ANNOUNCEMENT TO THE EQUITY SHAREHOLDERS OF

SHAILY ENGINEERING PLASTICS LIMITED

Regd. Office: 51, Dariyasthan Street, Vadgadi, Mumbai – 400 003;
Correspondence Office: 8, J.P.Nagar, Old Padra Road, Baroda, Gujarat – 390 015, India.

This corrigendum ("Corrigendum") is being issued by V.B.Desai Financial Services Limited, the Manager to the Offer, to be read in continuation and in conjunction with the public announcement dated 01st January, 2009 ("PA") on behalf of Motika Limited ("Acquirer") to the equity shareholders of Shaily Engineering Plastics Limited ("Target Company") pursuant to and in compliance with Regulation 10 and 12 (as further detailed herein) other applicable provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 1997 and subsequent amendments thereto. This Corrigendum to the PA dated 01st January, 2009 is being issued to appraise the shareholders of the Target Company about the following:

1. Activity Schedule

The Schedule of activities set forth in the PA has been revised. The revised schedule of activities is as under:

Activity	Original Time Schedule as per PA		Revised Time Schedule	
	Date	Day	Date	Day
Public Announcement	01st January, 2009	Thursday	1st January 2009	Thursday
Specified Date	30th January, 2009	Friday	30th January 2009	Friday
Last date for a competitive bid	21st January,2009	Wednesday	21st January 2009	Wednesday
Date by which Letter of Offer to be dispatched to shareholders	14th February 2009	Saturday	5th August 2009	Wednesday
Date of opening of the Offer	24th February 2009	Tuesday	10th August 2009	Monday
Last date for revising the Offer Price	09th March, 2009	Monday	20th August 2009	Thursday
Last date for withdrawing acceptance from the Offer	13th March, 2009	Friday	26th August 2009	Wednesday
Last date of closing of the Offer	16th March, 2009	Monday	29th August 2009	Saturday
Last date of communicating rejection / acceptance & payment of consideration for accepted shares	31st March, 2009	Tuesday	12th September 2009	Saturday

The above dates wherever appeared in the original Public Announcement be read accordingly.

2. Details of the Offer

This Offer is being made by the Acquirer to all equity shareholders of the Target Company (except the key Promoters) to acquire the Offer shares. This Offer is being made pursuant to and in compliance with, the provisions of Regulation 10, and in compliance of observation letter dated 27th July 2009, issued by SEBI under Regulation 12 of the SEBI (SAST) Regulations and subsequent amendments thereto.

In terms of the SSA and SHA, the Acquirer has no rights relating to the management of the Target Company and the Acquirer has certain rights to veto certain actions by the management as enumerated in the Letter of Offer. Hence, although the Acquirer is neither in management of or control over the Target Company nor desirous of acquiring management or control over the Target Company, the Offer may also be considered to have been made under Regulation 12 of the SEBI (SAST) Regulations by way of abundant caution, in compliance of the observation letter dated 27th July, 2009, issued by SEBI under Regulation 12 of the SEBI (SAST) Regulations and subsequent amendments thereto.

3. Status of Statutory Approvals

Approval from Reserve Bank of India: The Reserve Bank of India ("RBI") has vide its letter No. FE.CO. FID/22980/10.21.047 (59)/2008-09 dated 25th February, 2009 advised that it has no objection in relation to the Acquirer purchasing the shares from persons other than erstwhile OCBs under the Offer. Acceptance of shares from erstwhile OCB(s) are subject to receipt of specific approval from the RBI.

4. Disclosure under Regulation 21 (2))

As per the listing agreement with the Stock Exchange, the Target Company is required to maintain at least 25% public shareholding for listing on a continuous basis.

The Acquirer and the Promoter do not have the intentions to delist the Company. Consequent to the conversion of PCCPS and this public offer, the Promoter and the Acquirer shall take the required steps as per the provisions of SEBI (SAST) Regulations for maintaining the public holding as per the listing agreement, within the prescribed time limits therein.

5. Other changes and modifications in the Public Announcement dated January 1, 2009

The paragraph 1.2 of the PA has been revised as follows:

The special resolution under Section 81 (1A) of the Act and other applicable provisions, passed by the Shareholders at the adjourned EGM held on 02nd June, 2007 authorized the Board of Directors of the Target Company to issue and allot upto 14,99,820 (Fourteen Lakhs Ninety Nine Thousand Eight Hundred and Twenty) 7% (Seven percent) Participatory Cumulative Convertible Preference Shares ("PCCPS") of Rs.56/- (Rupees Fifty Six only) each, convertible into equity shares at the option of the Acquirer within 18 (Eighteen) months of its allotment to the Acquirer, aggregating to Rs. 8,39,89,920 (Rupees Eight Crore Thirty Nine Lakhs Eighty Nine Thousand Nine Hundred Twenty only) on preferential allotment basis in accordance with the provisions of the Articles of Association of the Target Company, the Listing Agreement between the Target Company and the Stock Exchanges, the Act, the guidelines issued by the Reserve Bank of India ("RBI"), the Securities and Exchange Board of India ("SEBI"), etc. The said PCCPS are convertible into equity shares of Rs. 10/- (Rupees Ten only) each at a premium of Rs. 46/- (Rupees Forty Six only) per Equity Share, i.e. at a price of Rs. 56/-(Rupees Fifty Six only) per Equity Share within 18 (Eighteen) months from the date of allotment.

The paragraph 1.3 of the PA has been revised as follows:

On 24th April, 2007, the Acquirer entered into Share Subscription Agreement ("SSA") and Shareholders Agreement ("SA") with the Target Company and the promoters of the Target Company ("Promoters") for subscribing to PCCPS of the Target Company. Accordingly, the Directors of the Target Company in their Board Meeting held on 06th July, 2007 allotted 14,99,820 7% PCCPS of Rs. 56/- each aggregating to Rs. 839.90 lacs to the Acquirer in terms of the special resolution passed by the shareholders on 02nd June, 2007.As per the SSA and SA dated 24th April, 2007 entered between the Acquirer, the Company and the Promoters Target Company and in terms of the special resolution passed by the shareholders of the Target Company on 02nd June, 2007, the PCCPS allotted on 06th July 2007 are due for conversion into equity shares before 06th January 2009. Accordingly, the Board of Directors of the Target Company at their meeting to be held on 05th January, 2009 will be alloted 14,99,820 equity shares of Rs. 10/- each at a premium of Rs. 46/- per share against conversion of 14,99,820 7% PCCPS to the Acquirer.

In paragraph 1.8

Price Earning Multiple with reference to the offer price as per last audited financial parameters is 44.09 instead N.A

6. General

This corrigendum should be read in conjunction with the PA. The terms not defined herein will have the same meaning as defined in the PA. All other terms and conditions in the Open Offer remain unchanged. For more details please refer to the Letter of Offer dated 31st July 2009.

The Acquirer accepts full responsibility for the information contained in this Announcement and their obligations under the Regulations. This Announcement will also be available on the SEBI website (www.sebi.gov.in)

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

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E-mail: info@vbdesai.com; **Contact Person:** Mr. K. K. Antoo

Place : Mumbai
Date : 06th August 2009

Size: 35x12 sq. cm