PUBLIC ANNOUNCEMENT TO THE SHAREHOLDERS OF SAYAJI IRON & ENGINEERING COMPANY LIMITED

(Regd.Office: Chhani Road, Vadodara – 390 002)

This Public Announcement ("PA") is being issued by VC Corporate Advisors Pvt. Ltd., ("VCAPL" or "Manager to the Offer") on behalf of McNally Bharat Engineering Company Limited (herein after referred to as the "Acquirer" or "MBECL") pursuant to Regulation 10 & 12 and other applicable provisions as required under the Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 1997 and subsequent amendments thereto (hereinafter referred to as "Regulations").

1. THE OFFER:

1.1. The Open Offer ("Offer") is being made by Acquirer to the Equity Shareholders of Sayaji Iron & Engineering Company Limited (herein after referred to as "Target Company" or "SIECL").

1.2. The Acquirer has entered into a Memorandum of Understanding ("MOU") dated 16th May 2008 with Shri. Anil C. Patel residing at "Kalyan" 35, Alkapuri Society, Alkapuri, Vadodara –390007 and Shri Nikhil V. Patel residing at "Vraj Bungalow" near Akashvan Hsg. Complex, Gotri Sevasi Road, Vadodara-391101 representing themselves and their family members and also the family members as detailed in Annexure 1 of MOU (hereinafter collectively referred to as "Sellers") to acquire their entire shareholding aggregating to 26,63,100 (Twenty Six Lacs Sixty Three Thousand One Hundred Only) fully paid-up equity shares of Rs. 10/- each representing 68.28 % of the fully paid-up equity and voting share capital of SIECL at a price of Rs.221.60/- per fully paid up equity share payable in cash ("Negotiated Price"). The total consideration for the shares acquired as mentioned above is Rs 59,01,42,960/- (Rupees Fifty Nine Crore One Lac Forty Two Thousand Nine Hundred Sixty Only). The Acquirer shall also pay a sum of Rs. 100 Lacs as non compete fee in equal proportion to Shri Anil C. Patel and Shri Nikhil V. Patel. The Sellers are the part of the promoter/promoter group of the Target Company. The Offer is not as a result of global acquisition resulting in indirect acquisition of SIECL.

1.3. Simultaneously with the execution of the MOU, the Acquirer, Sellers and the Target Company have executed an Escrow Agreement (the "Escrow Agreement") dt. 16.05.2008 with Standard Chartered Bank having its office at 23/25 Mahatma Gandhi Road, Fort, Mumbai 400 001, India who shall act as the escrow agent (the "Escrow Agent") as provided in the MOU.

1.4. The Salient features of MOU/Escrow Agreement are as follows:

- The Acquirer shall deposit with the Escrow Agent, 25% of the total consideration (including non compete fee) aggregating to Rs. 15,00,35,740/-(Fifteen Crores Thirty Five Thousand Seven Hundred Forty Only) in favour of Sellers on execution of the MOU and the balance 75% of the total consideration (including non compete fee) aggregating to Rs.45,01,07,220/- (Forty Five Crores One Lac Seven Thousand Two Hundred Twenty Only) in favour of the sellers with in 90 days from the date of the MOU.

- Within seven days from the initial remittance of 25% of the total consideration by the Acquirer, the sellers shall deposit 26,63,100 Equity shares being their entire shareholding forming part of MOU together with transfer forms/demat execution slips with the Escrow Agent.

- The Escrow Agent shall on receipt of the total consideration with in the stipulated period of 90 days, remit the entire amount to the sellers as consideration in the MOU and simultaneously deliver the physical shares together with the transfer forms /demat execution slips to the acquirer based on the duly executed share purchase agreement delivered to the Escrow Agent..

- In case of acquirer not depositing with the Escrow Agent, the total consideration within a period of 90 days from the date of MOU, the Escrow Agent shall return the physical shares together with the transfer forms /demat execution slips to the sellers as also refund the amount deposited by the Acquirer after retaining an amount of 1% of the total consideration. The said retention amount should be remitted to the sellers/ buyers or dealt with as per the terms of MOU by the Escrow Agent.

