

August 05, 2020

To
Bombay Stock Exchange Limited
P J Towers, Dalal Street,
Mumbai - 400 001

Sub.: Open Offer under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (the "SEBI SAST Regulations") to the Eligible Shareholders of Punjab Alkalies and Chemicals Limited (the "Target Company") by the Acquirers and PACs (as defined below)

Dear Sir / Madam,

Flowtech Industrial Projects Private Limited ("Acquirer 1"), Flowtech Chemicals Private Limited ("Acquirer 2"), Mr. Sukhbir Singh Dahiya ("Acquirer 3"), Mr. Jagbir Singh Ahlawat ("Acquirer 4"), Mr. Jatin Dahiya ("Acquirer 5") and Mrs. Parerna Ahlawat ("Acquirer 6") (collectively known as "**Acquirers**") and Mrs. Dayawati Dahiya (PAC 1), Mr. Mayank Ahlawat ("PAC2"), Ms. Garima ("PAC 3"), Himalaya Alkalies and Chemicals Limited ("PAC 4"), Advance Chemicals ("PAC 5") and Tara Mercantile Private Limited ("PAC 6") (together known as "**PACs**") has acquired 6,611,460 equity shares representing 24.36% of the equity share capital and 24.39% of the voting capital of Punjab Alkalies and Chemicals Limited (the "**Target Company**"). On August 05, 2020, Acquirer 1, in its Board Meeting, has decided to place a Purchase Order of the same date with Eureka Stock & Share Broking Services Limited to acquire upto 500,000 Equity Shares representing 1.84% of the paid up Equity Share Capital and also 1.84% of the voting capital of the Target Company at a price not exceeding Rs. 39.10 (Rupees Thirty Nine and Paise Ten Only) per Equity Share. The said maximum 500,000 Equity Shares are proposed to be purchased on BSE on or before August 31, 2020.

Pursuant to the abovementioned intent of the Acquirers and PACs to purchase equity shares of the Target Company entitling the Acquirers and PACs to gain control over more than 25% of the paid up equity share capital and voting capital of the Target Company, this mandatory offer is being made by the Acquirers and PACs in compliance with Regulation 3(1) and 4 read with Regulation 13(2)(a) of the SEBI SAST Regulations.

In terms of Regulation 7(6) of the SEBI SAST Regulations, except the Acquirers and PACs, all shareholders of the Target Company, including the Existing Promoter of the Target Company, can participate in the Offer (the "**Eligible Shareholders**").

We have been appointed as Manager to the Offer by the Acquirers and PACs for the proposed Open Offer to be given to the eligible shareholders of the Target Company.

In this regard, please find enclosed the copy of Public Announcement under Regulation 14(1) of the SEBI SAST Regulations.

In this regard, we also submit that The Government of Punjab through Punjab State Industrial Development Corporation Limited (the "Existing Promoter"), has issued an advertisement alongwith Preliminary Information Memorandum and Invitation of Expression of Interest on July 24, 2020 for proposed strategic disinvestment of the entire Equity Shares held by the Existing Promoter in the Target Company. Further, the Global Invitation for Expression of Interest for strategic disinvestment of 33.49% shareholding in the Target Company by the Existing Promoter of the Target Company also states that in case any Interested Bidder(s) chooses to make an open offer under SEBI regulations, Government of Punjab reserves the right to accept or reject such open offer without communicating any reason whatsoever.

Thanking you,

Yours sincerely,
for Sundae Capital Advisors Private Limited

NitiN Somani
Company Secretary

Encl.: As above

**PUBLIC ANNOUNCEMENT UNDER REGULATION 3(1) AND 4 READ WITH REGULATION 13(2)(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA
(SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011**

Open Offer for acquisition of 7,056,607 fully paid up Equity Shares of face value Rs. 10 each from the Eligible Shareholders (as defined below) of Punjab Alkalies and Chemicals Limited (the “Target Company”), a company incorporated under the Indian Companies Act, 1956 (now Companies Act, 2013) and having its registered office at S. C. O. 125-127, Sector 17-B, Chandigarh - 160 017, Tel. No.: +91 172 407 2543/407 2546, representing 26.00% of the total outstanding share capital and 26.03% of voting capital of the Target Company by Flowtech Industrial Projects Private Limited, Flowtech Chemicals Private Limited, Mr. Sukhbir Singh Dahiya, Mr. Jagbir Singh Ahlawat, Mr. Jatin Dahiya and Mrs. Parerna Ahlawat (collectively the “Acquirers”, as defined below) and Mrs. Dayawati Dahiya, Mr. Mayank Ahlawat, Ms. Garima, Himalaya Alkalies and Chemicals Limited, M/s Advance Chemicals and Tara Mercantile Private Limited (collectively the “PACs” as defined below) pursuant to and in compliance with Regulation 3(1) and 4 read with Regulation 13(2)(a) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the “SEBI SAST Regulations”) (the “Open Offer” / “Offer”).

