shares (including without limitation, the approval from the RBI) held by them, in the Offer and submit such approvals, along with the other documents required to accept this Offer. In the event such approvals are not submitted, the Acquirer reserve the right to reject such Equity Shares tendered in this Offer. Further, if the holders of the Equity Shares who are not persons resident in India had required any approvals (including from the RBI, or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender the Offer Shares held by them, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Offer Shares.*

6. *The Acquirer shall complete all procedures relating to payment of consideration under this Open Offer within 10 Working Days from the date of closure of the Tendering Period of the Open Offer to those Public Shareholders whose Equity Shares are accepted in the Open Offer.*

7.2 In view of the aforementioned, the disclosures with respect to the status of statutory and other approvals have been appropriately amended in the LoF at: (i) paragraph 4 on the cover page on page 1 of the LoF; (ii) bullet point 2 under paragraph 1 (*Risks relating to the Open Offer and the Underlying Transaction*) under the section dealing with risk factors on page 3 of the LoF; and (iii) paragraph 14 of Section III(B) (*Details of the proposed Open Offer*) on pages 22 and 23 of the LoF.

8. **Details regarding preferential allotment pursuant to the Share Subscription Agreement**:

8.1 The disclosure in the DPS under paragraph 5 of Part II (*Background to the Open Offer*) and in the DLoF under paragraph 5 of Section III(A) (*Background to the Open Offer*) has been modified in the LoF and appears under paragraph 5 of Section III(A) (*Background to the Open Offer*) on pages 15 and 16 of the LoF as follows and paragraph 5 of Part II (*Background to the Open Offer*) of the DPS stands accordingly amended:

"The Acquirer has subscribed to 9,363,726 Equity Shares at ₹ 2,000 per Equity Share pursuant to the Share Subscription Agreement on 18 February 2022 (in relation to which the Preferential Issue Shareholder Approval was obtained on 18 December 2021), in compliance with Regulation 22(2A) of the SEBI (SAST) Regulations, which are being held in the Share Escrow Account opened with ICICI Bank Limited pursuant to the Share Escrow Agreement."

9. **Details regarding the status of Scheme of Capital Reduction 2020**:

9.1 The disclosure in the DPS under paragraph 8 of Part I(C) (*Details of Escorts Limited (Target Company)*) and in the DLoF under paragraph 10 of Section V (*Background of the Target Company*) has been modified in the LoF and appears under paragraph 10 of Section V (*Background of the Target Company*) on pages 33 and 34 of the LoF as follows and paragraph 8 of Part I(C) (*Details of Escorts Limited (Target Company)*) of the DPS stands accordingly amended:

*"The board of directors of the Target Company on 15 July 2020, had approved the cancellation and extinguishment of 12,257,688 Equity Shares of the Target Company held by Escorts Benefit and Welfare Trust ("**Capital Reduction**"). The shareholders of the Target Company on 21 February 2021 approved the Capital Reduction. Subsequently, a scheme for reduction of share capital was filed before the Hon'ble National Company Law Tribunal, Chandigarh Bench ("**NCLT**") on 13 March 2021. The scheme for reduction of share capital between the Target Company and its shareholders under Section 66 of the Companies Act read with Section 52 of the Companies Act and other applicable provisions of the Companies Act read with National Company Law Tribunal (Procedure for Reduction of Share Capital of Company) Rules, 2016 for the reduction of share capital of the Target Company i.e., cancellation and extinguishment of 12,257,688 Equity Shares (constituting 9.29% of the Expanded Voting Share Capital of the Target Company) has been approved by the Hon'ble National Company Law Tribunal, Chandigarh bench by way of its order dated 23 December 2021 ("**NCLT Order**") and has become effective on 27 December 2021 pursuant to filing of the Scheme of Capital Reduction in Form INC 28 with the Registrar of Companies in accordance with the terms of the scheme of Capital Reduction and the NCLT Order. The Registrar of Companies has also approved Form INC 28 ("**Scheme of Capital Reduction 2020**"). Accordingly, upon Scheme of Capital Reduction 2020 becoming effective on 27 December 2021, 12,257,688 Equity Shares held by Escorts Benefit and Welfare Trust were cancelled and extinguished and post cancellation and extinguishment of such shares, Escorts Benefit and Welfare Trust holds 21,442,343 Equity Shares of the Target Company. Subsequently, as mentioned above, 9,363,726 Equity Shares have been allotted by the Target Company to the Acquirer pursuant to the Share Subscription Agreement on 18 February 2022, in compliance with Regulation 22(2A) of the SEBI (SAST) Regulations."*

9.2 In view of the aforementioned, the expression "Ongoing Scheme of Capital Reduction" has been deleted and substituted throughout the LoF with the expression "Scheme of Capital Reduction 2020" including at Section I (*Key Definition*) on page 10 of the LoF.

