

**Sundae Capital Advisors Private Limited**  
CIN: U65990DL2016PTC308412

September 16, 2020

**BSE 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 made an open offer to acquire 9,200,000 equity shares of the Target company at a price of Rs. 45.00/-.

In terms of Regulation 18(7) of the SEBI SAST Regulations, the Acquirers and the PACs have issued an Offer Opening Advertisement published on September 16, 2020 in the following newspapers:

Publication	Language	Edition/s
Business Standard	Hindi	All Editions
Business Standard	English	All Editions
Rozana Spokesman	Punjabi	Chandigarh edition
Mumbai Lakshadeep	Marathi	Mumbai Edition

Please find enclosed the copy of offer opening advertisement for your records.

Thanking You.

Yours Sincerely  
For Sundae Capital Advisors Private Limited

  
**Anchal Lohia**  
Senior Manager



ADVERTISEMENT IN ACCORDANCE WITH REGULATION 18(7) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND CORRIGENDUM TO THE DETAILED PUBLIC STATEMENT AND LETTER OF OFFER WITH RESPECT TO THE OPEN OFFER TO THE SHAREHOLDERS OF

# Punjab Alkalies and Chemicals Limited

CIN: L24119CH1975PLC003607

Registered Office: S. C. O. 125-127, Sector 17-B, Chandigarh - 160 017

Tel. No.: +91 172 407 2543/407 2546, Website: [www.punjabalkalies.com](http://www.punjabalkalies.com)

**Open Offer for acquisition of upto 9,200,000 fully paid up equity shares of face value Rs. 10/- each of Punjab Alkalies and Chemicals Limited (the "Target Company") representing 33.90% of the total issued Share capital and 33.94% of voting capital of the Target Company from the Eligible Shareholders (as defined below) by 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") (collectively known as "PACs") pursuant to and in compliance with the requirements of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time ("SEBI SAST Regulations") (the "Open Offer" / "Offer").**

This advertisement is being issued by Sundae Capital Advisors Private Limited ("Manager to the Offer"), for and on behalf of the Acquirers and PACs, pursuant to and in accordance with Regulation 18(7) of the SEBI SAST Regulations in respect of the Offer ("Offer Opening Public Announcement").

This Offer Opening Public Announcement should be read in continuation of and in conjunction with:

- the public announcement in connection with the Offer, made by the Managers to the Offer on behalf of the Acquirers and PACs to BSE on August 05, 2020 and corrigendum to Public Announcement dated August 07, 2020 ("Public Announcement");
- the detailed public statement in connection with the Offer, published on August 11, 2020 in the following newspapers:
  - Business Standard (English - all editions);
  - Business Standard (Hindi - all editions);
  - Rozana Spokesman (Punjabi - Chandigarh Edition) and
  - Mumbai Lakshadeep (Marathi - Mumbai Edition) ("Detailed Public Statement");
- the letter of offer dated September 04, 2020 in connection with the Offer ("Letter of Offer"); and
- the corrigendum to the Public Announcement, Detailed Public Statement and the Letter of Offer published on September 15, 2020 in the following newspapers:
  - Business Standard (English - all editions);
  - Business Standard (Hindi - all editions);
  - Rozana Spokesman (Punjabi - Chandigarh Edition) and
  - Mumbai Lakshadeep (Marathi - Mumbai Edition) ("Corrigendum").

For the purpose of this Offer Opening Public Announcement:

- "Identified Date" means September 03, 2020, being the date falling on the 10th (Tenth) Working Day prior to the commencement of the Tendering Period; and
- "Tendering Period" means the following period: Thursday, September 17, 2020 to Wednesday, September 30, 2020 (both days inclusive).

Capitalised terms used but not defined in this Offer Opening Public Announcement cum Corrigendum shall have the meaning assigned to such terms in the Letter of Offer and the Corrigendum.

- This Offer is being made under Regulations 3(1) and 4 of the SEBI SAST Regulations to the Eligible Shareholders of the Target Company.

In terms of Regulation 18(4) and Regulation 18(5) of the SEBI SAST Regulations, the Acquirers and the PACs have decided to revise the Offer Price upwards from Rs. 39.10 (Rupees Thirty Nine and Paise Ten only) per Equity Share to Rs. 45.00 (Rupees Forty Five only) per Equity Share ("Revised Offer Price").

Further, the Acquirers and the PACs have also revised the Number of Shares upwards from 7,056,607 Equity Shares, representing 26.00% of the total issued Share capital and 26.03% of voting capital of the Target Company to 9,200,000 (Ninety Two Lakh) Equity Shares ("Revised Offer Shares"), representing 33.90% of the total issued Share capital and 33.94% of voting capital of the Target Company ("Revised Offer Size").