This public announcement (the “Public Announcement”) is being issued by Sundae Capital Advisors Private Limited, the Manager to the Open Offer (the “Manager”), for and on behalf of the Acquirers and the PACs, to the Eligible Shareholders (as defined below) of the Target Company, pursuant to and in compliance with Regulation 3(1) and 4 read with Regulation 13(2)(a) and other applicable regulations of the SEBI SAST Regulations.

Terms used in the Public Announcement

Particulars	Definition
Acquirers	Collectively the Acquirer 1, Acquirer 2, Acquirer 3, Acquirer 4, Acquirer 5 and Acquirer 6
Acquirer 1 / FIPPL	Flowtech Industrial Projects Private Limited
Acquirer 2 / FCPL	Flowtech Chemicals Private Limited
Acquirer 3	Mr. Sukhbir Singh Dahiya
Acquirer 4	Mr. Jagbir Singh Ahlawat
Acquirer 5	Mr. Jatin Dahiya
Acquirer 6	Mrs. Parerna Ahlawat
Eligible Shareholders	Other Public Shareholders and the Existing Promoter of the Target Company
Existing Promoter / Existing Promoter of the Target Company	Existing promoter of the Target Company, viz. Punjab State Industrial Development Corporation Limited (“PSIDCL”)
Other Public Shareholders	Public shareholders of the Company except the Acquirers & PACs
PACs	Collectively the PAC 1, PAC 2, PAC 3, PAC 4, PAC 5 and PAC 6
PAC 1	Mrs. Dayawati Dahiya
PAC 2	Mr. Mayank Ahlawat
PAC 3	Ms. Garima
PAC 4 / HACL	Himalaya Alkalies & Chemicals Limited

Particulars	Definition
PAC 5	Advance Chemicals
PAC 6 / TMPL	Tara Mercantile Private Limited

1. Offer Details

1.1 Size of the Offer: 7,056,607 fully paid up Equity Shares of face value Rs. 10/- each representing 26.00% of the total outstanding share capital and 26.03% of voting capital of the Target Company. The Acquirers and PACs do not intend to acquire partly paid up shares under the Offer. The Shareholders who are holding partly paid-up shares of the Target Company will have to make the partly paid-up shares as fully paid-up to become eligible to tender their shares in the Open Offer. The partly paid-up Shareholders have to contact the Target Company for knowing the amount outstanding and payable for making such shares fully paid up, including the interest payable, if any.

The Acquirers and PACs may propose to increase the Offer Size by increasing the number of Equity Shares proposed to be acquired or the Offer Price. If there is any upward revision in the Offer Size or the Offer Price at any time up to one (1) Working Day prior to commencement of the Tendering Period in terms of the SEBI SAST Regulations, the same would also be informed by way of an announcement in the same newspapers where the Detailed Public Statement will be published.

1.2 Offer Price / Consideration (in Rs.): The Offer Price of Rs. 39.10 (Rupees Thirty Nine and Paise Ten only) per Equity Share fully paid up is calculated in accordance with the Regulation 8(2) of the SEBI Regulations (“Offer Price”). The total funds required for implementation of the Offer (assuming full acceptance) for the acquisition of 7,056,607 fully paid up Equity Shares at Rs. 39.10 per Equity Share is Rs. 275,913,333.70 (Rupees Twenty Seven Crore Fifty Nine Lakhs Thirteen Thousand Three Hundred Thirty Three and Paise Seventy Only).

1.3 Mode of payment: The Offer Price is payable in “Cash” in accordance with Regulation 9(1)(a) of the SEBI SAST Regulations and the terms and conditions mentioned in this Public Announcement and to be set out in the Detailed Public Statement and Letter of Offer that are proposed to be issued in accordance with the SEBI SAST Regulations.

1.4 Type of Offer: This will be a “Mandatory Offer” under the Regulation 3(1) and 4 read with Regulation 13(2)(a) of the SEBI Regulations. The Offer is not a conditional offer subject to minimum level of acceptances.