- Notwithstanding anything contained herein, the MOU shall not be acted upon by the sellers or the Acquirer in case of non-compliance of any of the provisions of the Regulations.

1.5. As on the date of this PA, the Acquirer does not hold any equity share of SIECL. The Acquirer has not acquired any equity shares of the Target Company during the twelve months preceding the date of this PA except those agreed to be acquired through MOU dated 16.05.2008.

1.6. The Acquirer is now making this open offer to the shareholders of SIECL (other than the parties to the MOU) to acquire from them upto 7,80,080 (Seven Lacs Eighty Thousand and Eighty Only) fully paid-up equity shares of Rs.10/- each, representing 20.00 % of the fully paid-up equity and voting share capital at a price of Rs. 221.60/- per share ("Offer Price") payable in cash in terms of Regulation 20 of the Regulations. SIECL doesn't have any partly paid up shares as on date of this PA.

1.7. The shares of SIECL are listed on Vadodara Stock Exchange Limited (VSE), Ahmedabad Stock Exchange Limited (ASE) and Delhi Stock Exchange Association Limited (DSE). As per available information, the equity shares of SIECL are infrequently traded in terms of explanation (i) to Regulation 20(5) of the Regulations and therefore the Offer Price has been determined taking into account the following parameters: -

a)	Negotiated Price under the MOU	:	Rs.221.60 per fully paid-up equity share
b)	Highest Price paid by the Acquirer for acquisition, including by way of allotment in a public or rights or preferential issue during the twenty six week period prior to the date of Public Announcement	:	Not Applicable
c)	**Other Parameters**		Based on Audited Accounts for the year ended 31.03.2007
	Return on Net worth (%)	:	39.67%
	Book Value per share (Rs)	:	41.99
	Earning per Share (Rs)	:	20.23
	Industry Average P/E Multiple*	:	38.0
	Offer price P/E Multiple**	:	10.88

*(Source: Capital Market Journal Vol XXIII/02 March 24 – April 06, 2008, Industry - Engineering –Turkney Services). The Industry PE is not strictly comparable as the Industry segment covered by the Capital Market consists of companies which have varied and different businesses compared to SIECL and also vary widely in terms of financial parameters with SICEL.

**Offer price/EPS

Mr. Sunil Dokania, Proprietor of Dokania Sunil & Co. (Membership No. 62097) Chartered Accountants having its office at 7/1A, Grant Lane, 2nd Floor, Room No–205, Kolkata-700012, PhNo: (033)-2234-5998 FaxNo (033) 2211-0299, email vedantsunil1@indiatimes.com vide certificate dated 19.05.2008, has stated that based on the decision of the Hon'ble Supreme Court of India in the case of Hindustan Lever Employees Union Vs Hindustan Lever Limited, 1995 (83 Com case 30), the value of the equity shares of SIECL is Rs.53.74/- per share.

In view of the above, the Offer price of Rs.221.60/- per share is justified in terms of Regulation 20 of the Regulations.

1.8. As on the date of PA, the Manager to the Offer does not hold any equity share in the Target Company. They declare and undertake not to deal in the shares of SIECL during the period commencing from the date of their appointment as Manager to the Offer till the expiry of 15 days from the date of closure of the Offer.

1.9. For the purpose of this Offer, there are no persons acting in concert as per the Provisions of Regulation 2(1)(e) of the Regulations.

1.10. The Offer is not subject to any minimum level of acceptances from shareholders and is not a conditional Offer.

1.11. The Acquirer will accept all the equity shares of SIECL that are tendered in valid form in terms of this offer upto a maximum of 7,80,080 equity share of Rs. 10/- each representing 20.00% of equity and voting share capital of SIECL.

1.12. This is not a competitive bid.

1.13. The Acquirer has undertaken to comply with the Regulations and complete the Offer formalities irrespective of the compliance or fulfilment or outcome of the Agreement and its related conditions.

1.14. The Acquirer has agreed to pay a sum of Rs. 100 Lacs as non-compete fee to Shri Anil C Patel & Shri Nikhil V. Patel (forming part of the sellers), in equal proportion subject to some material adjustments viz non recoverability of debtors, liquidated damages, cancellation of orders, refund of sales tax and other levies etc. The Sellers and any other person acting in concert with sellers directly or indirectly, agree neither to compete nor use the drawings & designs of the products presently manufactured by the Company for a period of five years in the same or similar business of the Company anywhere in India, subsequent to transfer of shares presently held by them.