Based on the Revised Offer Size and Revised Offer Price, the maximum consideration payable under this Offer (assuming full acceptance) at the Revised Offer Price of Rs. 45 (Rupees Forty Five only) per Equity Share will be Rs. 414,000,000 (Rupees Forty One Crore Forty Lakhs only) i.e. the consideration payable for the acquisition of 9,200,000 Equity Shares at the Revised Offer Price ("Revised Maximum Consideration").

The term "Offer Price", "Offer Shares", "Offer Size" and "Maximum Consideration" in the Public Announcement, Detailed Public Statement and Letter of Offer should accordingly be read to mean the "Revised Offer Price", "Revised Offer Shares", "Revised Offer Size" and "Revised Maximum Consideration" respectively.

- Recommendations of the Committee of Independent Directors of the Target Company: The Committee of Independent Directors of the Target Company ("IDC") published its recommendation on the Offer on September 15, 2020 in the same newspapers where the Detailed Public Statement was published. The relevant extract of the recommendation of the IDC is given below:

Members of the Committee of Independent Directors (Please indicate the chairperson of the Committee separately)	Dr. A. K. Kundra, IAS (Retd.), Chairman, Shri G. S. Sandhu, IAS (Retd.), Member, Shri D. C. Mehandru, Member, Shri J. S. Mann, Member
Recommendation on the Open Offer, as to whether the offer is fair and reasonable	The open offer price at Rs. 39.10 per equity share by M/s Flowtech Industrial Projects Private Limited along with Other Acquirers and PACs is in line with the provisions of Regulation 8(2) of the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 and to that extent is fair and reasonable. However, the Shareholders should independently evaluate the offer and take informed decision while keeping in mind the following facts: <ol style="list-style-type: none"> <li>After their public announcement on 5th August, 2020, the shares of PACL have traded at a price higher than the offer price.</li> <li>The price of Rs. 39.10 has been determined on the basis of highest price paid by Acquirers during the previous 26 weeks immediately preceding the date of public announcement which coincides with the general decline in business on account of COVID-19. Similarly, the volume weighted average market price of Rs. 33.72 for a period of sixty trading days immediately preceding the date of public announcement as per under Regulation 8(2) of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 also coincides with the general decline of business on account of COVID-19.</li> </ol>

Summary of reasons for recommendation (IDC may also invite attention to any other place, e.g. company's website, where its detailed recommendations along with written advice of the independent adviser, if any can be seen by the shareholder)

IDC of the Punjab Alkalies & Chemicals Limited has reviewed the following documents as issued by the Acquirer in connection with the Open Offer:

- The Public Announcement in connection with the Open Offer dated 05.08.2020.
- The Detailed Public Statement published on 11.08.2020.
- Letter of Offer dated 04.09.2020.

The IDC noted that the shares of the Company are frequently traded within the meaning and definition of 'frequently traded shares' under clause (j) of sub-regulation (1) of Regulation 2 of the SEBI (SAST) Regulations, 2011.

IDC had sought external advice from Corporate Professionals Capital Private Limited, a SEBI Registered Merchant Banker and has taken into consideration their opinion while making our recommendation. The Independent External Professional Advisor vide its report dated 11.09.2020 have expressed the opinion that Open Offer price of Rs.39.10 per equity share offered to the shareholders of Company is in compliance with Regulation 8(2) of the SEBI (SAST) Regulation, 2011.

Based on the afore-stated reasons and considerations, the IDC is of the opinion that the offer price of Rs.39.10 per share offered by the Acquirer to the public shareholders of the Punjab Alkalies & Chemicals Limited is fair and reasonable in terms of SEBI (SAST) Regulations, 2011. However, the shareholders should independently evaluate the offer and make informed decision.

Details of Independent Advisors, if any. Corporate Professionals Capital Private Limited, Category I Merchant Banker

- This is not a competing offer in terms of Regulation 20 of the SEBI SAST Regulations. Further, there has been no competing offer as on the date of the Letter of Offer. The last date for making such competing offer was September 01, 2020, as prescribed under Regulation 20 of the SEBI SAST Regulations.

- The dispatch of the Letter of Offer to the Eligible Shareholders of the Target Company holding Equity Shares on the Identified Date i.e. Thursday, September 03, 2020 has been completed by September 10, 2020 through electronic mode to the shareholders whose e-mail ids are available with the Target Company and through speed post / registered post at the address registered in India for all the remaining shareholders. The Acquirers and PACs are adhering to the existing prescribed framework of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 for dispatch of Letter of Offer and have not taken any relaxation given by Securities and Exchange Board of India vide SEBI circular No. SEBI/CIR/CFD/DCR-1/CIR/P/2020/83 dated May 14, 2020 on "Relaxations relating to procedural matters – Takeovers and Buy-back.