2. Transaction which has triggered the Open Offer obligation (Underlying Transaction)

Till the date of this Public Announcement, the Acquirers and PACs has acquired 6,611,460 equity shares representing 24.36% of the equity share capital and 24.39% of the voting capital of the Target Company. On August 05, 2020, Acquirer 1, in its Board Meeting, has decided to place a Purchase Order (“PO”) of the same date with Eureka Stock & Share Broking Services Limited (the “Broker”) to acquire upto 500,000 Equity Shares representing 1.84% of the paid up Equity Share Capital and also 1.84% of the voting capital of the Target Company at a price not exceeding Rs. 39.10 (Rupees Thirty Nine and Paise Ten Only) per Equity Share. The said maximum 500,000 Equity Shares are proposed to be purchased on BSE on or before August 31, 2020.

Pursuant to the abovementioned intent of the Acquirers and PACs to purchase equity shares of the Target Company entitling the Acquirers and PACs to gain control over more than 25% of the paid up equity share capital and voting capital of the Target Company, this mandatory offer is being made by the Acquirers and PACs in compliance with Regulation 3(1) and 4 read with Regulation 13(2)(a) of the SEBI SAST Regulations.

Details of the underlying transaction:

Type of transaction (Direct / Indirect)	Mode of Transaction (Agreement / Allotment / Market Purchase)	Shares / voting rights acquired / proposed to be acquired		Total Consideration for shares / voting rights (VR) proposed to be acquired	Mode of payment (Cash / securities)	Regulation which has / will be triggered
		Number of equity shares	% vis-a-vis total equity / voting capital			
Direct	Market Purchase	Upto 500,000	1.84%	Upto Rs. 195.50 lakhs	Cash	Regulation 3(1) & 4

3. Details of the Acquirers and PACs

3.1 The details of the Acquirers are as under:

Details	Name of the Acquirers / PACs	Residential Address / Registered Office / Principal place of business	Names of persons in control / promoters	Name of the Group, if any, to which the Acquirers and the PACs belong to	Pre Transaction shareholding		Proposed shareholding after the acquisition of shares which triggered the Open Offer (excluding the shares tendered in the Open Offer)	
					Number of equity shares	%age of total voting capital *	Number of equity shares	%age of total voting capital *
Acquirer 1	Flowtech Industrial Projects Private Limited	315, PP Tower, Netaji Subhash Place, Pitampura, Delhi - 110 034	Sukhbir Singh Dahiya and Jagbir Singh Ahlawat	Nil	1,743,572	6.43	2,243,572	8.28
Acquirer 2	Flowtech Chemicals Private Limited	314, PP Tower, Netaji Subhash Place, Pitampura, Delhi - 110 034	Sukhbir Singh Dahiya and Jagbir Singh Ahlawat	Nil	-	-	-	-
Acquirer 3	Sukhbir Singh Dahiya	120, Vasundhra Apartment, Sector - 9, Rohini, New Delhi - 110 085	Not applicable	Nil	1,035,264	3.82	1,035,264	3.82
Acquirer 4	Jagbir Singh Ahlawat	C - 1/701, Sai Baba Apartment, Sector - 9, Rohini, New Delhi - 110 085	Not applicable	Nil	800,020	2.95	800,020	2.95

Details	Name of the Acquirers / PACs	Residential Address / Registered Office / Principal place of business	Names of persons in control / promoters	Name of the Group, if any, to which the Acquirers and the PACs belong to	Pre Transaction shareholding		Proposed shareholding after the acquisition of shares which triggered the Open Offer (excluding the shares tendered in the Open Offer)	
					Number of equity shares	%age of total voting capital *	Number of equity shares	%age of total voting capital *
Acquirer 5	Jatin Dahiya	120, Vasundhra Apartment, Sector - 9, Rohini, New Delhi - 110 085	Not applicable	Nil	-	-	-	-
Acquirer 6	Parerna Ahlawat	C - 1/701, Sai Baba Apartment, Sector - 9, Rohini, New Delhi - 110 085	Not applicable	Nil	740,063	2.73	740,063	2.73
PAC 1	Dayawati Dahiya	120, Vasundhra Apartment, Sector - 9, Rohini, New Delhi - 110 085	Not applicable	Nil	712,034	2.63	712,034	2.63
PAC 2	Mayank Ahlawat	C - 1/701, Sai Baba Apartment, Sector - 9, Rohini, New Delhi - 110 085	Not applicable	Nil	-	-	-	-
PAC 3	Garima	120, Vasundhra Apartment, Sector - 9, Rohini, New Delhi - 110 085	Not applicable	Nil	220,000	0.81	220,000	0.81
PAC 4	Himalaya Alkalies and Chemicals Limited	C - 1/701, Sai Baba Apartment, Sector - 9, Rohini, New Delhi - 110 085	Sukhbir Singh Dahiya and Jagbir Singh Ahlawat	Nil	520,878	1.92	520,878	1.92
PAC 5	Advance Chemicals	Khasra No. 268/1 and 268/2, Village Hamidpur, Delhi - 110 036	Jatin Dahiya and Mayank Ahlawat	Nil	392,032 #	1.45	392,032 #	1.45
PAC 6	Tara Mercantile Private Limited	314-315, PP Tower, Netaji Subhash Place, Pitampura, Delhi - 110 034	Sukhbir Singh Dahiya and Jagbir Singh Ahlawat	Nil	447,597	1.65	447,597	1.65
	Total →				6,611,460	24.39	7,111,460	26.24

