

IL&FS ENGINEERING AND CONSTRUCTION COMPANY LIMITED (FORMERLY KNOWN AS MAYTAS INFRA LIMITED)

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This Corrigendum ("Corrigendum") is being issued by Edelweiss Capital Limited ("Manager to the Offer"), for and on behalf of SBG Projects Investments Limited (hereinafter referred to as the "Acquirer") along with Skylight Investments (Mauritius) Limited, Infrastructure Leasing & Financial Services Limited and IL&FS Financial Services Limited (hereinafter collectively referred to as Persons Acting in Concert with Acquirer or "PACs") to the equity shareholders of IL&FS Engineering And Construction Company Limited ("Target Company") pursuant to and in compliance with Regulation 10 and 11(1) and other applicable provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendment thereto (the "SEBI (SAST) Regulations") and should be read in conjunction with the public announcement dated 21 June 2010 ("Public Announcement").

As directed by the Securities and Exchange Board of India ("SEBI") vide its letters dated 17 February 2011 and 16 March 2011 ("Observation Letters"), the Shareholders are requested to note the following amendments to the Public Announcement.

Unless otherwise specified, capitalized terms used but not defined herein shall have the same meaning as ascribed to it in the Public Announcement.

I. Revised Schedule

The schedule of activities with respect to the Offer, as provided in paragraph 62 of the Public Announcement has been amended as under:

Activity	Original Schedule Day and Date	Revised Schedule Day and Date
Public Announcement	Monday, 21 June 2010	Monday, 21 June 2010
Specified Date*	Wednesday, 21 July 2010	Wednesday, 21 July 2010
Last date for a competitive bid	Monday, 12 July 2010	Monday, 12 July 2010
Last date by which Letter of Offer will be dispatched to Shareholders	Monday, 26 July 2010	Monday, 28 March 2011
Date for opening of the Offer	Thursday, 12 August 2010	Wednesday, 30 March 2011
Last date for revising the Offer Price / number of equity shares	Wednesday, 18 August 2010	Tuesday, 5 April 2011
Last date for withdrawing acceptance from the Offer by the Shareholder	Thursday, 26 August 2010	Monday, 11 April 2011
Date of closure of the Offer	Tuesday, 31 August 2010	Monday, 18 April 2011
Date of communicating rejection / acceptance and payment of consideration for accepted applications	Wednesday, 15 September 2010	Tuesday, 3 May 2011

* Specified Date is only for the purpose of determining the names of the public shareholders of the Target Company as on such date to whom this Letter of Offer would be sent. All Shareholders (registered or unregistered), except the Acquirer and PACs, who own the fully paid up equity shares of the Target Company ("Shares") are eligible to participate in the Offer anytime before the closure of the Offer.

II. Background of the Offer

The Company Law Board ("CLB") had vide order dated 31 August 2009 provided that IL&FS shall for a period of 2 years (from date of the order) retain the management control of the Target Company. As a part of fulfilling the conditions precedent under the SSA, the Target Company had approached the CLB for permission to appoint 4 nominee directors of the Acquirer on the board of the Target Company. The CLB vide order dated 10 August 2010, refused such permission on the grounds of (a) prior approval of the CLB was not obtained by the Target Company for entering into the SSA; and (b) appointment of directors by the Acquirer would wrest sole management control of the Target Company away from IL&FS, which would be a violation of CLB's order dated 31 August 2009. Subsequently, pursuant to the submissions made by the Target Company, the CLB, accepting that the SSA was in no way intended to by-pass its order dated 31 August 2009, vide its order dated 4 November 2010 has permitted the appointment of four of the Acquirer's nominees on the board of the Target Company subject to the management of the Target Company resting solely with IL&FS. Hence, based on the above, the current Offer is now being made by the Acquirer and PACs under Regulation 10 and 11(1) only and not under regulations 10, 11(1) and 12 of the SAST Regulations and other applicable provisions of the SEBI (SAST) Regulations. Accordingly, the entire shareholding of the Acquirer will now be construed to be part of the public/non-promoter shareholding of the Target Company including the Shares to be acquired in the Offer.

Paragraphs 1, 12 and 39 of the Public Announcement stand modified accordingly.