10. **Details regarding the status of Ongoing Scheme of Capital Reduction 2022**:

10.1 The disclosure in the DPS under paragraph 9 of Part I(C) (*Details of Escorts Limited (Target Company)*) and in the DLoF under paragraph 11 of Section V (*Background of the Target Company*) has been modified in the LoF and appears under paragraph 11 of Section V (*Background of the Target Company*) on page 34 of the LoF as follows and paragraph 9 of Part I(C) (*Details of Escorts Limited (Target Company)*) of the DPS stands accordingly amended:

*"On 18 November 2021, the board of directors of the Target Company decided to evaluate and consider in due course of time the feasibility of: (a) the amalgamation of Escorts Finance Limited, Kubota Agricultural Machinery India Private Limited and Escorts Kubota India Private Limited with the Target Company; and (b) the selective capital reduction of the issued, subscribed and paid-up equity share capital of the Target Company by cancelling and extinguishing Equity Shares which are currently held by the Escorts Benefit and Welfare Trust, without payment of any consideration to the aforesaid trust. In this context, on 18 February 2022, the board of directors of the Target Company have approved the selective capital reduction of the issued, subscribed and paid-up equity share capital of the Target Company by cancelling and extinguishing 21,442,343 Equity Shares which are currently held by the Escorts Benefit and Welfare Trust, without payment of any consideration to the aforesaid trust. ("**Ongoing Scheme of Capital Reduction 2022**")."*

10.2 In view of the aforementioned, the definition for the expression "Ongoing Scheme of Capital Reduction 2022" has been added to Section I (*Key Definitions*) on page 10 of the LoF.

11. **Details regarding the appointment of Mr. Nikhil Nanda with the Acquirer and one of its group companies**:

11.1 The disclosure in the DPS under paragraph 10 of Part I(C) (*Details of Escorts Limited (Target Company)*) and in the DLoF under paragraph 12 of Section V (*Background of the Target Company*) has been modified in the LoF and appears under paragraph 12 of Section V (*Background of the Target Company*) on page 34 of the LoF as follows and paragraph 10 of Part I(C) (*Details of Escorts Limited (Target Company)*) of the DPS stands accordingly amended:

"On 18 November 2021, the board of directors of the Target Company took note that Mr. Nikhil Nanda (one of the Existing Promoters and the acting Chairman and Managing Director of the Target Company) is in discussions to be engaged in his individual capacity as a non-employee with the proposed designation of Senior Managing Executive Officer and General Manager of Value-Innovative Farm and Industrial Machinery Strategy and Operations of the Acquirer and as a Director of one of the group companies of the Acquirer i.e., Kubota Holdings Europe B.V., Netherlands in accordance with an agreement to be entered into in this regard. Mr. Nikhil Nanda's non-employee involvement in the foregoing capacity is not intended to interfere with his commitment and role as the Chairman and Managing Director of the Target Company. It is hereby clarified that no compensation, remuneration or any other kind of consideration is proposed to be payable by the Acquirer to Mr. Nikhil Nanda for the services proposed to be provided under the aforementioned arrangement. In this context, on 18 February 2022, the board of directors of the Target Company took note that Mr. Nikhil Nanda has entered into an Executive Service Agreement with the Acquirer in his individual capacity as a non-employee with the designation of: (a) senior managing executive officer of the Acquirer; (b) General Manager of Value Innovative Farm and Industrial Machinery Strategy and Operations of the Acquirer, and (c) Director of one of the group companies of the Acquirer i.e., Kubota Holdings Europe B.V., Netherlands, in accordance with the terms and conditions as set out under the said agreement. Mr. Nikhil Nanda's non-employee involvement in the foregoing capacity will not interfere with his commitment and role as the Chairman and Managing Director of the Target Company. It is hereby clarified that no compensation, remuneration or any other kind of consideration is payable to him by the Acquirer for the services to be provided under the aforementioned agreement."