1.15. During the Offer Period, the Acquirer may purchase additional equity shares of the target company in accordance with the Regulations. In the event that the Acquirer purchases additional equity shares of the target company during the Offer period, such purchase shall be disclosed to the Stock Exchanges where the equity shares of the target company are listed and to the Manager to the offer in accordance with the Regulation 22(17) of the Regulations.

1.16. If the Acquirer acquires equity shares of the target company after the date of the public announcement upto seven working days prior to the close of the offer at the price higher than the offer price, then the offer price shall be revised upwards to be equal to or more than the highest price paid for such acquisition, payable for all the valid applications received under the Open offer. However, the Acquirer shall not be acquiring any equity shares of the target company during the period of seven working days, prior to the date of the closure of the Offer.

1.17. The Equity shares will be acquired by the Acquirer free from all lien, charges and encumbrances and together with all rights attached to, including all the rights to dividend, bonus and rights offer declared thereof.

2. Information about the Acquirer – McNally Bharat Engineering Company Limited ("MBECL")

2.1. MBECL was incorporated under the name of McNally-Bird Engineering Company Private Limited on 10th July 1961 under the Companies Act 1956 with registered number 25181. The Company subsequently became a Public Limited Company pursuant to Section 43A of Companies Act, 1956 on 25th September 1961. The Company's name was changed to McNally Bharat Engineering Company Limited in 1972. The CIN no. of the Company is U45202WB1961PLC025181. The Registered cum Corporate Office of the Company is situated at 4, Mangoe Lane, 7Th Floor, Kolkata- 700 001, Phone No (033) 65500725-39 Fax No –(033) 22480340/5016 , email :mbecal@mbecl.co.in

2.2. MBECL was originally promoted by Bird & Co Limited of India in a technical and financial collaboration with McNally Pittsburgh Inc. of the USA. Subsequently the company was taken over by the Williamson Magor group in 1980. As on the date of PA the Promoters / promoter group are holding 1,02,03,242 equity shares constituting 32.81% of the paid up and voting share capital of the MBECL.

2.3. MBECL is presently engaged in the business of Engineering and turnkey project executions. It is one of the leading companies in bulk materials handling, process plants, mineral beneficiation, power sector engineering (including coal handling plants, coal washeries and ash handling plants) and port handling equipment. MBECL has also diversified into mobile bulk handling equipment, ash handling water treatment, road construction, retrofitting jobs at steel plants, construction of material handling in nuclear power plant and contract mining. MBECL also provides turnkey solutions in plant layout and design, basic and detailed engineering, project management, sourcing and procurement, equipment, fabrication and construction, erection, installation and commissioning to various coal, power, steel, cement, iron ore, fertilizer and mining industries.

2.4. The present Board of Directors of MBECL are Shri Deepak Khaitan (Chairman), Shri S.P.Singhi (Vice Chairman), Shri V.K.Verma, Shri S.K.Pasari, Shri Utsav Parekh, Shri C.K.Pasari, Shri S.R. Dasgupta, Shri A.Khaitan & Shri Srinivash Singh (Managing Director).

2.5. As on the date of this PA, the paid up equity share capital of MBECL is Rs.31, 09,38,180/- comprising of 3,10,93,818 Equity shares of Rs. 10/- each. The shares of the MBECL are presently listed at Bombay Stock Exchange Limited (BSE) and National Stock Exchange Association Limited (NSE).