- The Letter of Offer and the Form of Acceptance-cum-Acknowledgement is also available on the website of SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)), the Registrar to the Offer ([www.www.beetalfinancial.com](http://www.www.beetalfinancial.com)), the Manager to the Offer ([www.sundaecapital.com](http://www.sundaecapital.com)) and BSE ([www.bseindia.com](http://www.bseindia.com)). In case of non-receipt of the Letter of Offer, the Eligible Shareholders, including those who have acquired Equity Shares after the Identified Date, if they so desire, may download the Letter of Offer or the Form of Acceptance-cum-Acknowledgement from the websites indicated above.

- Instruction to Eligible Shareholders

All the Eligible Shareholders of the Target Company, holding shares in physical and dematerialized form, registered or unregistered are eligible to participate in this Open Offer at any time during the period from Offer Opening Date to Offer Closing Date ("Tendering Period") for this Open Offer:

- In case the Shares are held in Dematerialised Form: The Eligible Shareholders who are holding Equity Shares in dematerialised form and who desire to tender their Equity Shares in this Offer shall approach their respective Selling Broker indicating to their Selling Broker the details of Equity Shares that such Eligible Shareholder intends to tender in this Offer as per the procedure specified in Clause 8.10 (page 44-45) of the Letter of Offer.

- In case the Shares are held in Physical Form: Eligible Shareholders holding Equity Shares in physical form may participate in the Open Offer through their respective Selling Broker by providing the relevant information and documents as mentioned in Clause 8.11 (page 45-46) of the Letter of Offer.

- In case of non receipt of the Letter of Offer: The Eligible Shareholder may tender Equity Shares under the Offer in terms of the procedure specified in Clause 8.12 (page 46-47) of the Letter of Offer.

**Eligible Shareholders have to ensure that their order is entered in the electronic platform of the Designated Stock Exchange, i.e. BSE, which will be made available by BSE, before the closure of the Tendering Period.**

Further, Eligible Shareholders are required to refer to Cause 8 of the Letter of Offer ("Procedure for Acceptance and Settlement") in relation to the detailed procedure for tendering their Equity Shares in the Offer and are required to adhere to and follow the procedure outlined therein.

- In terms of Regulation 16(1) of the SEBI SAST Regulations, the draft Letter of Offer was submitted to SEBI on August 11, 2020 ("Draft Letter of Offer"). SEBI, vide its letter no. SEBI/HO/CFD/DCR-2/OW/P/2020/14092/1 dated September 01, 2020, issued its comments on the Draft Letter of Offer.

- Details regarding the status of the statutory and other approvals

As on the date of this Letter of Offer, to the best knowledge of the Acquirers and the PACs, there are no statutory approvals required by the Acquirers and / or the PACs, to complete the Underlying Transaction and this Open Offer. However, in case of any further statutory approvals being required by the Acquirers and / or the PACs, at a later date, this Open Offer shall be subject to such approvals and the Acquirers and / or the PACs shall make the necessary applications for such approvals

- There is no change in the Schedule of Activities mentioned under the Detailed Public Statement and the Letter of Offer. The Schedule of Activities under the Offer is as under:

Nature of Activity	Date	Day
Date of the Public Announcement	August 05, 2020	Wednesday
Date of publication of the Detailed Public Statement	August 11, 2020	Tuesday
Date for filing of Draft Letter of Offer with SEBI	August 11, 2020	Tuesday
Last date of a competing offer	September 01, 2020	Tuesday
Latest date by which SEBI's observations will be received	September 01, 2020	Tuesday
Identified Date*	September 03, 2020	Thursday
Last date by which the Letter of Offer will be dispatched to the Other Public Shareholders and Existing Promoter of the Target Company as on the identified date	September 10, 2020	Thursday
Last Date for revising the Offer Price / Offer Size	September 15, 2020	Tuesday

Nature of Activity	Date	Day
Last date by which the recommendations of the Committee of Independent Directors of the Target Company will be given and published	September 15, 2020	Tuesday
Date of publication of Public Announcement for Opening the Offer	September 16, 2020	Wednesday
Date of Commencement of the Tendering Period (Offer Opening Date)	September 17, 2020	Thursday
Date of Closing of the Tendering Period (Offer Closing Date)	September 30, 2020	Wednesday
Last date for communicating Rejection / Acceptance and Payment of consideration for accepted equity shares / credit of unaccepted shares	October 15, 2020	Thursday
Last date for issue of post-offer advertisement	October 22, 2020	Thursday

\* Identified Date is only for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer will be sent. It is clarified that all the Other Public Shareholders and the Existing Promoter of the Target Company are eligible to participate in this Offer any time during the tendering period of the Offer.