* The Target Company has 72,152 partly paid up equity shares with paid up amount of Rs. 5 per share. Such partly paid up shares carry voting rights proportionate to the amount paid up on such shares vis-à-vis a fully paid up share which carries 1 voting right per share. The same is based on the Article 114(2) of the Articles of Association of the Target Company reads as under:

“Upon a poll the voting right of every member holding equity shares are entitled to vote and present in person (including a proxy of a corporation or a representative of a company present as aforesaid) or by a proxy shall be in the same proportion as the capital paid on the equity shares or share (whether fully paid or partly paid) held by him bears to the total paid up capital of the Company.

In this Public Announcement, we have calculated the voting rights in accordance with the above mentioned provision of Article 114(2) of the Articles of Association of the Target Company. However, the Target Company has considered NIL voting rights on the partly paid up shares while submitting its shareholding pattern on quarterly basis with the Stock Exchange.

Advance Chemicals is an unregistered partnership firm and the share owned by it are held in the name of Mayank Ahlawat, partner of Advance Chemicals.

3.2 Any other interest in the Target Company

The Acquirers and PACs, and entities controlled by them, have undertaken certain transactions with Target Company including purchase of liquid chlorine, rent for CL2 toners and hazardous material handling charges in the ordinary course of business at arms length. Further, Flowtech Chemicals Private Limited, has been allocated a land admeasuring 3 acres by the Target Company on lease to set up a Chlorinated Paraffin Plant within Target Company's plant complex. The said land was granted on lease commencing from June 16, 2012 for period of thirty years

3 Details of Selling Shareholder: Not applicable

4 Details of Target Company

Name	:	Punjab Alkalies and Chemicals Limited
CIN	:	L24119CH1975PLC003607
Registered Office	:	S. C. O. 125-127, Sector 17-B, Chandigarh - 160 017
Stock Exchange(s) where equity shares are listed	:	BSE Limited (Scrip code: 506852; Scrip ID: "PACL")

5 Other Details

5.1 The Present issued, subscribed and paid up equity capital of the Target Company is Rs. 271,047,200 comprising of 27,068,644 equity shares of face value Rs. 10 each fully paid up and 72,152 equity shares of paid up value Rs. 5 each. No fresh equity shares are proposed to be issued / allotted to the Acquirers and PACs during this Open Offer process.

However, the Target Company has 2,769,200 Fully convertible Debentures outstanding as on the date of this Public Announcement. The Target Company has made the following disclosure with BSE Limited on June 30, 2020 w.r.t. the FCDs issued by it:

"We would also like to inform you that the extension in existing tenure / redemption date of 27,69,200 Secured Fully Convertible Debentures of Rs. 100/- each issued to CDR Lenders from 01.07.2020 to 01.01.2021 is under process."

As per the terms of the FCDs, the same were to be converted into equity shares on July 01, 2020. Since the Target Company has not converted FCDs into equity shares and has also applied with FCD Holders to extend the conversion terms, including postponement of the date of conversion to January 01, 2021. If the same is approved by the lenders, the conversion of the FCDs are not expected prior to the tenth working day from the

closure of the tendering period under this Offer. Therefore the resulting equity shares to be issued, on a future date, have not been considered for calculation of the minimum offer size of 26%, as required under Regulation 7(1) of the SEBI SAST Regulations, for the purpose of this Offer.