2.6. The financial highlights of MBECL as per the audited accounts for the year ended March 31, 2007 are as follows:

a) Total Income: Rs. 50962.75 Lacs b) Total Expenditure (excluding interest, depreciation and Tax): Rs. 47879.83 lacs, c) Profit After Tax: Rs. 1750.46 Lacs, d) Paid up Equity Share Capital: Rs. 2677.97 Lacs, e) Reserve and Surplus (excluding Revaluation Reserve): Rs.5978.57 Lacs, f) Secured Loan: Rs. 7066.93 Lacs, g) Unsecured Loans: Rs. 4662.09 Lacs, h) Net Deferred Tax Liability: Rs. 70.22 Lacs, i) Net fixed Assets (including Capital Work in Progress): Rs. 5656.51 Lacs, j) Investments: Rs. 461.37 Lacs, k) Net Current Assets: Rs. 15306.88 Lacs, l) Miscellaneous Expenditure (to the extent not written off or adjusted): NIL, Relevant Ratios are: (i) Earning Per share (Basic and diluted):Rs 6.60,(ii)Book value: Rs 32.32, (iii) Return on Networth: 20.22%, Price/Earning ratio: 26.55 and (iv) Market Price as on May 16th 2008 : Rs 175.20 on BSE and Rs 174.80 on NSE.

3. INFORMATION ABOUT THE TARGET COMPANY (SIECL):

3.1. Sayaji Iron & Engineering Company Limited ("SIECL") having its Registered Office at Chhani Road, Vadodara-390002 was incorporated on December 06,1943 under the Baroda State Companies Act, 1918 as a Private Limited Company. It became a deemed Public Limited Company on July 01,1988 under section 43A of the companies Act, 1956. Subsequently the company was converted into a Public Limited Company by passing a special resolution on November 25,1994 and has obtained a fresh certificate of incorporation dated January 02,1995. SIECL came out with initial Public offer in the year October 1995.

3.2. As on the date of this PA, the Authorised Share Capital of the Company is Rs. 500.00 Lacs comprising of 50,00,000 Equity Shares of Rs. 10/- each. The Issued, Subscribed and Paid-up capital of the Company is 390.04 Lacs comprising of 39,00,400 fully paid-up Equity Shares of Rs. 10/- each. SIECL does not have any partly paid-up Equity Shares.

3.3. SIECL is presently engaged in manufacturing wide range of equipment used in crushing, grinding, screening, road making, construction and material handling equipment, customized equipment for steel, cement, power and coal plants and complex turnkey projects. SIECL has its plant located in Vadodara (Gujarat) and has eight marketing offices across the country.

3.4. The Board of Directors of the Target Company comprises of Shri. Anil C. Patel (Chairman & Managing Director), Shri. Atul G. Shroff, Shri. Nikhil V. Patel (Executive Director), Shri Kunal A. Patel (Executive Director), Shri Mahendra G. Vyas, Shri Aswin P. Hathi & Shri Sanjay S. Patel.

3.5. The Equity Shares of SIECL are listed at VSE, ASE and DSE only. The shares of SIECL are not admitted as permitted security in any other Stock Exchange.

3.6. As per Audited Accounts for the year ended March 31, 2007, SIECL earned a Total Income of Rs. 5211.59 Lacs and a Net Profit After Tax of Rs. 649.69 Lacs. The Networth and Book Value per share of the company as on 31.03.2007 were Rs. 1637.83 Lacs & Rs. 41.99 respectively. The Earning per share and return on Networth for the year-ended 31.03.2007 were Rs. 20.23 and Rs. 39.67% respectively. SIECL paid a dividend @ 26% for the year ended 31.03.2007.

[Source: Annual Report of SIECL for the year ended 31.03.2007].

4. REASONS FOR THE OFFER AND FUTURE PLANS ABOUT TARGET COMPANY:

4.1. The Offer has been made pursuant to regulation 10 & 12 and other provisions of the Chapter III and in compliance with the Regulations.

4.2. The prime object of the Offer is to acquire substantial acquisition of shares/voting rights accompanied with the change of control and management of the company.

4.3. The Acquirer is presently engaged in the business of Engineering and Turnkey Projects and provides turnkey solutions in plant layout and design, basic and detailed engineering, project management, sourcing and procurement, equipment, fabrication and construction, erection, installation and commissioning to various coal, power, steel, cement, iron ore, fertilizer and mining industries. The Target Company is presently engaged in manufacturing wide range of equipment used in crushing, grinding, screening, road making, construction and material handling equipment, customized equipment for steel, cement, power and coal plants and complex turnkey projects. The Acquisition of the Target Company will provide product and technological synergy to the Acquirer and add sizeable volume to its equipment business. The Acquirer proposes to continue the existing line of business of the target company.