12. **Other key updates and changes include the following**:

12.1 The total issued and paid-up equity share capital of the Target Company as on the date of the Letter of Offer is 131,940,604 Equity Shares (which includes (i) 2,649,078 equity shares held by Escorts Employees Benefit and Welfare Trust (as a non-promoter non-public shareholder) that are reserved for providing Equity Shares to employees under the Target Company's stock option plan; and (ii) 9,363,726 Equity Shares allotted by the Target Company on 18 February 2022 to the Acquirer pursuant to the Share Subscription Agreement). Therefore, as on the date of the Letter of Offer, the Existing Share Capital is the same as Expanded Voting Share Capital. Please refer to the definitions of "Existing Share Capital" and "Expanded Voting Share Capital" at Section I (*Key Definitions*) on page 9 of the Letter of Offer. As of the date of this Pre-Offer Advertisement cum Corrigendum, the equity shares held by Escorts Employees Benefit and Welfare Trust (as a non-promoter non-public shareholder) stand reduced to 2,646,978 equity shares (set out above) as compared to the date of the LOF, given that employees of the Target Company have received Equity Shares of the Target Company from Escorts Employees Benefit and Welfare Trust, pursuant to the Target Company's stock option plan.

12.2 The capital structure and the computation of the Expanded Voting Share Capital of the Target Company has also been updated in the Letter of Offer to account for the changes in the capital structure on account of effectiveness of Scheme of Capital Reduction 2020 and the completion of the preferential allotment that took place on 18 February 2022 (in compliance with Regulation 22(2A) of the SEBI (SAST) Regulations), as on the date of the Letter of Offer. Please refer to paragraph 6 of Section III(B)(*Details of the proposed Open Offer*) on page 21 of the LoF; paragraphs 7, 9 and 13 under Section V (*Background of the Target Company*) respectively on pages 33 and 34 of the LoF, for further details.

12.3 The Letter of Offer has been updated to include the closing market price of the equity shares of the Target Company as on the date of the Public Announcement (i.e., 18 November 2021) respectively on BSE and NSE. Please refer to paragraph 3 of Section V (*Background of the Target Company*) on page 33 of the LoF, for further details.

12.4 The Letter of Offer has been updated to clarify that there are no depository receipts of the shares issued in foreign countries by the Target Company. Please refer to paragraph 14 of Section V (*Background of the Target Company*) on page 35 of the LoF for further details.

12.5 The Letter of Offer has been updated to include the confirmation with respect to the Acquirer that there are no outstanding penalties under SEBI Act and regulations made thereunder or by any other regulator. Please refer to paragraph 10 of Section III(A) (*Background to the Open Offer*) on page 21 of the LoF for further details.

12.6 The Letter of Offer has been updated to include details of directions subsisting or proceedings pending against the Target Company and details of outstanding penalties. Please refer to paragraph 19 of Section V (*Background of the Target Company*) on page 36 of the LoF for further details.

12.7 The pre and post Offer shareholding pattern of the Target Company and related information has been updated (as on 31 December 2021, unless stated otherwise). Please refer to paragraph 21 under Section V (*Background of the Target Company*) on page 39 of the LoF, for further details.

13. **Revised schedule of activities**:

Part VII (*Tentative Schedule of Activity*) of the Detailed Public Statement has been amended and the revised schedule of activities pertaining to the Open Offer is set out below:

