



## McNally Bharat Engineering Company Limited

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January 29, 2014

### **Bombay Stock Exchange Ltd**

Floor 25, P.J. Towers  
Dalal Street  
Mumbai – 400001

**Dear Sirs,**

We have the pleasure in informing you that our 100% subsidiary in Singapore, MBE Mineral Technologies Pte Ltd, has sold its entire shareholding of 41.66% in Hayward Tyler Group Plc UK, in a bidding process at AIM counter of London Stock Exchange at a total value of GBP 12.3 million. Commenting on this transaction, our Company's Executive Chairman, Mr. Deepak Khaitan, mentioned "The stated sale of investment in Hayward Tyler has yielded a tax free profit in its Singapore subsidiary of US\$ 2.5 million (approximately), which shall be reflected in the consolidated accounts of MBE for 2013-14. The inflow from the transaction shall reduce the overall borrowing in the consolidated accounts of MBE by approximately Rs. 140 crore and shall also reduce the contingent liability for Corporate Guarantee given for the loans being paid back to the extent of Rs. 130 crores (approximately). MBE shall maintain its relationship with Hayward Tyler Group through its German manufacturing subsidy, MBE Cologne Engineering GmbH, as the supply partner of Hayward Tyler's Luton plant. MBE Board records its appreciation to Hayward Tyler Management for the turnaround of the company and are happy to be a part of it."

Post completion of this transaction, our Company shall put sharper focus on its Indian business, which is expected to record improved performance in 2014-15, with an expected opening order book of over Rs. 6500 cr and expected turnover of around Rs. 2750 crores in 2014-15. MBE's Coal & Mineral Technology Group based in Germany and South Africa, are expected to record improved performance in 2014-15 with an expected opening order book of over Eur 40 million.

Thanking You,

Yours Faithfully  
For **McNally Bharat Engineering Company Limited**

  
**Sukanta Chattopadhyay**  
Sr. VP – Commercial & Company Secretary