4.4. Subject to satisfaction of the provisions under the Companies Act, 1956 and/ or any other Regulation(s), the Acquirer intends to make changes in the management of SIECL. It is proposed to induct new Directors on the Board of SIECL by the Acquirer. The likely changes in the management /taking control by the Acquirer shall be subject to successful completion of the Open Offer formalities, including dispatch of consideration for the Shares accepted and shall be subject to compliance with Regulation 23(6) of the Regulations.

4.5. The Acquirer does not have any plans to dispose off or otherwise encumber any assets of SIECL in the next two years except in the ordinary course of business of SIECL and / or for the purposes of entering into any compromise or arrangement, reconstruction, restructuring, merger, rationalizing and / or streamlining various operations, assets, liabilities, investments, businesses or otherwise of SIECL, subject to applicable shareholders approval.

4.6. The Acquirer undertakes not to sell, dispose of or otherwise encumber any substantial assets of the Target Company except with the prior approval of the shareholders of the Target Company and in accordance with and subject to the applicable laws, permissions and consents, if any.

5. STATUTORY APPROVALS/ OTHER APPROVALS REQUIRED FOR THE OFFER:

5.1. The Offer is subject to receiving the necessary approval(s), if any, from Reserve Bank of India, under the Foreign Exchange Management Act, 1999 and subsequent amendments thereto, for acquiring equity shares tendered by non-resident shareholders, if any.

5.2. As on the date of this PA, to the best of the knowledge of the Acquirer, there are no other statutory approvals and / or consents required. However, the Offer would be subject to all-statutory approvals as may be required and / or may subsequently become necessary to acquire at any later date.

5.3. In case of non receipt of any approval, SEBI may, if satisfied that non receipt of the requisite approvals was not due to any willful default or neglect of the Acquirer or failure of the Acquirer to diligently pursue the application for the approval, grant extension of time for the purpose, subject to the Acquirer agreeing to pay interest to the shareholders as directed by SEBI, in terms of regulation 22(12) of SEBI (SAST) Regulations, 1997. Further, if delay occurs on account of willful default by the Acquirer in obtaining the requisite approvals, regulation 22(13) of the Regulations will also become applicable.

5.4. No approval is required from any bank or financial institutions for this offer to the best of the knowledge of the Acquirer.

6. OPTION IN TERMS OF REGULATION 21:

In the event, pursuant to this offer, the public shareholding in the Target Company falls below 25% of its outstanding equity share capital, the Acquirer will, in accordance with Regulation 21(2) of the SEBI (SAST) Regulations, 1997, facilitate the Target Company to raise the level of public shareholding to the level specified for continuous listing in the Listing Agreement with the Stock Exchange within the specified time and in accordance with the prescribed procedure under clause 40A(viii) of the Listing Agreement and in compliance with the Regulations.

7. FINANCIAL ARRANGEMENTS:

7.1. The total fund requirement for the acquisition of 7,80,080 equity shares, being 20% of the paid up equity and voting share capital of SIECL @ Rs. 221.60 Per share is Rs. 17,28,65,728/- (Rupees Seventeen Crores Twenty Eight Lacs Sixty Five Thousand Seven Hundred Twenty Eight Only).

7.2. The Acquirer has adequate financial resources and has made firm financial arrangements for the implementation of the offer in fully out of its internal accruals and no borrowings from banks/financial institutions/foreign sources or otherwise is envisaged.

7.3. The Acquirer has created an Escrow Account with ICICI Bank, Capital Markets Division, 30, Mumbai Samachar Marg, Fort, Mumbai – 400 001, India, in their capacity as Escrow Banker, under the name and style of "SIECL Open Offer Escrow Account" in accordance with the provisions of Regulation 28 of the Regulations in terms of Escrow Agreement dated May 20, 2008 entered into between the Acquirer, The Manager to the Offer and the ICICI Bank Limited.