No.	Name of Activity	Original Schedule of Activities (Day and Date)# (As disclosed in the DLoF)	Revised Schedule of Activities (Day and Date)
1.	Issue of Public Announcement	Thursday, 18 November 2021	Thursday, 18 November 2021
2.	Publication of the DPS in newspapers	Friday, 26 November 2021	Friday, 26 November 2021
3.	Last date for filing of the draft Letter of Offer with SEBI	Friday, 3 December 2021	Friday, 3 December 2021
4.	Last date for public announcement for competing offer(s)	Friday, 17 December 2021	Friday, 17 December 2021@
5.	Last date for receipt of comments from SEBI on the draft Letter of Offer (in the event SEBI has not sought clarification or additional information from the Manager to the Open Offer)	Friday, 24 December 2021	Wednesday, 23 February 2022 **
6.	Identified Date*	Tuesday, 28 December 2021	Friday, 25 February 2022
7.	Last date for dispatch of the Letter of Offer to the shareholders of the Target Company whose names appear on the register of members on the Identified Date	Tuesday, 4 January 2022	Monday, 7 March 2022
8.	Last date by which a committee of independent directors of the Target Company is required to give its recommendation to the shareholders of the Target Company for this Open Offer	Friday, 7 January 2022	Thursday, 10 March 2022
9.	Last date for upward revision of the Offer Price and/or the Offer Size	Friday, 7 January 2022	Thursday, 10 March 2022
10.	Date of publication of Open Offer opening public announcement, in the newspapers in which the DPS has been published	Monday, 10 January 2022	Friday, 11 March 2022
11.	Date of commencement of the Tendering Period	Tuesday, 11 January 2022	Monday, 14 March 2022
12.	Date of closure of the Tendering Period	Monday, 24 January 2022	Monday, 28 March 2022
13.	Last date of communicating the rejection/ acceptance and completion of payment of consideration or refund of Equity Shares to the shareholders of the Target Company	Tuesday, 8 February 2022	Monday, 11 April 2022
14.	Last date for publication of post Open Offer public announcement in the newspapers in which the DPS has been published	Tuesday, 15 February 2022	Wednesday, 20 April 2022
15.	Date by which the Underlying Transaction which triggered Open Offer will be completed.	-	The preferential allotment pursuant to the Share Subscription Agreement was completed on 18 February 2022, in compliance with Regulation 22(2A) of the SEBI (SAST) Regulations. The Shareholders Agreement will become effective after the completion of the Open Offer on the condition that the Acquirer holds at least 16.38% of the Expanded Voting Share Capital in the Target Company as per the terms set out in the Shareholders Agreement.

@ *There has been no competing offer.*

* *Date falling on the 10th Working Day prior to the commencement of the Tendering Period. The Identified Date is only for the purpose of determining the Equity Shareholders as on such date to whom the Letter of Offer would be sent. All the Public Shareholders (registered or unregistered), are eligible to participate in this Open Offer at any time prior to the closure of the Tendering Period.*

\# *The original schedule of activities were indicative (prepared on the basis of timelines provided under the SEBI (SAST) Regulations) and were subject to receipt of relevant approvals from various statutory/regulatory authorities.*

** *Actual date of receipt of SEBI comments.*

14. The Acquirer and its directors accept full responsibility for the information contained in this Pre-Offer Advertisement cum Corrigendum (other than such information as has been obtained from public sources or provided by or relating to and confirmed by the Target Company), and undertake that they are aware of and will comply with their obligations under the SEBI (SAST) Regulations in respect of this Open Offer.

15. This Pre-Offer Advertisement cum Corrigendum would also be available on SEBI's website (www.sebi.gov.in).

Issued on behalf of the Acquirer by the Manager

Morgan Stanley

Morgan Stanley India Company Private Limited
SEBI Registration Number: INM000011203
Address: 18F, Tower 2, One World Center, Plot 841 | Senapati Bapat Marg, Lower Parel, Mumbai - 400013, India
Contact Person: Mr. Prakhar Jaju
Tel: 91 22 6118 1000; **Fax:** 91 22 6118 1040
E-mail: escorts_openoffer@morganstanley.com
Website: https://www.morganstanley.com/about-us/global-offices/india

Registrar to the Open Offer

KFINTECH
EXPERIENCE TRANSFORMATION

KFin Technologies Limited
SEBI Registration Number: INR000000221
Address: Selenium, Tower B, Plot No- 31 and 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi - 500 032, Telangana, India
Contact person: M Murali Krishna
Telephone: +91 40 6716 2222; **Fax:** +91 40 2343 1551
Website: www.kfintech.com
E-mail: el.openoffer@kfintech.com

Issued by the Manager to the Open Offer

For and on behalf of the Acquirer

Signed for and on behalf of Kubota Corporation (Acquirer)

Sd/-
Name: Seiji Fukuoka
Title: General Manager, Tractor Business Planning & Control Department

Place: 2-47, Shikitsuhigashi 1-chome, Naniwa-ku, Osaka 556-8601 Japan
Date: 10 March 2022