CORRIGENDUM TO THE PUBLIC ANNOUNCEMENT TO THE SHAREHOLDERS OF

SWARAJ ENGINES LIMITED

This announcement ("Announcement") is with reference to the public announcement issued on March 12, 2007 ("PA") and corrigendum to the PA issued on May 3, 2007 by Kotak Mahindra Capital Company Limited ("Manager to the Offer") for and on behalf of Mahindra and Mahindra Limited, a company incorporated under the laws of India ("M&M") and Mahindra Holdings & Finance Limited, a company incorporated under the laws of India ("MHFL"), (M&M collectively with MHFL, the "Acquirers") acting in concert with each other, pursuant to and in compliance with, among others, Regulation 12 and Regulation 10 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as amended ("Regulations").

Shareholders are requested to kindly note the following:

1. The last date for revising the offer price shall be June 7, 2007.
2. Persons eligible to participate in the Offer are all shareholders / beneficial owners (registered or otherwise) of Shares of the Target Company, except the Acquirers, the parties to the SPA and PTL.
3. PTL will not be eligible to participate in the Offer.
4. The Offer is subject to the Acquirers' obtaining the following approvals:-
   a. approval of the Reserve Bank of India exempting MHFL from the provisions of Regulation 18 of the Non-Banking Financial (Non- Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.
   b. approval of the Reserve Bank of India for the payment of the Purchase Price to such of the Sellers that are non resident.
   c. approval of the Central Government of India pursuant to Section 108A of the (Indian) Companies Act, 1956.

   The up-to-date status of the above approvals is as follows:-
   a. MHFL had made an application to RBI for the same and RBI vide its letter dated May 4, 2007, has granted exemption.
   b. The approval of the Reserve Bank of India for the payment of the Purchase Price to such of the Sellers that are non resident has been obtained.
   c. The approval of the Central Government of India pursuant to Section 108A of the (Indian) Companies Act, 1956 has been obtained.
5. The unaudited financials of the Acquirers for the 9 months ended December 31, 2006 have been certified by the auditors in accordance with Clause 41 of the Listing Agreement.
6. The total financial resources required for this Offer, assuming full acceptance will be Rs 37,50,78,564 (Rupees Thirty Seven Crore Fifty Lakh Seventy Eight Thousand Five Hundred and Sixty Four Only) ("Maximum Consideration"). The financial obligations arising out of the offer to the shareholders of Swaraj Automotives Limited, assuming full acceptance, amounts to Rs 11,70,08,492 (Rupees Eleven Crore Seventy Lakh Eighty Thousand Four Hundred and Ninety-Two Only) and the financial obligations arising out of the offer to the shareholders of Punjab Tractors Limited, assuming full acceptance, amounts to Rs 437,44,10,400 (Rupees Four Hundred Thirty Seven Crore Forty Four Lakh Ten Thousand and Four Hundred only). The total financial obligations of the Acquirers resulting from the Offer and the other two offers mentioned above amount to Rs. 486,64,97,456 (Rupees Four Hundred Eighty Six Crore Sixty Four Lakh Ninety Seven Thousand and Four Hundred Fifty Six only) ("Total Consideration"). The Acquirers have made firm financial arrangements for the Offer by means of internally generated funds and release of owned funds currently employed in working capital by substitution of unutilized working capital lines from banks.
7. As a consequence of this Offer, the public shareholding of the Target Company will not reduce to a level below the limit specified in the listing agreement with the Stock Exchanges for the purpose of listing of the Target Company on continuous basis. If consequent to this Offer, the public shareholding falls to a level below the limit specified in the listing agreement with the stock exchange for the purpose of listing on continuous basis, the Acquirers undertake to raise the level of public shareholding, in terms of the provisions of Regulation 21(3), to the levels specified for continuous listing specified in the listing agreement with the stock exchange, within a period of twelve months from the date of closure of this Offer.
8. The revised Offer Programme is as under:

Activity	Original Schedule		Revised Schedule	
	Date	Day	Date	Day
Issue of Public Announcement	12-Mar-07	Monday	12-Mar-07	Monday
Specified Date	12-Mar-07	Monday	12-Mar-07	Monday
Last date for a competitive bid, if any	2-Apr-07	Monday	2-Apr-07	Monday
Last date by which Letter of Offer will be dispatched to the Shareholders	23-Apr-07	Monday	24-May-07	Thursday
Offer Opening Date	3-May-07	Thursday	28-May-07	Monday
Last date for revising the Offer Price/ Offer Size	11-May-07	Monday	07-Jun-07	Thursday
Last date for withdrawing acceptance of the Offer	17-May-07	Thursday	13-Jun-07	Wednesday
Offer Closing Date	22-May-07	Tuesday	16-Jun-07	Saturday
Date by which the acceptance / rejection would be intimated and the corresponding payment for the acquired Shares and / or the share certificate(s) /demat delivery instruction for the rejected Shares will be dispatched / issued	5-Jun-07	Tuesday	30-Jun-07	Saturday

The other terms and conditions of the Offer remain unchanged.

This announcement should be read in conjunction with the PA. Terms used but not defined in this announcement shall have the same meaning as assigned in the PA. The Board of Directors of the Acquirers accepts full responsibility for the information (except that which pertains to the Target Company and has either been compiled from publicly available sources or obtained from the Target Company) contained in this announcement and also accepts responsibility for the obligations of the Acquirers laid down under the Regulations.

This announcement is expected to be available on the SEBI website at http://www.sebi.gov.in

For further details, please refer to the Letter of Offer to be issued by the Acquirers.

Issued by the Manager to the Offer for and on behalf of the Acquirers

kotak
Investment Banking

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Dated: May 21, 2007
Place: Mumbai