7.4. The Acquirer has deposited an amount of Rs. 432.50 Lacs (Rupees Four Crores Thirty Two Lacs Fifty thousand Only) being in excess of 25% of the total consideration payable to the shareholders of SIECL, assuming full acceptance of the Offer, in the "SIECL Open Offer Escrow Account" on 20.05.2008. The Manager to the Offer i.e. VC Corporate Advisors Private Limited has been solely authorized by the Acquirer to operate and realise the value of Escrow Account in terms of the Regulations. Incase of a revision in the offer price, the Acquirer would raise the amount in the escrow account to ensure compliance with the regulation 28 of the Regulations.

7.5. The Acquirer has confirmed that the Escrow Account will be utilized exclusively for the purpose of the Open Offer.

7.6. Mr. Arnab Basu, Proprietor of Arnab Basu & Associates, Chartered Accountants (Membership No. 59349) having office at 286, Prince Anwar Shah Road, Kolkata - 700045 Tele Fax no (033) 2417-6012, email arnab75in@yahoo.com has certified vide letter dated 16.05.2008 that sufficient resources are available with the Acquirer for fulfilling the obligations under this "Offer" in full.

7.7. Based on the above, the Manager to the Offer is satisfied about the ability of the Acquirer to implement the offer in accordance with the Regulations. The Manager to the Offer confirms that the firm arrangement for the funds and money for payment through verifiable means are in place to fulfill the Offer obligations.

8. OTHER TERMS OF THE OFFER:

8.1. The Letter of Offer along with Form of Acceptance cum Acknowledgement will be mailed to all those shareholders of SIECL (except the parties to the MOU) whose name appear on the Register of Members and to the beneficial owners of the shares of the SIECL whose names appear on the beneficial records of the respective Depository Participant, at the close of business hours on 30.05.2008 ("Specified Date").

8.2. Shareholders holding equity shares in physical form who wish to accept the Offer and tender their shares will be required to send their duly signed Form of Acceptance cum Acknowledgement, Original Share Certificate (s) and duly signed and executed Transfer Deed (s) to the Registrar to the Offer, either by hand delivery on weekdays between (11.00 A.M to 5.00 P.M) or by Registered Post so as to reach on or before the Closing of the Offer, i.e 28.07.2008 in accordance with the instructions specified in the Letter of Offer and in the Form of Acceptance cum Acknowledgement.

8.3. The Registrar to the Offer has opened a Special Depository Account with Shree Bahubali International Limited, (Registered with NSDL), styled "Maheshwari Datamatics Private Ltd.–SIECL Open Offer Escrow Account". The DP ID is IN 300773 and Client ID is 10242680. Shareholders having their beneficiary account in CDSL have to use Inter depository delivery instruction slip for the purpose of crediting their shares in favour of the Special Depository Account.

8.4. Beneficial owners and Shareholders holding shares in the dematerialized form who wish to tender their shares will be required to send their Form of Acceptance cum Acknowledgement along with a photocopy of the delivery instructions in "Off-Market" mode or counterfoil of the delivery instruction in "Off-Market" mode, duly acknowledged by the Depository Participant ("DP"), in favour of the Special Depository Account, to the Registrar to the Offer either by hand delivery on weekdays between (11.00 A.M to 5.00 P.M) or by Registered Post, on or before the Closing of the Offer, i.e 28.07.2008, in accordance with the instructions to be specified in the Letter of Offer and in the Form of Acceptance cum Acknowledgement.

8.5. All owners of the shares, Registered or Unregistered (except the parties to the MOU) who own the shares any time prior to the Closing of the Offer are eligible to participate in the Offer. Unregistered owners can send their application in writing to the Registrar to the Offer, on a plain paper stating the Name & Address of the First Holder, Name(s) & Address (es) of Joint Holder(s) if any, Number of Shares held, Number of Shares offered, Distinctive Numbers, Folio Number, together with the original Share Certificate(s), valid Transfer Deeds and the original Contract Note issued by the Broker through whom they acquired their shares. No indemnity is required from unregistered owners.