III. Offer Price

SEBI has, vide its Observation Letters, advised that the Offer price be revised to include interest at the rate of 10% p.a. for delay beyond the original scheduled date of payment (i.e. 15 September 2010). Accordingly, interest of Rs 12.34 (calculated at the rate of 10% p.a. from 15 September 2010 to 3 May 2011, i.e. the latest scheduled date of payment of consideration) per fully paid up Share will be paid over and above the initial offer price of Rs 195.72. The interest amount is subject to change depending on actual date of dispatch of payment to Shareholders. Assuming full acceptance, the total consideration payable under this Offer shall be Rs 32,318.31 lakhs (assuming interest of Rs 12.34 per Share).

Paragraphs 1, 12, 24 and 48 stand modified to such extent.

IV. Information on the Acquirer

The board of directors of the Acquirer has undergone certain changes post the date of the Public Announcement. The board of directors of the Acquirer currently comprises of Shammeeemkhan Abdoolakhan, Madhvi Narain, Akberali Mohemadali Moawalla and Riyad Kamal Mohamed Daud. Paragraph 27(e) stands modified accordingly.

V. Information on IL&FS

Mr Hideo Ichida and Mr Makoto Shioda are also directors on the board of IL&FS. Paragraph 29(f) of the Public Announcement stands modified accordingly.

VI. Information on IFIN

The book value per Share of IFIN as on 31 March 2010 is Rs 54.57 and the Return on net worth for the financial year ended 31 March 2010 is 21.70%. Paragraph 30(g) of the Public Announcement stand modified accordingly.

VII. Information on the Target Company

The name of the Target Company was changed from Maytas Infra Limited to IL&FS Engineering and Construction Company Limited with effect from 7 January 2011 by way of a special resolution passed by postal ballot.

By way of an extraordinary general meeting of the Target Company held on 19 July 2010 ("EGM"), the authorized share capital of the Target Company was increased to Rs. 500 crore, comprising of 15 crore equity shares of Rs 10 each and 3.5 crore preference shares of Rs 100 each. The issued and paid up capital of the Target Company has been enhanced to Rs 77,37,00,250 comprising of 7,73,70,025 equity shares of Rs 10 each, pursuant to issue of (a) 1,54,59,133 Shares on preferential allotment basis to the Acquirer (the issue was approved at the EGM and allotment was made by the board of directors of the Target Company at their meeting held on 30 July 2010); and (b) issue of 30,60,036 Shares under the Corporate Debt Restructuring ("CDR Issue").

VIII. Emerging Voting Capital

The Emerging Voting Capital is now revised to 7,76,65,839 Shares. This increase is pursuant to:

- 30,60,036 Shares, which have been issued by way of CDR Issue;
- 15,459,133 Shares issued to the Acquirer by way of preferential allotment; and
- 2,95,814 ESOPs which have been vested but not exercised under the 2007 and 2009 ESOP scheme.

Pursuant to the increase in the Emerging Voting Capital, the number of Shares to be acquired by the Acquirer and PACs under the Offer stands revised to 1,55,33,168 (constituting 20% of the Emerging Voting Capital) instead of 1,54,23,236. However, the Escrow Account has already been sufficiently funded by the Acquirer and fresh infusion of funds in the same is not necessary.

Paragraphs 1, 11, 12, 38 and 48 of the Public Announcement stand modified accordingly.

IX. Statutory Approvals for the Offer

The Acquirer and the PACs have filed an application on 6 July 2010 with RBI for approval to acquire Shares pursuant to the Offer. The RBI has, vide letter dated 24 January 2011, communicated its 'no-objection' in respect of the aforementioned acquisition under the Offer ("Letter") and has stipulated that specific approval would be required in cases of overseas corporate bodies tendering Shares pursuant to the Offer. Further, the RBI has, as part of its Letter inter alia conveyed to the Target Company that it may (a) delete clause 12 from the "other objects" of the memorandum of association of the Target Company; and (b) file the amended memorandum of association with it within 90 days of closure of the Offer. The Target Company proposes to make further representations to RBI in this regard. Paragraph 43 of the Public Announcement stands modified to this extent.

X. Compliance with regulation 21(2) of the SEBI (SAST) Regulations

Pursuant to the Observation Letters, the entire shareholding of the Acquirer will now be construed to be a public/non-promoter shareholding of the Target Company including the Shares to be acquired in the Offer. Consequently, acquisition of Shares by the Acquirer under the Offer or otherwise will not reduce the public shareholding of the Target Company. In light of the same, the provision of Regulation 21(2) of the Regulations shall not apply.

The Acquirer and PACs, along with their respective Board of Directors, accept full responsibility for the information contained in this corrigendum. This corrigendum would also be available on the SEBI website (www.sebi.gov.in).

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

Manager to the Offer



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Date : 28 March 2011

Place: Mumbai