**Note:**

- Where last dates are mentioned for certain activities, such activities may happen on or before the respective last dates.
- All dates are subject to change and depend on obtaining the requisite statutory and regulatory approvals, as may be applicable. Changes to the proposed timetable, if any, will be notified to the Other Public Shareholders and Existing Promoter of the Target Company by way of corrigendum in all the newspaper in which the Detailed Public Statement has appeared.

## 10. Material updates in relation to the Offer

The Government of Punjab through Punjab State Industrial Development Corporation Limited, the Existing Promoter, has issued an advertisement alongwith Preliminary Information Memorandum and Global 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. 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.

The Acquirers and PACs on September 12, 2020, had written a letter to the advisor to the Directorate of Public Enterprises & Disinvestment, Government of Punjab, for the proposed disinvestment of the Equity Shares held by Punjab State Industrial Development Corporation Limited ("PSIDCL" / "Existing Promoter of the Target Company") in the Target Company. The Acquirers and PACs had proposed, subject to the receipt of confirmation from PSIDCL / Directorate of Public Enterprises & Disinvestment / Government of Punjab that they will tender the equity shares held by them in the Target Company under the Open Offer in terms of the above mentioned Letter of Offer dated September 04, 2020, to increase the Offer Size and Offer Price. Further, the Acquirers and PACs have also given an undertaking stating as under:

*"In case our bid is considered and accepted by the Directorate of Public Enterprises & Disinvestment, Government of Punjab as valid and your good office decides to tender the said 9,090,000 equity shares under the Open Offer, we hereby give this binding and irrevocable undertaking to the Directorate of Public Enterprises & Disinvestment, Government of Punjab that if the entire 9,090,000 equity shares of PACL held by PSIDCL are not fully acquired by us under the Open Offer, for whatsoever reason, we will acquire the remaining equity shares held by PSIDCL in PACL after the Open Offer, in one or more tranches (subject to 5% creeping acquisition limit during any one financial year under the SEBI SAST Regulations), within 12 months of completion of the Open Offer at the Offer Price / Revised Offer Price, if any, on which the shares are acquired under the Open Offer.*

*In case we are not able to acquire the remaining equity shares within the above specified period, PSIDCL shall have a right to recover a penalty of upto Rs. 5 cr (Rupees Five crore only) from the Acquirers after completion of 12 months for breach of the undertaking for acquisition of remaining shares. The said penalty is only with respect to the remaining shares not acquired under the Open Offer."*

Thereafter, the Acquirers and PACs have *suo moto* increased the Offer Size and Offer Price, Corrigendum for which was published in newspapers on September 15, 2020. Accordingly, the Eligible Shareholders of the Target Company are requested to take note of the same and also the changes / amendments given in the Corrigendum.

## 11. Other Information:

- The Acquirers and the PACs including their respective directors and / or partners accept full responsibility for the information contained in the Offer Opening Public Announcement and shall be jointly and severally responsible for the fulfillment of their obligations laid down in the SEBI SAST Regulations in respect of the Open Offer.

- The Offer Opening Public Announcement is expected to be available on the SEBI website ([www.sebi.gov.in](http://www.sebi.gov.in)).

**ISSUED FOR AND ON BEHALF OF THE ACQUIRERS AND PACS BY THE MANAGER TO THE OFFER**

	<b>Sundae Capital Advisors Private Limited</b> SEBI Regn. No.: INM000012494 3rd Floor, C - 11 Community Centre, Janak Puri, New Delhi - 110 058, Tel.: +91 11 4914 9740 E-mail: <a href="mailto:pacl.openoffer@sundaecapital.com">pacl.openoffer@sundaecapital.com</a> , Investor Grievance e-mail id: <a href="mailto:grievances.mb@sundaecapital.com">grievances.mb@sundaecapital.com</a> Website: <a href="http://www.sundaecapital.com">www.sundaecapital.com</a> Contact Person: Nitin Somani / Anchal Lohia	

**for and on behalf of Acquirers and PACs**

<b>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</b>	<b>Signed by Jagbir Singh Ahlawat for himself and also on behalf of Parerna Ahlawat and Mayank Ahlawat</b>	<b>Signed by Jatin Dahiya for himself and also on behalf of Advance Chemicals</b>
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<b>Sd/- Sukhbir Singh Dahiya</b>	<b>Sd/- Jagbir Singh Ahlawat</b>	<b>Sd/- Jatin Dahiya</b>
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**Place: New Delhi**

**Date: September 15, 2020**