8.6. In case of non-receipt of the Letter of Offer, the eligible persons may send their consent to the Registrar to the Offer, on a plain paper stating the Name & Address of the First Holder, Name(s) & Address (es) of Joint Holder(s) if any, Registered Folio Number, Share Certificate Numbers, Distinctive Numbers, Number of Shares held, Number of Shares offered, along with documents as mentioned in above point 8.5 so as to reach the Registrar to the Offer on or before the Closing of the Offer, i.e.28.07.2008, in case of beneficial owners, they may send the application in writing to the Registrar to the Offer, on a plain paper stating the Name, Address, Number of Shares held, Number of Shares offered, DP Name, DP ID, Beneficiary Account Number and a photocopy of the delivery instruction in "Off-Market" mode or counterfoil of the delivery instruction in "Off-Market" mode, duly acknowledged by the DP, in favour of the Special Depository Account, so as to reach the Registrar to the Offer, on or before the Closing of the Offer, i.e 28.07.2008.

8.7. Applications in respect of equity shares of the Target Company that are subject matter of litigation wherein the shareholders of the Target Company may be prohibited from transferring the equity shares during the pendency of the said litigation are liable to be rejected if the directions/ orders regarding these equity shares are not received together with the equity shares tendered under the Offer. The Letter of Offer in some of these cases, wherever possible, will be forwarded to the concerned statutory authorities for further action by such authorities.

8.8. The Letter of Offer along with the form of acceptance would also be available at SEBI's website at www.sebi.gov.in. and the Eligible persons to the Offer may download the form of acceptance from the website as one of the alternatives available to them for applying in the offer.

8.9. Shareholders who have sent their shares for dematerialisation need to ensure that the process of getting shares dematerialised is completed well in time so that the credit in the Escrow Account should be received on or before the closure of the Offer, else the application would be rejected.

8.10. While tendering the equity shares under the Offer, NRIs/ foreign shareholders will be required to submit the previous RBI Approvals (specific or general) that they would have been required to submit to acquire the equity shares of the Target Company. In case the previous RBI approvals are not submitted, the Acquirer reserves the right to reject such equity shares tendered. While tendering shares under the Offer, NRI/ foreign shareholders will be required to submit a Tax Clearance Certificate from the Income Tax authorities, indicating the amount of tax to be deducted by the Acquirer under the Income Tax Act, 1961 ('Income Tax Act'), before remitting the consideration. In case the aforesaid Tax Clearance certificate is not submitted, the Acquirer will arrange to deduct tax at the rate as may be applicable to the category of the shareholder under the Income Tax Act, on the entire consideration amount payable to such shareholder.

8.11. As per the provisions of Section 196D(2) of the Income Tax Act, no deduction of tax at source shall be made from any income by way of capital gains arising from the transfer of securities referred to in Section 115AD of the Income Tax Act payable to a Foreign Institutional Investor ('FII') as defined in Section 115AD of the Income Tax Act.

8.12. The Registrar to the Offer will hold in trust the Share Certificates, shares lying in credit of the Special Depository Account, Form of Acceptance cum Acknowledgement, if any, and the Transfer Form/s on behalf of the shareholders of SIECL who have accepted the Offer, till the Cheques/Drafts for the consideration and/or the unaccepted shares/share certificates are despatched/returned.

8.13. Share Certificates, Transfer Forms and other documents in respect of shares not accepted under the Offer, if any, will be returned by Registered Post at the shareholders' / unregistered owners' sole risk to the sole/first shareholder. Shares held in dematerialised form to the extent not accepted will be credited back to the beneficial owners' depository account with the respective DP as per the details furnished by the beneficial owner in the Form of Acceptance cum Acknowledgement.

8.14. In case the shares tendered in the Offer by the shareholders of SIECL are more than the shares to be acquired under the Offer, the acquisition of the shares from each shareholder will be as per the provision of regulation 21(6) of the Regulations on a proportionate basis. The marketable lot for both physical and demat shares is 1(One). The rejected Applications / Documents will be sent by Registered Post.

8.15. The payment of acquisition of shares will be made by the Acquirer in cash through a crossed Demand Draft/Pay Order to the equity Share holders of SIECL whose equity share certificates and other documents are found in order and accepted by the acquirer, with in 15 Days from the date of Closing of the Offer.