Accordingly, for the purpose of voting rights, the voting capital has been calculated as under:

No. of shares / securities	Total number of shares / securities issued	Proportionate number of voting shares / voting capital	Voting rights (%)
Fully paid up equity shares of Rs. 10 each	27,068,644	27,068,644	99.87
Partly paid up equity shares with Rs. 5 each	72,152	36,076	0.13
Secured Fully Convertible Debentures of Rs. 100 each	2,769,200	-	-

- 5.2 A Detailed Public Statement containing other Offer related information will be published on or before August 12, 2020 in accordance with Regulation 14(3) of the SEBI Regulations. The DPS shall, inter alia, contain details of the Open Offer including detailed information on the Offer Price, the Acquirers, the PACs, the Target Company, the background to the Open Offer, the statutory approvals required for the Open Offer, details of financial arrangements, and other terms and conditions pertaining to the Open Offer.
- 5.3 The Acquirers and PACs undertakes that they are aware of and shall comply with all obligations under the SEBI SAST Regulations and have adequate financial resources to meet the Offer obligations.
- 5.4 The Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of the SEBI SAST Regulations. This Public Announcement is not being issued pursuant to a competing offer in terms of Regulation 20 of the SEBI SAST Regulations.
- 5.5 In terms of Regulation 7(6) of the SEBI SAST Regulations, except the Acquirers and PACs, all shareholders of the Target Company, including the Existing Promoters of the Target Company, can participate in the Offer.
- 5.6 Pursuant to the Offer, if the shareholding of the Acquirers & PACs exceeds beyond the shareholding of the Existing Promoter of the Target Company, i.e. Punjab State Industrial Development Corporation Limited, the Acquirers and PACs will become the single largest group of shareholders of the Target Company. Post becoming the single largest group of controlling shareholder, the Acquirers and PACs intend to re-classify themselves as either (i) Co-promoters of the Target Company along with the Existing Promoter, i.e. Punjab State Industrial Development Corporation Limited; or (ii) the Promoters of the Target Company. This reclassification of Acquirers and PACs as Co-promoters or Promoters will be in compliance with the provisions of Regulation 31A(5) of the SEBI LODR Regulations.

The Acquirers & PACs cannot comment on the status of Punjab State Industrial Development Corporation Limited continuing as Promoters of the Target Company post completion of the Offer. The said decision shall be solely taken by Punjab State Industrial Development Corporation Limited.

After the completion of this Open Offer, if the Existing Promoters of the Target Company continue to remain as Promoters, the public shareholding in the Target Company may fall below the minimum public shareholding requirement as per Rule 19(2) and 19A of the SCRR read with Regulation 38 of the SEBI (Listing Obligations and Disclosure Requirements), 2015.

The Acquirers & PACs have given an undertaking that if pursuant to this Open Offer, the public shareholding in the Target Company falls below 25% of the Voting Rights / paid up Equity Share Capital, due to reason mentioned in this Clause, it will facilitate the Target Company to raise the level of public shareholding to the level as specified for continuous listing under the Securities Contracts (Regulation) Rules, 1957 and in accordance with such directions as may be issued by the Stock Exchange on which the Equity Shares of the Target Company are listed within a period of twelve (12) months from the date of completion of Open Offer. In terms of Regulation 7(5) of the SEBI SAST Regulations, the Acquirers and PACs has further undertaken that if the shareholding of the Promoter and Promoter Group (including Acquirers & PACs) is more than 75% of the Voting Rights / paid up Equity Share Capital of the Target Company pursuant to the present Offer, it will not make any voluntary delisting offer under the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, unless a period of twelve months has elapsed from the date of the completion of the Offer Period.

Further, the compliance with respect to the minimum public shareholding shall be undertaken by the Acquirers & PACs, individually or collectively, in such manner and timelines as prescribed under applicable law.

- 5.7 All the information pertaining to the Target Company contained in this Public Announcement has been obtained from publicly available sources, and the accuracy thereof has not been independently verified by the Manager to the Open Offer.
- 5.8 The Acquirers, the PACs and the respective directors and partners of the Acquirers and PACs which are non-individual entities accept full responsibility for the information contained in this Public Announcement and undertake that they are aware of and will comply with the obligations under the SEBI SAST Regulations.

Issued by Manager to the Offer on behalf of the Acquirers and PACs:



Sundae Capital Advisors Private Limited

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Website: www.sundaecapital.com

Contact Person: NitiN Somani / Anchal Lohia

for and on behalf of Acquirers and PACs

<i>Signed by Sukhbir Singh Dahiya for himself and also on behalf of Dayawati Dahiya, Garima, Flowtech Industrial Projects Private Limited, Flowtech Chemicals Private Limited, Himalaya Alkalies and Chemicals Limited and Tara Mercantile Private Limited</i>	<i>Signed by Jagbir Singh Ahlawat for himself and also on behalf of Parerna Ahlawat and Mayank Ahlawat</i>	<i>Signed by Jatin Dahiya for himself and also on behalf of Advance Chemicals</i>
<i>Sukhbir Singh Dahiya</i>	<i>Jagbir Singh Ahlawat</i>	<i>Jatin Dahiya</i>

Place: New Delhi

Date: August 05, 2020