8.16. In terms of Regulation 22(5A) of the Regulations, shareholders shall have the option to withdraw acceptances tendered up to three working days prior to the Offer Closing date by submitting the required documents, so as to reach the Registrar to the Offer by 23.07.2008. The withdrawal option can be exercised by submitting the Form of Withdrawal enclosed with Letter of Offer. Incase of non-receipt of Form of Withdrawal , the withdrawal can be exercised by making it on plain paper along with the details as mentioned in the point 8.6 above. The shares withdrawn by the Shareholders, if any, would be returned by Registered Post.

8.17. A Schedule of some of the major activities in respect of the Offer is given below:

Activities	Date	Day
Specified Date (for the purpose of determining the name of shareholders to whom the Letter of Offer will be sent)	30.05.2008	Friday
Last Date for a Competitive Bid, if any	11.06.2008	Wednesday
Date by which the Letter Of Offer to be Dispatched to the shareholders	02.07.2008	Wednesday
Date of Opening of the Offer	09.07.2008	Wednesday
Last date for revising the Offer Price/ Number of Shares	17.07.2008	Thursday
Last date for Withdrawal of Acceptance by shareholders who have accepted the Offer	23.07.2008	Wednesday
Date of Closing of the Offer	28.07.2008	Monday
Date by which communicating acceptance /rejection and payment of consideration for accepted shares / dispatch of Share Certificate in case of rejection	11.08.2008	Monday

9. GENERAL:

9.1. Shareholders who have accepted the Offer by tendering the requisite documents in terms of the Public Announcement / Letter of Offer, can Withdraw the same up to three working days prior to the date of Closure of the Offer i.e. 23.07.2008.

9.2. If there is any upward revision in the Offer Price up to seven working days prior to the date of Closure of the Offer i.e. 17.07.2008 or withdrawal of the Offer, the same would be informed by way of Public Announcement in the same Newspapers where this original Public Announcement appeared and such revised Offer Price would be payable to all the shareholders who have tendered their shares any time during the Offer and accepted under the Offer.

9.3. If there is a Competitive Bid:

i) The Public Offers under all the subsisting bids shall close on the same date.

ii) As the Offer Price cannot be revised during 7 working days prior to the Closing date of the Offers/ bids, it would, therefore, be in the interest of the shareholders to wait till the commencement of that period to know the final Offer Price of each bid and tender their acceptance accordingly.

9.4. The Acquirer, the Sellers and The Target company have not been prohibited by SEBI from dealing in securities, in terms of direction issued u/s 11B of SEBI Act or under any other Regulations made under the SEBI Act.

9.5. Pursuant to regulation 13 of the Takeover Regulations, the Acquirer has appointed **VC Corporate Advisors Private Limited,** as Manager to the Offer.

9.6. The Acquirer and the directors of the Acquirer accept full responsibility for the information contained in this Public Announcement and also for the obligations of Acquirer laid down in Regulations.

9.7. This Public Announcement will be available on SEBI's website at www.sebi.gov.in Eligible persons to the Offer may also download a copy of Letter of Offer along with Form of Acceptance cum Acknowledgement and Form of Withdrawal, which will also be available on SEBI's website from the Offer opening date i.e. 09.07.2008 and apply in the same.

9.8. For further details, please refer to the Letter of Offer & Form of Acceptance.

Issued by Manager to the Offer:

Manager to the Offer:	**Registrar to the Offer:**
VC CORPORATE ADVISORS PRIVATE LIMITED (Contact Person: Vijay Kumar Chandak) 31,Ganesh Chandra Avenue, 2nd Floor, Suite No –2C, Kolkata – 700 013. Phone No: (033) 2225-3940/ 3941, Fax: (033) 2225-3941 E-mail: mail@vccorporate.com	**MAHESHWARI DATAMATICS PRIVATE LIMITED** (Contact Person: S. Raja Gopal) 6,Mangoe Lane, 2nd Floor, Kolkata – 700 001, Phone No: (033) 2243-5809/5029, Fax: (033) 2248-4787 E-mail:mdpl@cal.vsnl.net.in

On behalf of the Acquirer
McNally Bharat Engineering Company Limited
4, Mangoe Lane, 7th Floor , Kolkata- 700 001

Place: Kolkata Date: 21.05.2008